

MIDDLESEX COUNTY IMPROVEMENT AUTHORITY

AGENDA

Wednesday, July 11, 2018 6:00 PM

Middlesex County Improvement Authority Office

101 Interchange Plaza, Second Floor

Cranbury (South Brunswick), N.J.

1. SALUTE TO FLAG/CALL TO ORDER

A Moment of Silence was conducted in honor of Mr. Brennan and Mr. Learner. The Chairman expressed his condolences to the friends and family of these two great employees.

2. ROLL CALL OF OFFICERS:

A roll call of the members was conducted by Anne Rowan, Esq.

James P. Nolan	Present
Anthony Raczynski	Present
Paul Abbey	Present
Christine D'Agostino	Present
Jay Jimenez	Absent

OTHERS PRESENT: Authority General Counsel—Anne Rowan, Esq., Executive Director – James Polos, Freeholder Deputy Director and MCIA Liaison – Charles E. Tomaro, Chief Financial Officer – Lory Cattano, Recycling Director – Paul Maticera

3. SUNSHINE LAW STATEMENT – Anne Rowan, Esq. read the following statement into the record, “This meeting today conforms with Chapter 231, P.L. 1975 called the ‘Open Public Meeting Act’ and as per the requirements of the statute, notification of the meeting was published in the Star Ledger and Home News Tribune and filed with the Clerk of Middlesex County.”

4. CORRESPONDENCE:

Chairman Nolan reviewed and remarked about the successful amount of services commenced by MCFOODS. The total amount of donations received was 141,354 pounds. Notable Product Contributions were made by the Community Food Bank of New Jersey; Keefe Warehouse, Edison; NORWESCAP Food Bank, Phillipsburg; Farmers Against Hunger; PSS Distribution; Tyler Distribution; and Trucker.

5. COMMITTEE REPORTS:

a) Financial Report – No Board Comment

b) Recycling Report • Paul Maticera spoke to new communication techniques to eliminate missed stops and further highlighted the statistics which are the following: •The Drop Off Center received 1,929.88 tons of recycling. • Yard Waste totals were the following amounts measured in tons: Leaves – 716; Brush—575.95; Grass—1,057.55.

c) Golf Report • Executive Director Jim Polos explained the rates are over last year's numbers and the Golf Courses ha a two-month trend increase from 2010.

d) Finance Report- No Board Comment

6. OLD BUSINESS: No old business.

7. NEW BUSINESS: No new business.

8. DISCUSSION OF RESOLUTIONS: Ms. Anne Rowan, Esq. explained the following resolutions--

8(a) Authorizing Amendment of Contract Expiration Date for a New Jersey Hospital Association Vendor (KCI USA and McKesson Medical Surgical Supply)

8(b) Authorizing Change Order #1 to Contract for Scope of Work at Tamarack Golf Course (Retrofit the Tamarack Maintenance Shop)

8(c) Authorizing Amendment of the Expiration Date for a Certain New Jersey Contract Vendor (W.W. Grainger)

8(d) Authorizing Amendment to Contracts for Educational Services Commission of New Jersey Vendors (W.B Mason Office Supplies, W.B Mason Office Supplies, CDWG)

8(e) Authorizing Amendment for Contract Certification of Funds for an Approved NJHA Vendor (Arjo)

8(f) Authorizing Amendments to Contract Certification of Funds for Educational Services Commission of New Jersey Vendor (BioShine)

8(g) Certifying Review of 2017 Annual Audit (Conduct by Andrew Hodulik of Hodulik & Morrison, CPA's)

8(h) Authorizing a Custodian to the Petty Cash Fund for Tamarack Golf Course (New Hire, Kevin Figa)

8(i) Authorizing Contract for Wound Care Supplies for Roosevelt Care Center Facilities (Advanced Tissue, LLC)

8(j) Authorizing Contract for Wound Care Services for Roosevelt Care Center Facilities (Advantage Surgical and Wound Care)

8(k) Awarding Contracts for Ambulance Transportation Services at Roosevelt Care Center Facilities (Alert Ambulance Services, Inc. and On Time Transport)

8(l) Authorizing An Emergency Water Line Repair at the Meadows at Middlesex Golf Course (Magic Touch Construction, Co.)

8(m) Authorizing Actions and Documents Necessary in Connection with the Issuance of the Authority's Proposed Note to Exceed \$10,000,000 Aggregate Principal Amount of County Guaranteed Capital Equipment and Improvement Revenue Bonds, Series 2018

8(n) Resolution of the Middlesex County Improvement Authority Authorizing the Issuance of County-Guaranteed Capital Equipment and Improvement Revenue Bonds

8(o) Approving Affiliation Agreement with Monmouth University for Training Program at Roosevelt Care Center Facilities

8(p) Approving Affiliation Agreement with Seton Hall University to Provide Clinical and Educational Experiences at Roosevelt care Center Facilities

8(q) **Authorizing** Award of Respiratory Services Contract for Roosevelt Care Center Facilities (New Jersey Respiratory Associates, Inc.)

8(r) Authorizing to Award a One Year Contract for Yard Waste Recycling and Marketing Services (Nature's Choice)

8(s) Authorizing Agreement with the County of Middlesex for Yard Waste Recycling Services

8(t) Authorizing Amendment to Award Health Benefits Coverage to Retirees with 15 Years of Service (in compliance with the Middlesex County Joint Insurance Fund)

8(u) Authorizing Change Order #1 to the Procurement of the Recycling Containers from the Educational Services Commission of New Jersey (TMF Corporation)

9. APPROVAL OF MINUTES

A. Minutes of the Agenda Session and Regular Meeting of June 13, 2018

MOTION: Upon motion duly made by Anthony Raczynski seconded by Paul Abbey and unanimously passed by the voting members, the meeting minutes were approved.

10. PUBLIC COMMENTS ON RESOLUTIONS: None.

MOTION: There were no public comments on the resolutions. Portion was closed by a motion made by Anthony Raczynski and Seconded by Paul Abbey. All members in favor.

11. APPROVAL OF RESOLUTIONS:

MOTION: There was a motion on the consent agenda made by Anthony Raczynski and seconded by Paul Abbey. Approved by all members. The following resolutions were adopted.

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Agenda 8(a)

**RESOLUTION OF THE
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING AMENDMENT OF CONTRACT EXPIRATION DATES FOR
APPROVED NJHA VENDORS**

WHEREAS, a regular meeting of the Middlesex County Improvement Authority (the “Authority”) was held on July 11, 2018; and

WHEREAS, pursuant to N.J.S.A. 40:37A-55(t), the Authority is empowered to enter into any and all agreements or contracts, execute any and all instruments, and do and perform any and all acts and things necessary, convenient or desirable for the purposes of the Authority, subject to the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.; and

WHEREAS, pursuant to N.J.S.A 30:9-87, county-operated long-term care facilities licensed by the State of New Jersey Department of Health and Senior Services are permitted to purchase any material, supply or service through a private non-profit hospital association notwithstanding the provisions of the Local Public Contracts Law; and

WHEREAS, by Resolution #18-30 duly adopted by the Authority on February 14, 2018, the Authority authorized purchases from the New Jersey Hospital Association (NJHA) Vendor List; and

WHEREAS, the Authority would like to approve an amendment to the NJHA Vendor List in accordance with this Resolution.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

1. The Authority hereby approves the amendment to the NJHA Vendor List as follows:

KCI USA	Contract #MS0490	Expires 9/30/2018
McKesson Medical Surgical Supply	Contract #ND60012	Expires 6/30/2021

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
James P. Nolan	X			
Anthony Raczynski	X			
Paul Abbey	X			
Christine D'Agostino	X			
Jose Jimenez				X

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Agenda 8(b)

**RESOLUTION OF THE
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING CHANGE ORDER #1 TO CONTRACT FOR SCOPE OF WORK AT
TAMARACK GOLF COURSE**

WHEREAS, a regular meeting of the Middlesex County Improvement Authority (the “Authority”) was held on July 11, 2018; and

WHEREAS, pursuant to N.J.S.A. 40:37A-54(h), the Authority is empowered to improve, further and promote the tourist industries and recreational attractiveness of the County through the

planning, acquisition, construction, improvement, maintenance and operation of facilities for the recreation and entertainment of the public; and

WHEREAS, in furtherance of this power, the Authority operates Tamarack Golf Course (collectively, the "Golf Course"); and

WHEREAS, pursuant to N.J.S.A. 40:37A-55(t), a county improvement authority is empowered to enter into any and all contracts, execute any and all instruments and do and perform any and all acts or things necessary, convenient or desirable for the purposes of the Authority or to carry out any power given in the County Improvement Authorities Law, N.J.S.A. 40:37A-44, et seq., subject to the "Local Public Contracts Law," N.J.S.A. 40A:11-1 et seq.; and

WHEREAS, by Resolution # 18-38 duly adopted by the Authority on February, 14 2018, the Authority approved entering into New Jersey Clean Energy program to participate in the energy retro-fitting program in order to achieve improved energy cost savings to its facilities pursuant to N.J.S.A. 40A:11-4.6 et seq.; and

WHEREAS, Resolution #18-38 approved the original cost to retrofit Tamarack Maintenance Shop was \$6,277.82.; and

WHEREAS, a change order to the contract is due to the increase of cost to be \$7,135.14 because additional lighting work is required; and

WHEREAS, the Authority would like to approve change order #1 to allow the Authority's responsibility of cost to change from \$2,690.50 to \$3,057.92.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

1. The Authority hereby approves change order #1 the New Jersey Clean Energy program agreement in an amount not to exceed \$3,057.92.

2. The Certifying Finance Officer has certified that the additional funds are available from the funds of the Authority and the Certifying Finance Officer is hereby authorized to amend the certifications to reflect the above increases.

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
James P. Nolan	X			
Anthony Raczynski	X			
Paul Abbey	X			
Christine D'Agostino	X			
Jose Jimenez				X

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Agenda 8(c)

**RESOLUTION OF THE
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING AMENDMENT OF THE EXPIRATION DATE FOR A CERTAIN
NEW JERSEY STATE CONTRACT VENDOR**

WHEREAS, a regular meeting of the Middlesex County Improvement Authority (the “Authority”) was held on July 11, 2018; and

WHEREAS, pursuant to N.J.S.A. 40:37A-55(t), the Authority is empowered to enter into any and all agreements or contracts, execute any and all instruments, and do and perform any and all acts and things necessary, convenient or desirable for the purposes of the Authority, subject to the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.; and

WHEREAS, the Authority is permitted to procure items without publicly advertising for bids through the New Jersey State Contract vendors; and

WHEREAS, by Resolution #18-28 duly adopted by the Authority on February 14, 2018, the Authority authorized purchases through state approved vendor list for Roosevelt Care Center Facilities; and

WHEREAS, the Authority would like to authorize an amendment to the expiration date of the contracts approved for one (1) vendor to reflect an amendment to the expiration dates of the contracts in accordance with this Resolution.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

1. The Authority hereby authorizes amendment to the expiration date for the following vendor:

W.W Grainger

Contract #79875

Expires 9/30/2018

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
James P. Nolan	X			
Anthony Raczynski	X			
Paul Abbey	X			
Christine D'Agostino	X			
Jose Jimenez				X

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Agenda 8(d)

**RESOLUTION OF THE
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING AMENDMENTS TO CONTRACTS FOR EDUCATIONAL SERVICES
COMMISSION OF NEW JERSEY VENDORS**

WHEREAS, a regular meeting of the Middlesex County Improvement Authority (the “Authority”) was held on July 11, 2018; and

WHEREAS, pursuant to N.J.S.A. 40:37A-55(t), the Authority is empowered to enter into any and all agreements or contracts, execute any and all instruments, and do and perform any and all acts and things necessary, convenient or desirable for the purposes of the Authority, subject to the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.; and

WHEREAS, pursuant to N.J.S.A. 40A:11-11(5), two or more contracting units may establish a Cooperative Pricing System for the provision and performance of goods and services and enter into a cooperative pricing agreement for its administration; and

WHEREAS, by Resolution #18-29 duly adopted by the Authority on February 14, 2018, the Authority authorized purchases from the Educational Services Commission of New Jersey Cooperative Pricing System (the “System”); and

WHEREAS, the Authority would like to approve amendments to the expiration date for an Educational Services Commission of New Jersey cooperative purchasing vendor contract approved pursuant to Resolution #18-29 in accordance with this Resolution.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

1. The Authority hereby approves amendment to the contract through the System as follows:

WB Mason Office Supplies	Contract #18/19-02	Expires	6/30/2020
WB Mason Office Supplies	Contract #18/19-01	Expires	6/30/2020
CDWG	Contract #18/19-03	Expires	6/30/2002

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
James P. Nolan	X			
Anthony Raczynski	X			
Paul Abbey	X			
Christine D'Agostino	X			
Jose Jimenez				X

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Agenda 8(e)

**RESOLUTION OF THE
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING AMENDMENT OF CONTRACT CERTIFICATION OF FUNDS
FOR AN APPROVED NJHA VENDOR**

WHEREAS, a regular meeting of the Middlesex County Improvement Authority (the “Authority”) was held on July 11, 2018; and

WHEREAS, pursuant to N.J.S.A. 40:37A-55(t), the Authority is empowered to enter into any and all agreements or contracts, execute any and all instruments, and do and perform any and all acts and things necessary, convenient or desirable for the purposes of the Authority, subject to the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.; and

WHEREAS, pursuant to N.J.S.A 30:9-87, county-operated long-term care facilities licensed by the State of New Jersey Department of Health and Senior Services are permitted to purchase any material, supply or service through a private non-profit hospital association notwithstanding the provisions of the Local Public Contracts Law; and

WHEREAS, by Resolution #18-30 duly adopted by the Authority on February 14, 2018, the Authority authorized purchases from the New Jersey Hospital Association (NJHA) Vendor List; and

WHEREAS, the Authority would like to approve an amendment to the NJHA Vendor List in accordance with this Resolution.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

1. The Authority hereby approves the amendment to the NJHA Vendor List as follows:

Arjo Contract #CE2911 Expires 2/28/2019 Not to Exceed \$7,500.00

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
James P. Nolan	X			
Anthony Raczynski	X			
Paul Abbey	X			
Christine D'Agostino	X			
Jose Jimenez				X

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Agenda 8(f)

**RESOLUTION OF THE
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING AMENDMENTS TO CONTRACT CERTIFICATION OF FUNDS FOR
EDUCATIONAL SERVICES COMMISSION OF NEW JERSEY VENDOR**

WHEREAS, a regular meeting of the Middlesex County Improvement Authority (the “Authority”) was held on July 11, 2018; and

WHEREAS, pursuant to N.J.S.A. 40:37A-55(t), the Authority is empowered to enter into any and all agreements or contracts, execute any and all instruments, and do and perform any and all acts and things necessary, convenient or desirable for the purposes of the Authority, subject to the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.; and

WHEREAS, pursuant to N.J.S.A. 40A:11-11(5), two or more contracting units may establish a Cooperative Pricing System for the provision and performance of goods and services and enter into a cooperative pricing agreement for its administration; and

WHEREAS, by Resolution #18-29 duly adopted by the Authority on February 14, 2018, the Authority authorized purchases from the Educational Services Commission of New Jersey Cooperative Pricing System (the “System”); and

WHEREAS, the Authority would like to approve amendments to the expiration date for an Educational Services Commission of New Jersey cooperative purchasing vendor contract approved pursuant to Resolution #18-29 in accordance with this Resolution.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

1. The Authority hereby approves amendment to the contract through the System as follows:

BioShine	Contract #17/18-47 T0900	Not to Exceed: \$8,000.00		
<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
James P. Nolan	X			
Anthony Raczynski	X			
Paul Abbey	X			
Christine D’Agostino	X			
Jose Jimenez				X

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Agenda 8(g)

**RESOLUTION OF THE
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
CERTIFYING REVIEW OF
2017 ANNUAL AUDIT**

WHEREAS, a regular meeting of the Middlesex County Improvement Authority (the "Authority") was held on July 11, 2018; and

WHEREAS, N.J.S.A. 40A:5A-15 requires the governing body of each local authority to cause an annual audit of its accounts to be made; and

WHEREAS, the annual audit report for the fiscal year ended 2017 has been completed by Andrew Hodulik of Hodulik & Morrison, CPA’s and filed with the Authority pursuant to N.J.S.A. 40A:5A-15; and

WHEREAS, N.J.S.A. 40A:5A-17 requires the governing body of each authority to, within 45 days of receipt of the annual audit, certify by resolution to the Local Finance Board that each member thereof has personally reviewed the annual audit report, and specifically the sections of the audit report entitled "General Comments" and "Recommendations", and has evidenced same by group affidavit in the form prescribed by the Local Finance Board; and

WHEREAS, the members of the governing body have each received the annual audit and have each personally reviewed the annual audit and have each specifically reviewed the sections of the annual audit report entitled, "General Comments" and "Recommendations" in accordance with N.J.S.A. 40A:5A-17.

NOW, THEREFORE, BE IT RESOLVED, that the governing body of the Middlesex County Improvement Authority hereby certifies to the Local Finance Board of the State of New Jersey that each governing body member has personally reviewed the annual audit report for the fiscal year ended 2017 and specifically each governing body member has reviewed the sections of the audit report entitled "General Comments" and "Recommendations", and has evidenced same by group affidavit in the form prescribed by the Local Finance Board.

BE IT FURTHER RESOLVED, that the Secretary of the Authority is hereby directed to promptly submit to the Local Finance Board the aforesaid group affidavit, accompanied by a certified true copy of this resolution.

IT IS HEREBY CERTIFIED THAT THIS IS A TRUE COPY OF THE RESOLUTION OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY PASSED AT A MEETING HELD ON JULY 11, 2017.

	<u>No</u>	<u>Abstain</u>	<u>Absent</u>	<u>Recorded Vote:</u>	<u>Aye</u>
James P. Nolan			X		
Anthony Raczynski			X		
Paul Abbey			X		
Christine D'Agostino			X		
Jose Jimenez					X

**LOCAL AUTHORITIES
GROUP AFFIDAVIT FORM**

**PRESCRIBED BY
THE NEW JERSEY LOCAL FINANCE BOARD**

AUDIT REVIEW CERTIFICATE

We, the members of the governing body of the Middlesex County Improvement Authority, being of full age and being duly sworn according to law, upon our oath, depose and say:

1. We are the duly appointed members of the Middlesex County Improvement Authority.

2. We certify, pursuant to N.J.S.A. 40A:5A-17, that we have each reviewed the annual audit report for the fiscal year ended 2017 and specifically the sections of the audit report entitled "General Comments" and "Recommendations."

(Name)

(Signature)

James P. Nolan

Anthony Raczynski

Paul Abbey

Christine D'Agostino

Jose Jimenez

Sworn to and subscribed before me
this 11th day of July, 2018.

Louis N. Rainone

An Attorney at Law of the State of New Jersey

**RESOLUTION OF THE
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING A CUSTODIAN TO THE PETTY CASH FUND FOR
TAMARACK GOLF COURSE**

WHEREAS, a regular meeting of the Middlesex County Improvement Authority (the "Authority") was held on July 11, 2018; and

WHEREAS, pursuant to N.J.S.A. 40:37A-54(h), the Authority is empowered to improve, further and promote the tourist industries and recreational attractiveness of the County through the planning, acquisition, construction, improvement, maintenance and operation of facilities for the entertainment and recreation of the public; and

WHEREAS, in furtherance of this statutory provision, the Authority operates the Tamarack Golf Course (the "Golf Course"); and

WHEREAS, pursuant to N.J.S.A. 40:37A-55(t), the Authority is empowered to enter into any and all agreements or contracts, execute any and all instruments, and do and perform any and all acts and things necessary, convenient or desirable for the purposes of the Authority, subject to the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.; and

WHEREAS, Jeffrey Byrnes was custodian of the Tamarack Golf Course (Clubhouse Operations) Petty Cash Fund; and

WHEREAS, in accordance with N.J.S.A. 40A:5-21, the Middlesex County Improvement Authority is changing custodians to Kevin Figa; and

WHEREAS, Kevin Figa is bonded in the amount of \$250,000.00 by virtue of a surety bond.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

1. The Middlesex County Improvement Authority hereby authorized such action and two copies of this resolution be filed with the Division of Local Government Services, New Jersey Department of Community Affairs for approval.

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
James P. Nolan	X			
Anthony Raczynski	X			
Paul Abbey	X			
Christine D'Agostino	X			
Jose Jimenez				X

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Agenda 8(i)

**RESOLUTION OF THE
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING CONTRACT FOR WOUND CARE SUPPLIES FOR
ROOSEVELT CARE CENTER FACILITIES**

WHEREAS, a regular meeting of the Middlesex County Improvement Authority (the "Authority") was held on July 11, 2018; and

WHEREAS, pursuant to N.J.S.A. 40:37A-54(a), the Authority may provide within the County of Middlesex, public facilities; and

WHEREAS, in furtherance of this provision, the Authority operates Roosevelt Care Center at Edison and Roosevelt Care Center at Old Bridge (collectively, "Roosevelt Care Center"); and

WHEREAS, the Authority requires the provision of wound care supplies (the "Services") for Roosevelt Care Center; and

WHEREAS, the Authority has received a proposal for the provision of the Services from Advanced Tissue, LLC ("Advanced Tissue"); and

WHEREAS, pursuant to N.J.S.A. 40:37A-55(t), a county improvement authority is empowered to enter into any and all agreements or contracts, execute any and all instruments, and do and perform any and all acts or things necessary, convenient or desirable for the purposes of the Authority or to carry out any power given in the County Improvement Authorities Law, N.J.S.A. 40:37A-44 et seq., subject to the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.; and

WHEREAS, pursuant to the Local Public Contracts Law, the Authority is authorized to award certain contracts without public advertisement for bids when the amount of such contract does not exceed the bid threshold; and

WHEREAS, the Certifying Finance Officer has determined that the value of the contract may exceed \$17,500.00; and

WHEREAS, Advance Tissue has completed and submitted a Business Entity Disclosure Certification which certifies that the vendor has not made any reportable contributions to a political or candidate committee of the County of Middlesex in the previous one year and that the contract will prohibit the vendor from making reportable contributions through the term of the contract; and

WHEREAS, the Authority would like to authorize a contract with Advanced Tissue for the provision of the Services in accordance with this Resolution.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

1. The Authority hereby awards a contract for the provision of the Services to Advanced Tissue.
2. The Authority approves the agreement with Advanced Tissue in substantially the form attached with such changes as shall be approved by the Chairman on advice of counsel.
3. The Authority authorizes the Chairman to execute the agreement with Advanced Tissue in the form so approved.

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
James P. Nolan	X			
Anthony Raczynski	X			
Paul Abbey	X			
Christine D'Agostino	X			
Jose Jimenez				X

**RESOLUTION OF THE
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING CONTRACT FOR WOUND CARE SERVICES FOR ROOSEVELT
CARE CENTER FACILITIES**

WHEREAS, a regular meeting of the Middlesex County Improvement Authority (the "Authority") was held on July 11, 2018; and

WHEREAS, pursuant to N.J.S.A. 40:37A-54(a), the Authority may provide within the County of Middlesex, public facilities; and

WHEREAS, in furtherance of this provision, the Authority operates Roosevelt Care Center at Edison and Roosevelt Care Center at Old Bridge (collectively, "Roosevelt Care Center"); and

WHEREAS, the Authority requires the provision of wound care services (the "Services") for Roosevelt Care Center; and

WHEREAS, the Authority has received a proposal for the provision of the Services from Advantage Surgical and Wound Care ("Advantage"); and

WHEREAS, pursuant to N.J.S.A. 40:37A-55(t), a county improvement authority is empowered to enter into any and all agreements or contracts, execute any and all instruments, and do and perform any and all acts or things necessary, convenient or desirable for the purposes of the Authority or to carry out any power given in the County Improvement Authorities Law, N.J.S.A. 40:37A-44 et seq., subject to the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.; and

WHEREAS, pursuant to the Local Public Contracts Law, the Authority is authorized to award certain contracts without public advertisement for bids when the amount of such contract does not exceed the bid threshold and when the services are professional services; and

WHEREAS, the Services are professional services and the Authority would like to award a contract to Advantage due to their expertise and experience in the field; and

WHEREAS, the Certifying Finance Officer has determined that the value of the contract will not exceed \$17,500.00; and

WHEREAS, the Authority would like to authorize a contract with Advantage for the provision of the Services in accordance with this Resolution.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

1. The Authority hereby accepts the proposal of Advantage and awards a contract to Advantage for the provision of the Services at a cost not to exceed \$10,000.00.
2. The Authority approves the agreement with Advantage in substantially the form attached with such changes as shall be approved by the Chairman on advice of counsel.
3. The Authority authorizes the Chairman to execute the agreement with Advantage in the form so approved.
4. The Secretary is authorized to publish a brief notice of the award of the contract pursuant to N.J.S.A. 40A:11-5(1)(a)(i).
5. The Certifying Finance Officer has certified that the funds for the contract are available from and can be obtained from the funds of the Authority.

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
James P. Nolan	X			
Anthony Raczynski	X			
Paul Abbey	X			
Christine D'Agostino	X			
Jose Jimenez				X

Agenda 8(k)

**RESOLUTION OF THE
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
AWARDING CONTRACTS FOR BASIC LIFE SUPPORT AMBULANCE
TRANSPORTATION SERVICES AT ROOSEVELT CARE CENTER FACILITIES**

WHEREAS, a regular meeting of the Middlesex County Improvement Authority (the "Authority") was held on July 11, 2018; and

WHEREAS, the Authority operates the long term care facilities Roosevelt Care Center at Edison and Roosevelt Care Center at Old Bridge (collectively, "Roosevelt Care Center"); and

WHEREAS, pursuant to N.J.S.A. 40:37A-55(t), the Authority is empowered to enter into any and all agreements or contracts, execute any and all instruments, and do and perform any and all acts and things necessary, convenient or desirable for the purposes of the Authority, subject to the Local Public Contracts Law, N.J.S.A. 40A:11-1 et. seq.; and

WHEREAS, the Authority requires the provision of basic life support ambulance transportation services (the "Services") for the operation of Roosevelt Care Center; and

WHEREAS, the expenditure under the contract for the provision of the Services is under the bid threshold of the Local Public Contracts Law; and

WHEREAS, in accordance with N.J.S.A. 19:44A-20.4 et seq., the Authority has undertaken a fair and open process for the solicitation of qualifications and proposals ("RFQ") for the provision of the Services; and

WHEREAS, the Authority received responses to the RFQ from Alert Ambulance Service and On Time Ambulance, Inc.; and

WHEREAS, the Evaluation Committee of the Administrators of the Roosevelt Care Center facilities reviewed the proposals and recommends the award of contracts to Alert Ambulance Service and On Time Ambulance, Inc.; and

WHEREAS, the Authority would like adopt the recommendations of the Evaluation Committee and award contracts to Alert Ambulance Service and On Time Ambulance Inc. in accordance with this Resolution.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

1. The Authority hereby adopts the recommendations of the Evaluation Committee contained in the Report attached hereto and made a part hereof.

2. The Authority hereby awards contracts to Alert Ambulance Service and On Time Ambulance, Inc. in accordance with the proposals submitted by the respective vendors.

3. The Authority authorizes the Chairman or Vice-Chairman of the Authority to execute contracts with Alert Ambulance Service and On Time Ambulance, Inc. on behalf of the Authority. The Secretary shall be authorized to attest to the signature of the Chairman or Vice-Chairman appearing thereon and to affix the seal of the Authority thereto.

4. The Certifying Finance Officer has certified that the funds for the Services are available from the funds of the Authority and will be included in the budget in future years.

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
James P. Nolan	X			
Anthony Raczynski	X			
Paul Abbey	X			
Christine D'Agostino	X			
Jose Jimenez				X

**RESOLUTION OF THE
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
TO AUTHORIZE AN EMERGENCY WATER LINE REPAIR AT THE
MEADOWS AT MIDDLESEX GOLF COURSE**

WHEREAS, a regular meeting of the Middlesex County Improvement Authority (the "Authority") was held on July 11, 2018; and

WHEREAS, the Authority operates The Meadows at Middlesex Golf Course (“the Golf Course”); and

WHEREAS, pursuant to N.J.S.A. 40:37A-55(t), the Authority is empowered to enter into any and all agreements or contracts, execute any and all instruments, and do and perform any and all acts and things necessary, convenient or desirable for the purposes of the Authority, subject to the Local Public Contracts Law, N.J.S.A. 40A:11-1 et. seq.; and

WHEREAS, the Authority awarded plumbing services (the “Services”) for their various properties operations to Magic Touch Construction Co. for Bid #18-11 and approved through Resolution #18-67 on April 11, 2018; and

WHEREAS, the Authority requires an emergency water line repair, which was unforeseen.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

1. The Authority hereby approves the work to be conducted by:
Magic Touch Construction, Co. Bid: #18-11 Not to Exceed: \$20,000.00
2. The Authority hereby authorizes the Chairman or Vice-Chairman to execute the agreement for the Services with Magic Touch Construction Co. in the form contained proposal submitted. The Secretary shall be authorized to attest to the signature of the Chairman or Vice-Chairman appearing thereon and to affix the seal of the Authority thereto.

3. The Certifying Finance Officer of the Authority has certified that the funds for the provision of the Services are available from and can be obtained from the funds of the Authority.

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
James P. Nolan	X			
Anthony Raczynski	X			
Paul Abbey	X			
Christine D'Agostino	X			
Jose Jimenez				X

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Agenda 8(m)

**RESOLUTION OF THE
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AUTHORIZING
CERTAIN ACTIONS AND APPROVING CERTAIN DOCUMENTS
NECESSARY IN CONNECTION WITH THE ISSUANCE OF THE
AUTHORITY'S PROPOSED NOT TO EXCEED \$10,000,000
AGGREGATE PRINCIPAL AMOUNT OF COUNTY GUARANTEED
CAPITAL EQUIPMENT AND IMPROVEMENT REVENUE BONDS,
SERIES 2018**

WHEREAS, the Middlesex County Improvement Authority (the "Authority"), has been duly created by resolution of the County of Middlesex, State of New Jersey (the "County"), which resolution was duly adopted by the County on September 6, 1990, as a public body corporate and politic of the State of New Jersey, pursuant to the County Improvement Authorities Law, chapter 183 of the Laws of New Jersey of 1960, as amended and supplemented (N.J.S.A. 40:37A-44 et seq.) (the "Act"); and

WHEREAS, the Authority, pursuant to and in accordance with the applicable provisions of the Act, has determined to finance various capital improvements to be undertaken by, and the acquisition, installation and, as applicable, subsequent leasing of certain capital equipment, including but not limited to police and passenger vehicles to, various municipal participants situate in the County or a beneficiary county, including the County (each a "Municipality" and collectively, the "Municipalities") from the Authority, which determination is evidenced by a resolution approving the financing duly adopted by the Authority on June 13, 2018; and

WHEREAS, each Municipality, as applicable, by ordinance duly adopted, has determined to lease from the Authority, pursuant to the terms and conditions of a Lease and Agreement to be entered into by the Authority and such Municipality (each a "Lease" and collectively, the "Leases"), certain capital equipment to be

acquired with the proceeds of the Authority’s bonds, and under which Lease such Municipality will agree to pay to the Authority as Basic Rent and Additional Rent an amount sufficient to pay the principal of, redemption premium, if any, and interest on the bonds attributable to such Municipality, its allocable share of costs of the financing, as applicable, and any and all amounts constituting Additional Rent thereunder; and

WHEREAS, each Municipality, as applicable, by ordinance duly adopted, has determined to receive a loan from the Authority, pursuant to the terms and conditions of a Loan and Security Agreement to be entered into by the Authority and such Municipality (each a “Loan Agreement” and collectively, the “Loan Agreements”), to finance the costs of the undertaking of the capital improvements and/or the acquisition of equipment to be undertaken or acquired, as applicable, with the proceeds of the Authority’s bonds, and under which Loan Agreement such Municipality will agree to pay to the Authority as Basic Loan Payments and Additional Loan Payments an amount sufficient to pay the principal of, redemption premium, if any, and interest on the bonds attributable to such Municipality, its allocable share of costs of the financing, as applicable, and any and all amounts constituting Additional Loan Payments thereunder; and

WHEREAS, the Board of Chosen Freeholders of the County, by resolution or ordinance, will consent to the undertaking of the financing by the Authority and a guarantee of the Authority’s Series 2018 Bonds (as defined herein); and

WHEREAS, pursuant to the authorization set forth in the ordinance to be finally adopted by the County authorizing the guarantee by the County of the payment of principal of and interest on the County-Guaranteed Capital Equipment and Improvement Revenue Bonds, Series 2018 (the “Series 2018 Bonds”) in an aggregate principal amount not to exceed \$10,000,000 (the “Guarantee Ordinance”), the County and the Authority intend to enter into a County Guarantee Agreement (the “Guarantee Agreement”), wherein the County shall unconditionally guarantee the punctual payment of the principal of and interest on the Series 2018 Bonds; and

WHEREAS, the Authority, pursuant to and in accordance with the Act, the Lease with each Municipality, as applicable, and the Loan Agreement with each Municipality, as applicable, has determined to provide for, as applicable, the payment of the Cost of the undertaking, acquisition or installation, as applicable, of the certain improvements or items of equipment (the “Project”) under a bond resolution for the Project (the “Bond Resolution”), from the issuance of its Series 2018 Bonds, which Series 2018 Bonds shall be primarily payable from Basic Rent and/or Basic Loan Payments, as applicable, to be received by the Authority from each Municipality under the Lease and/or Loan Agreement, as applicable, and payments to be received by the Authority from the County, if any, under the Guarantee Agreement; and

WHEREAS, the Authority submitted the required application (the “Application”) to the Local Finance Board in the Division of Local Government

Services, New Jersey Department of Community Affairs (the “Local Finance Board”) for the issuance of its proposed Series 2018 Bonds; and

WHEREAS, the Local Finance Board has issued findings with respect to the Authority’s Application and the County’s guarantee of the Series 2018 Bonds on July 11, 2018; and

WHEREAS, the Authority will require the provision of certain professional services and will incur certain expenses with reference to the proposed financing in conjunction with the Project; and

WHEREAS, the appointment, award and approval of professional services and expenses in connection with the Project as hereinafter made are exempt from the public bidding requirements of the Local Public Contracts Law, N.J.S.A. 40A:11-1, et seq.; and

WHEREAS, the Authority has conducted a fair and open process for the procurement, approval and award, as applicable, of certain professional services and expenses for the financing; and

WHEREAS, the Authority has heretofore qualified and/or appointed certain parties to provide professional services and/or other services for the financing; and

WHEREAS, in connection with the issuance of the Series 2018 Bonds, the Authority will appoint the investment banking firm of NW Capital Markets Inc., as Underwriter (the “Underwriter”) for the purchase of the Series 2018 Bonds; will appoint the financial advisory firm of Phoenix Advisors, LLC as its financial advisor (the “Financial Advisor”); and desires to appoint the banking institution of TD Bank, National Association, Cherry Hill, New Jersey, as the trustee under the Bond Resolution (the “Trustee”); and

WHEREAS, in an effort to issue the Series 2018 Bonds at the lowest possible interest cost, the Authority may submit an application to Standard & Poor’s Global Ratings, a business unit of Standard & Poor’s Financial Services, LLC (“S&P”), for a rating on the Series 2018 Bonds, such rating to be obtained prior to the pricing of the Series 2018 Bonds; and

WHEREAS, the Authority now desires to authorize certain actions and approve certain documents necessary in connection with the undertaking of the Project and the issuance of the Series 2018 Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY, AS FOLLOWS:

The Bond Resolution be, and the same hereby is, approved and adopted in the form presented to this meeting with such changes, insertions, deletions or omissions as shall hereafter be approved by the Authority’s Chairman or Vice Chairman in consultation with the Authority’s bond counsel, McCarter & English, LLP, Newark, New Jersey (“Bond Counsel”), The aggregate principal amount of the Series 2018 Bonds shall not exceed \$10,000,000 and the true interest cost of the Series 2018 Bonds shall not exceed 5.50%.

a. The Authority does hereby, as applicable, award, approve and authorize payment for the following to render professional services and/or provide services in

connection with the Project or to the Authority in conjunction with the Project to be paid out of the proceeds of the Series 2018 Bonds issued for the Project as follows:

AWARDED AND APPROVED TO:	DESCRIPTION OF SERVICES	AMOUNT NOT TO EXCEED
McCarter & English, LLP	Bond Counsel to the Authority	\$95,000 plus Disbursements
Phoenix Advisors, LLC	Financial Advisor to the Authority	\$25,000
TD Bank, National Association	Trustee	\$15,000 (including Trustee's Counsel fee)
Rainone Coughlin Minchello	Authority General Counsel	\$20,000 plus Disbursements

Hodulik & Morrison, P.A.	Auditor for County/Authority	\$5,000
Kelso & Burgess	County Counsel	\$25,000
McElwee & Quinn, LLC.	Printing	Not to Exceed \$5,000
S&P	Rating Agency Fee	Not to Exceed \$20,000
NW Capital Markets Inc.	Underwriter	\$6.50/\$1,000 of Bonds Not to Exceed \$65,000 (including Underwriter's counsel fee)

The Secretary is hereby authorized and directed to publish a brief notice of these awards, approvals and/or authorizations in accordance with the provisions of N.J.S.A. 40A:11-5(1)(a)(i).

The Certifying Finance Officer has certified that the funds for the services shall be paid out of the proceeds of the Series 2018 Bonds issued for the Project.

In connection with the issuance of the Series 2018 Bonds, the Authority hereby appoints the investment banking firm of NW Capital Markets Inc., as Underwriter for the purchase of the Series 2018 Bonds. The purchase of the Series 2018 Bonds by the Underwriter and the sale of the Series 2018 Bonds by the Authority to the Underwriter shall be subject to the execution by the Authority and the Underwriter of a Bond Purchase Contract (as defined herein) satisfactory to the Authority. The Lease, the Loan Agreement and the Guarantee Agreement (collectively, the "Agreements") each be, and the same each hereby is, approved in the form presented to this meeting with such changes, insertions, deletions or omissions as shall hereafter be approved by the Authority's Chairman or Vice Chairman in consultation with Bond Counsel and Rainone Coughlin Minchello, the Authority's general counsel ("General Counsel"). The Authority's Chairman and Vice Chairman be, and each hereby is, authorized and directed on behalf of the Authority to execute and deliver each of the Agreements and the Secretary of the Authority is hereby authorized and directed to affix the seal of the Authority to each of the Agreements and to attest to the signatures of the Chairman and Vice Chairman on each of the Agreements as applicable.

The Financial Advisor is hereby authorized and directed to submit an application to S&P, to obtain a rating on the Series 2018 Bonds prior to the pricing thereof and any prior submissions or application by the Financial Advisor on behalf of the Authority are hereby ratified and confirmed.

The Authority's Chairman and Vice Chairman are each hereby authorized and directed, in consultation with Bond Counsel, to negotiate the terms of a Bond Purchase Contract, to be dated the date of sale of the Series 2018 Bonds, between the Authority and the Underwriter (the "Bond Purchase Contract"). The Chairman and Vice Chairman be, and each hereby is, authorized and directed on behalf of the Authority to approve the terms of the aforesaid Bond Purchase Contract and to

execute and deliver said Bond Purchase Contract to the Underwriter. The Authority's Chairman and Vice Chairman are each hereby authorized and directed to execute and deliver the Series Certificate required pursuant to the provisions of Sections 202 and 203 of the Bond Resolution to reflect the terms of the Series 2018 Bonds upon original issuance.

Counsel to the Underwriter is hereby authorized and directed to prepare the Preliminary Official Statement to be used in connection with the marketing of the Series 2018 Bonds.

The distribution by the Authority, in consultation with the Underwriter, Bond Counsel and General Counsel, of a Preliminary Official Statement to be used in connection with the marketing of such Series 2018 Bonds by the Underwriter, is hereby approved. The Chairman and the Vice Chairman of the Authority are each hereby authorized and directed to execute and deliver a certificate to the Underwriter that "deems final" the Preliminary Official Statement pursuant to the provisions of the Rule (as defined herein).

Upon the sale of the Series 2018 Bonds to the Underwriter, the Preliminary Official Statement shall be so modified, in consultation with Bond Counsel and General Counsel, to reflect the effect of the Bond Purchase Contract and any other revisions not inconsistent with the substance thereof deemed necessary or advisable by Bond Counsel and General Counsel; and said Preliminary Official Statement as so modified shall constitute the final Official Statement. The Chairman and Vice Chairman each be, and each hereby is, authorized and directed on behalf of the Authority to execute and deliver said Official Statement. In connection therewith, the Chairman and Vice Chairman of the Authority, in consultation with Bond Counsel and General Counsel to the Authority are each hereby authorized and directed to enter into and execute a Continuing Disclosure Agreement with each Municipality and the County who are determined by the Authority to be "Obligated Persons" (as defined under the Rule (as defined herein)) (each the "Continuing Disclosure Agreement"), evidencing the contractual undertaking of each obligated Municipality and the County to comply with the requirements of Rule 15c2-12, promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended and supplemented (the "Rule") and to deliver the Continuing Disclosure Agreement to the Underwriter in connection with the offer and sale of the Series 2018 Bonds.

The Authority hereby acknowledges that it will execute and deliver (a) a Lease with each Municipality, as applicable, for the purchase of equipment, including vehicles, and the lease of such equipment to each Municipality, as applicable, and financed with a portion of the proceeds of the Series 2018 Bonds and (b) a Loan Agreement with each Municipality, as applicable, for the undertaking of the capital improvements and/or the acquisition of equipment to be undertaken or acquired, as applicable, by each Municipality, as applicable, and financed with a portion of the proceeds of the Series 2018 Bonds. The Authority hereby ratifies and confirms approval of the Project consisting of the financing of the purchase of equipment, including vehicles, to be leased to the applicable Municipalities and a loan to the applicable Municipality to finance the undertaking of the capital improvements and

the acquisition of equipment to be undertaken or acquired, as applicable, by each Municipality.

Prior to delivery of any of the Series 2018 Bonds upon original issuance and notwithstanding anything to the contrary, the Chairman or Vice Chairman of the Authority may, by execution of the Series Certificate evidencing same, modify or amend any of the terms or provisions of the Bond Resolution in any respect or for any purpose without any further action by the members of the Authority; provided, however, that such modifications or amendments shall be approved by the Authority's Chairman or Vice Chairman in consultation with the Authority's Bond Counsel and General Counsel.

The Chairman, Vice Chairman, Secretary, or any other Authority Officer, official or professional, be, and each of them hereby is, authorized and directed to execute and deliver any and all documents, certificates, agreements and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the Bond Resolution, the Agreements, the Preliminary Official Statement, the Official Statement and the Bond Purchase Contract and for the authorization, sale and issuance of the Series 2018 Bonds, including with limitation, the Authority's tax certificate, tax compliance procedures. The execution by such officers of any such documents, certificates and agreements with such changes, insertions or omissions as shall be approved by the Authority's Chairman or Vice Chairman in consultation with the Authority's Bond Counsel and General Counsel shall be conclusive evidence of the approval of such changes, insertions or omissions and no further ratification or other action by the Authority members shall be required with respect thereto.

The Authority's Bond Counsel and General Counsel are each hereby authorized and directed to arrange for the publication of the Notice of Adoption of Bond Resolution on or about July 16, 2018 in an Authorized Newspaper of the Authority. Capitalized terms used herein and not otherwise defined shall have the same meanings ascribed to such terms in the Bond Resolution.

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
James P. Nolan	X			
Anthony Raczynski	X			
Paul Abbey	X			
Christine D'Agostino	X			
Jose Jimenez				X

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Agenda 8(n)

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**RESOLUTION OF THE MIDDLESEX COUNTY
IMPROVEMENT AUTHORITY AUTHORIZING THE ISSUANCE
OF COUNTY-GUARANTEED CAPITAL EQUIPMENT AND
IMPROVEMENT REVENUE BONDS**

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**RESOLUTION OF THE MIDDLESEX COUNTY
IMPROVEMENT AUTHORITY AUTHORIZING THE
ISSUANCE OF COUNTY-GUARANTEED CAPITAL
EQUIPMENT AND IMPROVEMENT REVENUE BONDS**

BE IT RESOLVED by the Middlesex County Improvement Authority as follows:

DEFINITIONS AND STATUTORY AUTHORITY

Except where the context otherwise requires, words importing the singular number shall include the plural number and vice versa, words importing persons shall include firms, associations, corporations, districts, agencies and bodies, and words of the masculine gender shall mean and include correlative words of the feminine and neuter gender and vice versa. All times referenced herein shall be to prevailing Eastern time unless otherwise specifically noted.

Definitions. The following terms shall, for all purposes of this Resolution, have the following meanings:

Acceptance Certificate shall mean the certificate substantially in the form as set forth in Exhibit B to the Lease.

Account or Accounts shall mean, as the case may be, each or all of the accounts established and created under Article V hereof.

Accountant's Certificate shall mean a certificate signed by an independent certified public accountant of recognized standing or a firm of independent certified public accountants of recognized standing, selected by the Authority, who may be the accountant or firm of accountants who regularly audit the books of the Authority.

Acquisition and Improvement Fund shall mean the Acquisition and Improvement Fund created and established pursuant to Section 502 hereof.

Act shall mean the County Improvement Authorities Law, constituting chapter 183 of the Laws of New Jersey of 1960 (N.J.S.A. 40:37A-44 et seq.), as amended and supplemented from time to time.

Additional Loan Payment shall mean amounts payable by the Municipality to the Authority under the Loan Agreement, including, but not limited to, the annual Trustee's fee and annual Authority Administrative Expenses, where applicable, allocated to the Municipality on a pro rata basis with all other Municipalities which are parties to this transaction in relation to the amount of Bonds Outstanding in any Bond Year all as set forth in Exhibit A attached to the Loan Agreement, professional fees incurred for any arbitrage rebate calculation, arbitrage rebate expenses, County Guarantee Costs, and all direct and indirect costs and expenses incurred by the

Authority and the County related to the enforcement of the Loan Agreement, the County Guarantee and the County Guarantee Agreement, including reasonable attorneys' fees related thereto.

Additional Rent shall mean amounts payable by the Municipality to the Authority under the Lease, including, but not limited to, the annual Trustee's fee and annual Authority Administrative Expenses, where applicable, allocated to the Municipality on a pro rata basis with all other Municipalities which are parties to this transaction in relation to the amount of Bonds Outstanding in any Bond Year all as set forth in Exhibit A attached to the Lease, professional fees incurred for any arbitrage rebate calculation, arbitrage rebate expenses, County Guarantee Costs, and all direct and indirect costs and expenses incurred by the Authority and the County related to the enforcement of the Lease, the County Guarantee and the County Guarantee Agreement, including reasonable attorneys' fees related thereto.

Annual Authority Administrative Fee shall mean the annual fee for the general administrative expenses of the Authority as shall be set forth in Exhibit A to the Lease and Loan Agreement.

Authority shall mean the Middlesex County Improvement Authority, a public body corporate and politic organized and existing under the Act and created pursuant to a resolution of the Board of Chosen Freeholders of the County duly adopted on September 6, 1990, and any successor to its duties and functions.

Authority Administrative Expenses shall mean any and all expenses of the Authority and its agents, professionals and employees incurred or to be incurred by or on behalf of the Authority in the administration of its responsibilities under this Bond Resolution, the County Guarantee Agreement and the Lease and/or Loan Agreement, including, but not limited to, (i) the Initial Authority Financing Fee, (ii) the Annual Authority Administrative Fee, (iii) all fees and expenses, including, but not limited to, indemnification expenses, if any, incurred in connection with the issuance of any Bonds, the financing of the Equipment or the compelling of the full and punctual performance of this Bond Resolution and the Lease and/or Loan Agreement in accordance with the terms hereof and thereof, (iv) all fees and expenses, including, but not limited to, continuing disclosure expenses and indemnification expenses, if any, of counsel, Fiduciaries and others, and (v) any fees and expenses, including, but not limited to, indemnification expenses, if any, incurred by the Paying Agent, the Bond Registrar or the Trustee or any or all Fiduciaries in connection with the performance of their respective fiduciary responsibilities under this Resolution, the County Guarantee Agreement and the Lease and/or Loan Agreement, all to the extent not capitalized pursuant to the requirements of this Resolution, which Authority Administrative Expenses shall be paid as Additional Rent or Additional Loan Payments by the Municipality, and where applicable, allocated to each Municipality on a pro rata basis with all other Municipalities which are parties to this transaction in relation to the amount of Bonds Outstanding in any Bond Year, all as set forth in Exhibit A attached to the Lease and Loan Agreement.

Authorized Authority Representative shall mean any person or persons authorized to act on behalf of the Authority by a written certificate signed on behalf of the Authority by the Chairman or Vice Chairman of the Authority containing the specimen signature of each such person.

Authorized County Representative shall mean any person or persons authorized to act on behalf of the County by a written certificate signed on behalf of the County by the Director or Deputy Director of the Board of Chosen Freeholders of the County containing the specimen signature of each such person.

Authorized Denominations shall mean \$5,000 or any integral multiple of \$5,000.

Authorized Municipal Representative shall mean any person or persons authorized to act on behalf of each Municipality by a written certificate signed on behalf of each Municipality by the Mayor of each Municipality containing the specimen signature of each such person, which Municipality shall also include the County acting in the capacity of a municipal participant, which in the case of the County, such written Certificate shall be signed by the Director or Deputy Director of the Board of Chosen Freeholders of the County, which form of certificate is set forth as Exhibit F annexed to the Lease and Exhibit B annexed to the Loan Agreement and incorporated by reference therein.

Authorized Newspaper shall mean The Bond Buyer, or any successor thereto, or any financial newspaper customarily published at least once a day for at least five (5) days (other than legal holidays) in each calendar week, printed in the English language and of general circulation in the Borough of Manhattan, City and State of New York.

Basic Loan Payment(s) shall mean the sum of money representing principal and interest for each Improvement or Item of Equipment necessary to amortize Debt Service on any Series of Bonds for such Improvement or Item of Equipment, and allocated to the Municipality and payable by the Municipality on each Loan Payment Date, and with respect to the Series 2018 Bonds, shall mean the sum set forth in Exhibit A to the Loan Agreement and as described in Section 3.1(a) therein, and redemption premium, if any, to the extent required to redeem the Bonds pursuant to Article IV hereof.

Basic Rent shall mean the sum of money representing principal and interest for each Improvement or Item of Equipment necessary to amortize Debt Service on any Series of Bonds for such Item of Equipment, and allocated to the Municipality and payable by the Municipality on each Lease Payment Date, and with respect to the Series 2018 Bonds, shall mean the sum set forth in Exhibit A to the Lease and as described in Section 3.1(a) therein, and redemption premium, if any, to the extent required to redeem the Bonds pursuant to Article IV hereof.

Bond or Bonds shall mean collectively, the Outstanding Bonds of the Authority issued pursuant to Section 201 hereof, specifically, the not to exceed \$10,000,000 County-Guaranteed Capital Equipment and Improvement Revenue Bonds, Series 2018, and Refunding Bonds, if any.

Bond Counsel shall mean McCarter & English, LLP, Newark, New Jersey or any other lawyer or firm of lawyers with experience and nationally recognized expertise in the field of municipal finance selected by the Authority.

Bond Registrar shall mean the Trustee, its successors and assigns, or any other commercial bank or trust company organized under the laws of any state of the United States of America or national banking association appointed by the Authority to perform the duties of the Bond Registrar enumerated in Section 305 of this Resolution.

Bond Resolution or Resolution shall mean this Resolution of the Middlesex County Improvement Authority Authorizing the Issuance of County-Guaranteed Capital Equipment and Improvement Revenue Bonds, adopted by the Authority, as the same may be amended, modified or supplemented in accordance with the provisions hereof.

Bond Year shall mean the twelve (12) month period beginning September 15 and ending on September 14 excepting that the first Bond Year with respect to the Series 2018 Bonds shall commence on the date of original issuance of the Series 2018 Bonds and end on September 14, 2019.

Bondholder or Holder of Bonds or Holder shall mean any person who shall be the registered owner of any Bond or Bonds.

Business Day shall mean any day that is not a Saturday, a Sunday or a legal holiday in the State of New Jersey or the State of New York or a day on which the Trustee, the Bond Registrar, the Authority or any Paying Agent is legally authorized to close.

Capital Equipment and Improvement Program shall mean the financing of various capital improvements to be undertaken by and the acquisition, installation and, as applicable, subsequent leasing of certain capital equipment, including but not limited to police and passenger vehicles, to various governmental entities within the County, including the County, by the Authority.

Code shall mean the Internal Revenue Code of 1986, as amended from time to time, and the applicable regulations thereunder.

Cost or Costs shall mean and be deemed to include, with respect to any Improvement or Item of Equipment for each Municipality, and, where applicable, allocated on a pro rata basis with all other Municipalities which may be parties to the transaction with respect thereto, together with any other proper and reasonable item of cost not specifically mentioned herein, whether incurred prior to or after the date of the Lease and/or Loan Agreement, (a) the costs of payment of, or reimbursement for, acquisition, installation and financing of each such Improvement or Item of Equipment, including, but not limited to, advances or progress payments, installation costs, administrative costs and capital expenditures relating to installation, financing payments, sales taxes, excise taxes, costs of feasibility, environmental and other reports, inspection costs, permit fees, filing and recordation costs, printing costs for all documents, reproduction and binding costs, fees and charges of the Trustee pursuant to this Resolution, financing documents, legal fees and charges, financial, accounting and other professional consultant fees, the Initial Authority Financing Fee for a particular Series of Bonds, all professional and consulting fees and charges of the Authority and the County, costs of rating agencies, bond insurance, bond insurers or credit ratings, fees for the printing, execution, transportation and safekeeping of the Bonds, and any charges and fees in connection with any of the foregoing; (b) all other costs which the Municipality or the Authority shall be required to pay under the terms of any contract or contracts for the acquisition of any Improvement or Item of Equipment, including, but not limited to, the cost of insurance; (c) any sums required to reimburse the Municipality for advances made for any of the above items, or for any other costs incurred and for work done, which is properly chargeable to any Improvement or Item of Equipment thereof; (d) deposits in any Fund or Account under this

Resolution, all as shall be provided in this Resolution; and (e) such other expenses not specified herein as may be necessary or incidental to the acquisition of any Improvement or Item of Equipment, the financing thereof and the placing of the same in use and operation. Cost as defined herein shall be deemed to include (i) the cost and expenses incurred by any agent of the Authority or the Municipality for any of the above mentioned items and (ii) all costs and expenses incurred by any agent of the County and the Authority in connection with the adoption, administration and enforcement of the Lease and/or Loan Agreement and the County Guarantee, including but not limited to, County Guarantee Costs.

County shall mean the County of Middlesex, State of New Jersey, a public body corporate and politic of the State of New Jersey.

County Guarantee shall mean the County's unconditional and irrevocable guarantee of the punctual payment of principal of and interest when due on the Bonds duly adopted pursuant to Section 37 of the Act (N.J.S.A. 40:37A-80) and specifically, with respect to the Series 2018 Bonds, duly adopted June 21, 2018 and entitled, "GUARANTY ORDINANCE SECURING THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY'S COUNTY-GUARANTEED CAPITAL EQUIPMENT AND IMPROVEMENT REVENUE BONDS, SERIES 2018 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$10,000,000".

County Guarantee Costs shall mean all direct and indirect Costs and expenses of the County incurred with respect to its County Guarantee as defined in the County Guarantee Agreement, including amounts paid by the County pursuant to Sections 508 and 708 hereof, together with interest on such amounts at an interest rate equal to the County's cost of obtaining funds required to make such payments (including, but not limited to, lost earnings on the investment of available funds used to make such payment or the net interest cost of such Series of Bonds, whichever is higher, as shall be determined by the County), reasonable attorneys' fees and other costs arising out of the required payment or expenses for the collection, enforcement and repayment pursuant to the County Guarantee, together with interest accrued on such sum until the time of repayment to the County, but shall not include those costs and expenses incurred by the County in connection with curing its own default under the Lease and/or Loan Agreement.

Debt Service for any period shall mean, as of any date of calculation with respect to any Series of Bonds, an amount equal to the sum of (i) the interest accruing during such period on such Bonds except to the extent such interest is to be paid from deposits made from Bond proceeds into the Debt Service Fund, and (ii) that portion of each Principal Installment which would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the immediately preceding Principal Installment due date or, if there should be no preceding Principal Installment due date, from a date one year (or such lesser period as shall be appropriate if Principal Installments shall become due more frequently than annually) preceding the due date of such Principal Installment or from the date of original issuance of any Series of Bonds, whichever is later. Such interest and Principal Installments for such Series shall be calculated on the assumption that no Bonds Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment on the due date thereof. The calculations in the preceding sentence shall be made on the basis of a 30-day month and a 360-day year.

Debt Service Fund shall mean the Debt Service Fund created and established in Section 502 hereunder.

Debt Service Requirement with respect to the next Interest Payment Date for any Series of Bonds shall mean, (i) in the case of an Interest Payment Date on which interest only shall be due, interest accrued and unpaid and to accrue to such date if such Principal Installment or Installments shall be deemed to accrue in the manner provided in clause (ii) of the definition of “Debt Service” set forth in Section 101, and (ii) in the case of an Interest Payment Date on which both interest and a Principal Installment or Installments shall be due, interest accrued and unpaid and to accrue to such date plus the Principal Installment or Installments due on such date. The calculations in the preceding sentence shall be made on the basis of a 30-day month and a 360-day year.

Default Interest shall have the meaning given to such term in Section 308 hereof.

Default Interest Payment Date shall have the meaning given to such term in Section 308 hereof.

Determination Resolution shall have the same meaning as set forth in Section 202(1)(c) hereof.

DTC shall mean The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, in its capacity as securities depository for any Series of Bonds.

Equipment or Item(s) of Equipment shall mean the capital equipment, including police and passenger vehicles, described in Exhibit A annexed to the Lease and Loan Agreement purchased and acquired with the proceeds of the Series 2018 Bonds, including any item of capital equipment substituted or added pursuant to Section 8.1(b) of the Lease and described in Exhibit G annexed thereto or pursuant to the terms of the Loan Agreement.

Event of Default shall have the meaning given to such term in Section 901 hereof.

Favorable Opinion of Bond Counsel shall mean an opinion of Bond Counsel, addressed to the Authority and the Trustee, to the effect that the action proposed to be taken is authorized or permitted by this Resolution and the Act and will not adversely affect the exclusion of interest on such Series of Tax-Exempt Obligations from gross income for purposes of Federal income taxation under section 103 of the Code.

Fiduciary or Fiduciaries shall mean the Trustee, the Paying Agent, the Bond Registrar, or any or all of them, as may be appropriate.

Fiscal Year shall mean the twelve (12) month fiscal period of the Municipality, the County or the Authority, including any six (6) month transition year of the Municipality authorized pursuant to chapter 75 of the Laws of New Jersey of 1991.

Fund or Funds shall mean, as the case may be, each or all of the Funds created and established in Section 502 herein; provided, however, that such Funds do not constitute “funds” in accordance with generally accepted accounting principles.

Guarantee Agreement or County Guarantee Agreement shall mean the County Guarantee Agreement dated as of September 1, 2018, entered into by and between the County and the Authority wherein the County has irrevocably and unconditionally guaranteed the punctual payment of the principal of and interest on the Series 2018 Bonds and setting forth the terms and conditions of the County Guarantee with respect to the Series 2018 Bonds, as amended and supplemented.

Improvement or Improvement(s) shall mean the improvements described in Exhibit A annexed to the Loan Agreement undertaken with the proceeds of the Series 2018 Bonds, including, if applicable, any improvements substituted or added pursuant to the terms of the Loan Agreement.

Initial Authority Financing Fee shall mean the amount equal to \$12,500 for the initial financing fee of the Authority allocated to each Municipality based on the percentage set forth in Exhibit A to each Lease and/or Loan Agreement or as may be set forth in a Supplemental Resolution authorizing a Series of Bonds.

Interest Payment Date shall mean, with respect to the Series 2018 Bonds, each March 15 and September 15, commencing March 15, 2019, and such other dates as shall be established by a Supplemental Resolution authorizing a Series of Bonds. In the event an Interest Payment Date is not a Business Day, interest shall be paid on the next succeeding Business Day for interest accrued to the Interest Payment Date.

Investment Securities shall mean and include any of the following securities, if and to the extent the same are at the time legal for investment of the Authority’s funds and when authorized by a cash management plan, approved pursuant to N.J.S.A. 40A:5-14:

b. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;

Government money market mutual funds;

Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;

Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located;

Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the New Jersey Department of the Treasury for investment by Local Units;

Local government investment pools;

Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L.1977, c.281 (N.J.S.A. 52:18A-90.4); or

Agreements for the repurchase of fully collateralized securities, if:

the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a.;

the custody of collateral is transferred to a third party;

the maturity of the agreement is not more than thirty (30) days;

the underlying securities are purchased through a public depository as defined in section 1 of P.L.1970, c.236 (C.17:9-41); and

a master repurchase agreement providing for the custody and security of collateral is executed.

Any investment instruments in which the security is not physically held by the Local Unit shall be covered by a third party custodial agreement which shall provide for the designation of such investments in the name of the Local Unit and prevent unauthorized use of such investments.

Purchase of investment securities shall be executed by the “delivery versus payment” method to ensure that securities are either received by the Local Unit or a third party custodian prior to or upon the release of the Local Unit’s funds.

Any investments not purchased and redeemed from the issuer, government money market mutual fund, local government investment pool, or the State of New Jersey Cash Management Fund, shall be purchased and redeemed through the use of a national or State bank located within this State or through a broker-dealer which, at the time of purchase or redemption, has been registered continuously for a period of at least two years pursuant to section 9 of P.L.1967, c.93 (N.J.S.A. 49:3-56) and has at least \$25 million in capital stock (or equivalent capitalization if not a corporation), surplus reserves for contingencies and undivided profits, or through a securities dealer who makes primary markets in U.S. Government securities and reports daily to the Federal Reserve Bank of New York its position in and borrowing on such U.S. Government securities.

For the purposes of this definition:

a “government money market mutual fund” means an investment company or investment trust:

which is registered with the Securities and Exchange Commission under the Investment Company Act of 1940, 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. s.270.2a-7;

the portfolio of which is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. s.270.2a-7 and repurchase agreements that

are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of subsection a. of this definition; and

which is rated by a nationally recognized statistical rating organization.

a “local government investment pool” means an investment pool:

which is managed in accordance with 17 C.F.R. s.270.2a-7;

which is rated in the highest category by a nationally recognized statistical rating organization;

which is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. s.270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of subsection a. of this definition;

which is in compliance with rules adopted pursuant to the Administrative Procedure Act, P.L.1968, c.410 (C.52:14B-1 et seq.) by the Local Finance Board of the Division of Local Government Services in the Department of Community Affairs, which rules shall provide for disclosure and reporting requirements, and other provisions deemed necessary by the board to provide for the safety, liquidity and yield of the investments;

which does not permit investments that: are subject to high price volatility with changing market conditions; cannot reasonably be expected, at the time of interest rate adjustment, to have a market value that approximates their par value; or utilize an index that does not support a stable net asset value; and

which purchases and redeems investments directly from the issuer, government money market mutual fund, or the State of New Jersey Cash Management Fund, or through the use of a national or State bank located within this State, or through a broker-dealer which, at the time of purchase or redemption, has been registered continuously for a period of at least two years pursuant to section 9 of P.L.1967, c.93 (N.J.S.A. 49:3-56) and has at least \$25 million in capital stock (or equivalent capitalization if not a corporation), surplus reserves for contingencies and undivided profits, or through a securities dealer who makes primary markets in U.S. Government securities and reports daily to the Federal Reserve Bank of New York its position in and borrowing on such U.S. Government securities.

Capitalized terms used within this definition and not otherwise defined shall have the meanings ascribed to such terms in the Local Fiscal Affairs Law, as amended and supplemented (N.J.S.A. 40A:5-1 et seq.).

Investments in, or deposits or purchases of financial instruments made pursuant to this definition shall not be subject to the requirements of the “Local Public Contracts Law”, P.L.1971, c.198 (N.J.S.A. 40A:11-1 et seq.).

Notwithstanding the foregoing, only the obligations described in clause a(1) shall be considered to be Investment Securities for purposes of Section 1301 hereof.

Lease shall mean, with respect to the Series 2018 Bonds, that certain Lease and Agreement dated as of September 1, 2018 by and between the Authority and each Municipality, as approved by the County, and any and all modifications, alterations, amendments and supplements thereto made in accordance with the provisions hereof and the Lease.

Lease Payment shall mean the Rental Payment consisting of Basic Rent payable on each Lease Payment Date and, as applicable, Additional Rent payable by the Municipality upon demand pursuant to Section 3.1(a) and (b) of the Lease, respectively.

Lease Payment Date shall mean, with respect to the Series 2018 Bonds, each January 15 and July 15, commencing January 15, 2019, which dates shall not be later than the first day of the second month immediately preceding each Interest Payment Date and Principal Installment Date, as applicable, and such other dates determined in accordance herewith as may be set forth in a Supplemental Resolution authorizing a Series of Bonds, if any. In the event a Lease Payment Date is not a Business Day, the Lease Payment shall be made by the Municipality on the next succeeding Business Day.

Lease Term shall mean the period during which the Lease or the lease of any Item of Equipment, as the case may be, is in effect as specified in Section 2.2 of the Lease.

Loan Agreement shall mean, with respect to the Series 2018 Bonds, that certain Loan and Security Agreement dated as of September 1, 2018 by and between the Authority and each Municipality, as approved by the County, and any and all modifications, alterations, amendments and supplements thereto made in accordance with the provisions hereof and the Loan Agreement.

Loan Payment(s) shall mean the Loan Payment consisting of the Basic Loan Payment payable on each Loan Payment Date and, as applicable, an Additional Loan Payment payable by the Municipality upon demand pursuant to Section 3.1(a) and (b) of the Loan Agreement, respectively, and shall also mean the sum of the Basic Loan Payment and Additional Loan Payment described in the Loan Agreement with each Municipality for a particular Series of Bonds.

Loan Payment Date shall mean, with respect to the Series 2018 Bonds, each January 15 and July 15, commencing January 15, 2019, which dates shall not be later than the first day of the second month immediately preceding each Interest Payment Date and Principal Installment Date, as applicable, and such other dates determined in accordance herewith as may be set forth in a Supplemental Resolution authorizing a Series of Bonds, if any. In the event a Loan Payment Date is not a Business Day, the Loan Payment shall be made by the Municipality on the next succeeding Business Day.

Loan Term shall mean the period during which the Loan Agreement is in effect as specified in Section 2.1 of the Loan Agreement.

Month shall mean a calendar month.

Moody's shall mean Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, and its successors and/or assigns, if any.

Municipal Account(s) shall mean each of the account(s) created in the Acquisition and Improvement Fund, Proceeds Fund and Debt Service Fund for each Municipality into which moneys, Proceeds, Bond proceeds and investment earnings, as applicable, allocable to each Municipality, shall be deposited pursuant to Article V hereof.

Municipality or Municipalities shall mean each Municipality, including the County, or collectively, all of the Municipalities, including the County, each of which has executed a Lease and/or a Loan Agreement with the Authority for the purposes of undertaking Improvements or acquiring Equipment with the proceeds of the Series 2018 Bonds, all of which are situated in the County or a beneficiary County.

Operating Fund shall mean the Operating Fund created and established under Section 502 of this Bond Resolution.

Ordinance shall mean each ordinance adopted by each Municipality approving and authorizing the execution and delivery of the Lease and/or the Loan Agreement and pledging the full faith and credit of each Municipality for the repayment of its obligations under the Lease and/or the Loan Agreement.

Outstanding when used with reference to Bonds, shall mean, as of any date, Bonds theretofore or thereupon being authenticated and delivered under this Resolution except:

- (i) Bonds canceled by the Trustee at or prior to such date;

Bonds (or portions of Bonds) for the payment of which moneys, equal to the principal amount or Redemption Price thereof, as the case may be, together with interest to accrue thereon to the date of maturity or redemption date, shall be held in an irrevocable trust under this Resolution and set aside for such payment or redemption (whether at or prior to the maturity); provided that if such Bonds (or portions of Bonds) are to be redeemed, notice of such redemption shall have been given as provided in Article IV hereof;

Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to Article III or Section 1206 hereof; and

Bonds deemed to have been paid as provided in subsections 2 or 3 of Section 1301 hereof.

Paying Agent or Paying Agents shall mean any bank or trust company organized under the laws of any state of the United States or any banking association designated as paying agent for the Bonds, and its successors and assigns and its successor or successors appointed in the manner provided in this Resolution.

Person or Persons shall mean any individual, corporation, partnership, joint venture, trust or unincorporated organization or a governmental agency or any political subdivision thereof.

Pledged Property shall mean (1) the Revenues, (2) the Funds and Accounts established hereunder (other than the Rebate Fund), including Investment Securities held in any such Funds

or Accounts, (3) all of the Authority's right, title and interest in and to Equipment, including any Proceeds and moneys received from the sale thereof and in and to any of the foregoing, and (4) all other moneys, securities or funds pledged for the payment of the principal or Redemption Price of and interest on the Bonds in accordance with the terms and provisions of this Resolution.

Principal Installment shall mean, as of any date of calculation, and with respect to any Series of Bonds, so long as any Bonds thereof are Outstanding, (i) the principal amount of Bonds of such Series due on a certain future date for which no Sinking Fund Installments have been established plus any applicable redemption premium thereon, and (ii) any Sinking Fund Installments due on a certain future date for Bonds of such Series, plus the amount of the sinking fund redemption premium, if any, which would be applicable upon redemption of the Bonds of such Series on such future date in a principal amount equal to such Sinking Fund Installments.

Principal Installment Date shall mean any date on which any Principal Installment on any Series of Bonds shall become due and payable by the Authority, and, with respect to the Series 2018 Bonds, each September 15, commencing September 15, 2019 on which any Principal Installment shall become due and payable by the Authority, or such other date as set forth in a Supplemental Resolution authorizing a Series of Bonds. In the event a Principal Installment Date is not a Business Day, principal shall be paid on the next succeeding Business Day for the Principal Installment payable on the Principal Installment Date.

Proceeds shall mean any insurance, condemnation, performance bond, or any other financial guaranty proceeds paid with respect to any Improvement or Item of Equipment, remaining after payment therefrom of all expenses incurred in the collection thereof; and, with respect to insurance, if and at such time as a Municipality elects to provide self-insurance under Section 5.3 of the Lease and/or the Loan Agreement, any moneys payable from any self-insurance fund of any Municipality which may lawfully be expended for the purposes for which such self-insurance is provided.

Proceeds Fund shall mean the Proceeds Fund created and established in Section 502 under this Resolution.

Rebate Fund shall mean the Rebate Fund created and established in Section 502 under this Resolution.

Record Date shall mean, with respect to the Series 2018 Bonds, each March 1 and September 1 next preceding any Interest Payment Date or such other dates as set forth in a Supplemental Resolution authorizing a Series of Bonds.

Redemption Price shall mean, with respect to any Bond, the principal amount thereof plus the applicable redemption premium thereon, if any, payable upon redemption thereof pursuant to such Bond or this Resolution.

Refunding Bonds shall mean the Bonds, whether issued in one or more Series, authenticated and delivered on original issuance pursuant to Section 205, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III or Section 1206 hereof.

Registered Owner shall mean the owner of any Bond which is issued in fully registered form, as determined on the Record Date, as reflected on the registration books of the Authority which shall be kept and maintained on behalf of the Authority at the principal corporate trust office of the Bond Registrar.

Rent, Rental(s) or Rental Payment shall mean the sum of Basic Rent and Additional Rent described in the Lease with each Municipality for a particular Series of Bonds.

Revenue Fund shall mean the Revenue Fund created and established in Section 502 hereof.

Revenues shall mean (i) all amounts, including Basic Rent and Basic Loan Payments, received by the Authority under the Lease (but excluding Additional Rent payments made pursuant to Section 3.1(b) and (d) of the Lease) or Loan Agreement (but excluding Additional Loan Payments made pursuant to Section 3.1(b) and (d) of the Loan Agreement), (ii) any moneys or securities held pursuant to this Bond Resolution and paid or required to be paid into the Debt Service Fund, (iii) any payments made by the County to the Authority on behalf of any Municipality pursuant to the County Guarantee, the Guarantee Agreement and Sections 508 and 708 hereof and (iv) any other amounts received from any other source by the Authority and pledged by the Authority as security for the payment of a particular Series of Bonds.

Series shall mean all of the Bonds authenticated and delivered upon original issuance and pursuant to this Resolution authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III of this Resolution, regardless of variations in maturity, interest rate, Sinking Fund Installments, or other provisions.

Series 2018 Bonds shall mean all of the Bonds authenticated and delivered upon original issuance pursuant to Section 203 hereof.

Sinking Fund Installment shall mean that designated amount on deposit in the Debt Service Fund which shall be applied by the Trustee to the redemption of Bonds of any Series which amount is established pursuant to clause (8) of paragraph (h) of subsection 1 of Section 202 and pursuant to subsection 7 of Section 203 hereof.

Special Record Date shall have the same meaning given to such term in Section 308 hereof.

Standard & Poor's or S&P shall mean Standard & Poor's Global Ratings, a business unit of Standard & Poor's Financial Services, LLC, a corporation organized and existing under the laws of the State of New York, and its successors and/or assigns, if any.

State shall mean the State of New Jersey or any successor to its duties and functions.

Substitution Certificate shall mean the certificate, if applicable, executed by an Authorized Municipal Representative pursuant to Section 8.1 of the Lease annexed as Exhibit G thereto.

Supplemental Resolution shall mean any resolution supplemental to or amendatory of this Resolution adopted by the Authority in accordance with Section 205 and Article XI hereof, but shall not include the Determination Resolution.

Tax-Exempt Obligations shall mean any Series of Bonds which is issued pursuant to the terms of this Resolution together with an opinion of Bond Counsel to the Authority to the effect that the interest on such Bonds is not includable in gross income for Federal income tax purposes pursuant to the provisions of the Code (notwithstanding the application of the provisions of the Code relating to alternative minimum taxation).

Trustee shall mean with respect to the Series 2018 Bonds and any Series of Bonds issued hereunder, TD Bank, National Association, Cherry Hill, New Jersey and its successors and assigns and any other bank, trust company or national banking association that at any time may be substituted in its place pursuant to this Resolution or appointed trustee pursuant to a Supplemental Resolution.

Yield shall mean the yield as calculated in the manner set forth in section 148 of the Code, which calculation shall not be performed by the Trustee; thus, yield with respect to an investment allocated to the Bonds is that discount rate which produces the same present value when used in computing the present value of all receipts received and to be received with respect to investments and the present value of all the payments with respect to the investments. The yield on the Bonds is that discount rate which produces the same present value on the date hereof when used in computing the present value of all payments of principal, interest and charges for a “qualified guarantee” to be made with respect to the Bonds and the present value of all of the issue prices for the Bonds. The issue price for each maturity of the Bonds is the initial offering price of such Bonds to the public.

Authority for this Resolution. This Resolution is adopted pursuant to the provisions of the Act.

Resolution to Constitute Contract. In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued hereunder by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the Authority and the Holders from time to time of the Bonds; and the security interest granted and the pledge and assignment made in this Resolution and the covenants and agreements herein set forth to be performed on behalf of the Authority shall be for the equal benefit, protection and security of the Holders of any and all of the Bonds, all of which, regardless of the time or times of their authentication and delivery or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, all except as expressly provided in or permitted by this Resolution.

AUTHORIZATION AND ISSUANCE OF BONDS

Authorization of Bonds. (ii) The Authority does hereby determine to finance the undertaking, acquisition and installation (where applicable) or cause to be undertaken, acquired and installed Improvements or Items of Equipment pursuant to and in accordance with the Act.

In accordance with the Act and pursuant to the provisions of this Resolution, there is hereby authorized to be issued to acquire or install or cause to be acquired or installed Improvements or Items of Equipment, Bonds of the Authority to be designated as “County-Guaranteed Capital Equipment and Improvement Revenue Bonds”. The Bonds shall be direct and special obligations of the Authority payable solely from Revenues and secured by the Pledged Property. The Bonds are additionally secured by the County Guarantee. The aggregate principal amount of the Bonds that may be executed, authenticated and delivered under this Resolution is limited to the Bonds authorized pursuant to Section 203(2) hereof and Refunding Bonds. All Bonds issued hereunder shall be issued as County Guaranteed obligations. Each Bond shall bear upon its face the designation so determined for the Series to which it belongs.

The Bonds may, if and when authorized by the Authority pursuant to this Resolution and one or more Supplemental Resolutions, be issued in one or more Series (if the same has been approved by the County), and the designation thereof, in addition to the name “County-Guaranteed Capital Equipment and Improvement Revenue Bonds”, shall include such further appropriate particular designation added to or incorporated in such title for the Bonds of any particular Series as the Authority shall determine. Each Bond shall bear upon its face the designation so determined for the Series to which it belongs.

The Bonds shall not be in any way a debt or liability of the State or of any political subdivision thereof other than the Authority and shall not create or constitute any indebtedness, liability or obligation of the State or any such political subdivision, nor be or constitute a pledge of the faith and credit of the State or any such political subdivision, except the Authority, and, pursuant to the County Guarantee, as applicable under such County Guarantee, the County.

General Provisions for Issuance of Bonds. (iii) All of the Bonds of each Series shall be executed by the Authority for the issuance under this Resolution and shall be delivered to the Trustee or the Bond Registrar. Thereupon the Trustee or the Bond Registrar shall authenticate and shall deliver the Bonds to the Authority or upon its order, but only upon the receipt by the Trustee of:

An opinion of Bond Counsel (dated the date the Bonds of such Series are initially issued and addressed to the Authority and the Trustee) to the effect that, except insofar as it may be limited by bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws affecting creditors’ rights generally and the availability of any particular remedy, (i) the Authority has the right and the power under the Act, as amended to the date of such opinion, to adopt this Resolution; this Resolution has been duly and lawfully adopted by the Authority, is in full force and effect, is valid and binding upon the Authority and is enforceable in accordance with its terms and no other authorization for the adoption of this Resolution is required; (ii) this Resolution creates the valid pledge that it purports to create of the Pledged Property; and (iii) the Bonds of such Series are valid, binding, direct and special obligations of the Authority as provided in this

Resolution, enforceable in accordance with their terms and the terms of this Resolution and are entitled to the benefits of this Resolution and of the Act as amended to the date of such opinion, and such Bonds have been duly and validly authorized and issued in accordance with law, including the Act as amended to the date of such opinion and in accordance with this Resolution;

A written order as to the delivery of such Bonds signed by an Authorized Authority Representative, which order shall (i) direct the application of the proceeds of such Bonds and (ii) set forth the maturity schedule for the Bonds and the interest rates payable with respect thereto;

A copy, duly certified by an Authorized Authority Representative, of this Resolution and the resolution of the Authority authorizing the sale of the Bonds and the purchase of such Bonds by an underwriter pursuant to a bond purchase contract and the execution of such bond purchase contract by the Authority (the "Determination Resolution") (which Determination Resolution shall not constitute a Supplemental Resolution hereunder);

A fully executed copy of the Lease and/or Loan Agreement executed by each Municipality;

A certified copy of the ordinance authorizing the County Guarantee along with duly certified copies of the authorization proceedings related thereto and a fully executed copy of the County Guarantee Agreement;

Duly certified copies of each Municipality's ordinance approving and authorizing the execution of the Lease and/or Loan Agreement along with duly certified copies of the authorization proceedings related thereto;

A fully executed copy of the contract of purchase for the Bonds executed by and between the Authority and an underwriter;

In the case of a Series of Refunding Bonds, a copy of the Supplemental Resolution authorizing such Refunding Bonds, certified by an Authorized Authority Representative, which shall, among other provisions, specify, or delegate to an Authorized Authority Representative, the power to specify: (1) the authorized principal amount, designation and Series of such Bonds; (2) the purposes for which such Series of Bonds are being issued, which shall be for the purpose specified in Section 205 hereof; (3) the date, and the maturity date or dates, of the Bonds of such Series; (4) the interest rate or rates or the method of calculation of the interest rate or rates of the Bonds of such Series and the Interest Payment Dates therefor; (5) the denominations of, and the manner of dating (except as otherwise provided herein), numbering and lettering the Bonds of such Series, provided that such Bonds shall be in denominations of \$5,000 or any multiple thereof as authorized by such Supplemental Resolution; (6) the Paying Agent or Paying Agents and the place or places or methods of payment of the principal and Redemption Price, if any, of, and interest on, the Bonds of such Series; (7) the Redemption Price(s), if

any, and, subject to Article IV, the redemption terms for the Bonds of such Series; (8) the amount and due date of each Sinking Fund Installment, if any, for Bonds of like maturity of such Series; (9) if so determined by the Authority, provisions for the sale of the Bonds of such Series; (10) the amount (or the method of determining the amount), if any, to be deposited from the proceeds of such Series of Bonds in the Debt Service Fund and provisions for the application thereof to the payment of all or a portion of the interest on such Series of Bonds or any other Series of Bonds; and (11) the form of the Bonds of such Series and of the Trustee's certificate of authentication, which form shall be substantially in the form set forth in Section 1401, with such variations, omissions and insertions as are required or permitted by this Resolution and consented to by the County;

Such further documents, moneys and securities as are required by the provisions of Sections 203 or 205 or Section 703 or Article XI or any Supplemental Resolution adopted pursuant to Article XI hereof;

Except in the case of the initial Series of Bonds and Refunding Bonds, a certificate of an Authorized Authority Representative stating that the Authority is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in this Resolution;

Prior to the authentication and delivery of the Bonds of each Series, provision shall have been made for the guarantee by the County of the timely payment of the principal of and interest on such Bonds as set forth in the County Guarantee. The County Guarantee shall be printed on each of the Bond certificates and shall be in substantially the form set forth in Section 1403 hereof and shall be duly executed and attested by the manual or facsimile signature of the Director or the Deputy Director of the Board of Chosen Freeholders of the County. Any payments which are made by the County pursuant to the terms of the County Guarantee and Guarantee Agreement shall be made to the Trustee and shall thereafter be deposited by the Trustee in the Debt Service Fund in accordance with the terms of Section 508(2) hereof;

An opinion of counsel to the County (dated the date the Bonds of such Series are initially issued and addressed to the Authority, the County and the Trustee) to the effect that (i) the County has the right and power under the Act to adopt the County Guarantee and the County Guarantee has been duly and lawfully adopted by the County, is in full force and effect and is valid and binding upon the County enforceable in accordance with its terms and no other authorization for the Guarantee Ordinance is required; (ii) the County Guarantee is the valid, binding, general obligation of the County enforceable in accordance with its terms and payments thereunder are payable out of the first funds becoming legally available to the County for such purpose and if such funds are not available, the County has the power and is obligated to levy ad valorem taxes upon all the taxable property within the jurisdiction of the County for the purpose of making payments under the County Guarantee, without limitation as to rate and amount; and (iii) the County Guarantee has been duly and validly authorized and issued in accordance with the

law, including the Act, and is in full force and effect on the date of issuance of the Bonds; provided that such opinion may take exception for limitations imposed by or resulting from bankruptcy, insolvency, moratorium, reorganization or other laws and equitable principles affecting creditors' rights generally and that no opinion is being rendered as to the availability of any particular remedy ("Creditors' Rights Limitations");

An opinion of Bond Counsel (given separately or in conjunction with another opinion) to the effect that each Lease and/or Loan Agreement between the Authority and the applicable Municipality constitutes a legal, valid and binding agreement between the parties enforceable in accordance with its terms, except such opinion may take an exception for Creditors' Rights Limitations; and

In the case of a Determination Resolution and a Supplemental Resolution which delegates to an Authorized Authority Representative the power to specify the information set forth in subparagraph (h) above, a certificate of such Authorized Authority Representative dated the date of delivery of the Bonds upon original issuance which specifies and sets forth such information (the "Series Certificate").

All of the Bonds of each Series of like maturity shall be identical in all respects, except as to denominations, numbers and letters. After the original issuance of the Bonds of any Series, no Bonds of such Series shall be issued except in lieu of or in substitution for other Bonds of such Series pursuant to Article III, Section 406 or Section 1206.

The Series 2018 Bonds. (iv) The Series 2018 Bonds shall be issued, authenticated and delivered to finance the undertaking of Improvements and/or the acquisition of Items of Equipment for use by the applicable Municipality.

Pursuant to the provisions of this Resolution, a Series of Bonds entitled to the benefit, protection and security of the provisions hereof is hereby authorized to be issued in an aggregate principal amount not to exceed \$10,000,000. Such Bonds shall be designated as and shall be distinguished from the Bonds of all other Series by the title, "County-Guaranteed Capital Equipment and Improvement Revenue Bonds, Series 2018".

The Series 2018 Bonds shall be issued to (i) finance the Costs of Improvements and/or Items of Equipment for each Municipality, as applicable, (ii) make the required deposit of interest accrued on the Series 2018 Bonds, if any, into the Debt Service Fund, and (iii) pay costs and expenses incurred by the Authority and the County in connection with the issuance and delivery of the Series 2018 Bonds.

The Series 2018 Bonds shall be dated, and shall bear interest from their date of delivery except as otherwise provided in Section 301 hereof. The Series 2018 Bonds shall mature on the dates and in the principal amounts, and shall bear interest payable on the Interest Payment Dates at the respective rates per annum, set forth in a certificate of an Authorized Authority Representative executed and delivered to the Trustee in accordance with a Determination Resolution to be adopted by the Authority authorizing the execution and delivery of a bond purchase contract for the sale of the Series 2018 Bonds (which Determination Resolution shall not

constitute a Supplemental Resolution hereunder); provided that (i) the aggregate principal amount of the Series 2018 Bonds shall not exceed \$10,000,000 (inclusive of original issue discount), (ii) each principal maturity date shall be on September 15, (iii) the final maturity date shall not be later than September 15, 2027, (iv) the true interest cost shall not exceed five and one-half percent (5.50%) and (v) the Redemption Price, if any, of any Series 2018 Bond subject to redemption shall not be greater than one hundred three per centum (103%) per annum of the principal amount of Series 2018 Bonds or a portion thereof to be redeemed, plus accrued interest to the date of redemption. The amount and due date of each Sinking Fund Installment, if any, for the Series 2018 Bonds shall be as set forth in a Series Certificate of an Authorized Authority Representative executed and delivered to the Trustee in accordance with the Determination Resolution to be adopted by the Authority awarding such Series 2018 Bonds to the initial purchasers thereof.

The Series 2018 Bonds shall be issued in fully registered form in Authorized Denominations. Unless the Authority shall otherwise direct the Bond Registrar, the Series 2018 Bonds shall be lettered and numbered from one upward in order of maturities preceded by the letter "R" and/or such other letter or letters as determined by the Trustee prefixed to the number. Subject to the provisions of this Resolution, the form of the Series 2018 Bonds, the Trustee's certificate of authentication and the County's Guarantee shall be substantially in the form set forth in Sections 1401, 1402 and 1403, respectively, hereof.

The principal or Redemption Price, if applicable, of the Series 2018 Bonds (other than book entry) shall be payable, upon presentation and surrender thereof, at the principal corporate trust office of TD Bank, National Association, Cherry Hill, New Jersey, as Paying Agent for the Series 2018 Bonds. The principal or Redemption Price, as applicable, of all Series 2018 Bonds shall also be payable on any Principal Installment Date at any other place which may be provided for such payment by the appointment of any other Paying Agent or Paying Agents as permitted by this Resolution. Interest on the Series 2018 Bonds shall be payable by check of the Trustee, mailed or transmitted, on each Interest Payment Date, to the Registered Owners thereof as the same appear as of the Record Date on the books of the Authority maintained by the Trustee; provided, however, that a Registered Owner of \$1,000,000 or more in principal amount of Series 2018 Bonds shall be entitled, upon five (5) Business Days' written notice to the Trustee in advance of the applicable Record Date, to receive interest payments by wire transfer of immediately available funds.

The Series 2018 Bonds shall be subject to redemption prior to their respective maturity dates as set forth in the Series Certificate, upon the written consent of the County in accordance with Article IV hereof.

The proceeds of the Series 2018 Bonds, including accrued interest, shall be paid to the Trustee and applied in accordance with an order of the Authority simultaneously with the delivery thereof as follows:

an amount equal to the interest accrued on the Series 2018 Bonds from their dated date to the date of their delivery to the initial purchasers thereof, if any, shall be deposited in the applicable Municipal Account within the Debt Service Fund;
and

an amount for the payment of the costs of issuance, including the Authority's initial financing fee, shall be deposited in the Operating Fund and paid in accordance with Section 505(3) hereof; and

the balance of proceeds of the Series 2018 Bonds shall be allocated to each Municipality and each such amount shall be deposited in each Municipal Account in the Acquisition and Improvement Fund, which Fund is created and established pursuant to Section 502 hereof.

Book Entry System. With respect to each Series of Bonds for which the authorizing resolution so provides,

Except as provided in subparagraph (c) of this paragraph and Section 203(5) hereof, the registered Holder of all of the Bonds shall be, and the Bonds shall be registered in the name of, Cede & Co. ("Cede") as nominee of DTC. With respect to all Bonds for which Cede shall be the registered Holder, payment of semiannual interest on such Bonds shall be made by wire transfer of immediately available funds to the account of Cede on the Interest Payment Dates for the Bonds at the address indicated for Cede in the registration books of the Authority kept by the Bond Registrar.

The Bonds shall be initially issued in the form of a separate fully registered bond in the amount of each separate serial or term maturity of the Bonds. Upon initial issuance, the ownership of each such Bond shall be registered in the registration books of the Authority kept by the Bond Registrar in the name of Cede, as nominee of DTC. The Authority and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC participant or indirect DTC participant with respect to any beneficial ownership interest in the Bonds, (ii) the delivery to any DTC participant, indirect DTC participant, beneficial owner or any other person, other than DTC or Cede, of any notice with respect to such Bonds, or (iii) the payment to any DTC participant, indirect DTC participant, beneficial owner or any other person, other than DTC or Cede, of any amount with respect to the principal of, redemption premium, if any, or interest on such Bonds. The Authority and the Trustee may treat as, and deem DTC to be, the absolute registered Holder of each such Bond for the purpose of (i) payment of the principal of, redemption premium, if any, and interest on each such Bond, (ii) giving notices with respect to such Bonds, (iii) registering transfers with respect to the Bonds and (iv) for all other purposes whatsoever. The Trustee shall pay the principal of, redemption premium, if any, and interest on such Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to such principal, redemption premium, if any, and interest to the extent of the sum or sums so paid. No person other than DTC shall receive a Bond certificate evidencing the obligation of the Authority to make payments of principal thereof, redemption premium, if any, and interest thereon pursuant to this Resolution. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to

substitute a new nominee in place of Cede, and subject to the transfer provisions hereof, the word “Cede” in this Resolution shall refer to such new nominee of DTC.

(1) DTC may determine to discontinue providing its services with respect to any Series of Bonds at any time by giving written notice to the Authority and discharging its responsibilities with respect thereto under applicable law. Upon receipt of such notice, the Authority shall promptly deliver a copy of same to the Trustee.

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

Upon the termination of the services of DTC with respect to all or any portion of such Bonds pursuant to Section 204(c)(2)(i) or 204(c)(2)(ii)(A) hereof, or upon the discontinuance or termination of the services of DTC with respect to all or any portion of such Bonds pursuant to Section 204(c)(1) or Section 204(c)(2)(ii)(B) hereof, after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of the Authority, is willing and able to undertake such functions upon reasonable and customary terms, such Bonds (or the applicable portion thereof) shall no longer be restricted to being registered in the registration books kept by the Trustee in the name of Cede, as nominee of DTC, but may be registered in whatever name or names Bondholders transferring or exchanging such Bonds shall designate, in accordance with the provisions of this Resolution. Upon the determination by any party authorized herein that such Bonds (or any portion thereof) shall no longer be limited to book-entry form, the Authority shall immediately advise the Trustee in writing of the procedures for transfer of such Bonds from such book-entry form to a fully registered form.

Notwithstanding any other provision of this Resolution to the contrary, so long as any Series of Bonds is registered in the name of Cede, as nominee of DTC, all payments with respect to the principal of, redemption premium, if any, and interest on, and all notices with respect to, such Bonds shall be made and given, respectively, to DTC as provided in the Letter of Representations of the Authority, addressed to DTC, with respect to such Bonds.

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

Refunding Bonds. (3) One or more Series of Refunding Bonds may be authenticated and delivered upon original issuance to refund all or any portion (as determined by the Authority) of any Outstanding Bonds or one or more maturities within such Series of Bonds upon (i) the written consent of the County and (ii) compliance with the terms and conditions set forth in subsection 2 of this Section 205 and in Section 202 hereof.

2. Prior to or simultaneously with the delivery of each such Series of Refunding Bonds pursuant to subsection 1 of this Section 205, the Trustee shall receive, in addition to the items required by Section 202 hereof:

(A) A certified copy of the ordinance authorizing the County Guarantee for such Series of Refunding Bonds along with duly certified copies of the authorization proceedings related thereto and a fully executed copy of a Guarantee Agreement of the County consenting to the issuance of such Series of Refunding Bonds and confirming and setting forth the terms and conditions under which such Bonds will be entitled to the benefits of a County Guarantee for such Series of Refunding Bonds;

(B) Irrevocable written instructions to the Trustee, satisfactory to it, to give due notice of redemption of all or any portion of the Bonds, if any, to be redeemed on a redemption date specified in such instructions;

(C) If the Bonds to be refunded are not by their terms subject to redemption within the next succeeding sixty (60) days, irrevocable written instructions to the Trustee, satisfactory to it, to make due provision for publication of the notice provided for in Section 405 to the Holders of the Bonds being refunded, except in the case where any Series of Bonds is not by its terms subject to redemption; and

(D) Either (i) moneys in an amount sufficient to effect payment at the applicable Redemption Price of those Bonds, if any, to be redeemed or the principal amount of those Bonds, if any, to be paid at maturity, together with accrued interest on such Bonds to the redemption or maturity date, which moneys shall be held by the Trustee or any one or more of the Paying Agents in a separate account irrevocable in trust for and assigned to the respective Holders of the Bonds to be refunded, or (ii) Investment Securities in such principal amounts, of such maturities, bearing such interest, and otherwise having such terms and qualifications, as shall be necessary to comply with the provisions of subsection 2 of Section 1301, and any moneys required pursuant to said subsection 2, which Investment Securities and moneys shall be held in trust and used only as provided in said subsection 2 and including a verification report to the same effect;

(E) Executed copies of amendments to the Lease and/or the Loan Agreement with each Municipality certified to by an Authorized Authority Representative and an Authorized Municipal Representative and acknowledged and accepted by the County as being in full force and effect or an opinion of counsel to the effect that amendment to the Lease and/or Loan Agreement with each Municipality is not necessary, which amendments shall evidence that all Lease Payments and/or Loan Payments derived from each Municipality under each Lease and/or Loan Agreement and the amendments thereto shall be sufficient to pay Debt Service on all Outstanding Bonds.

The proceeds, including accrued interest, of the Refunding Bonds of such Series shall be applied simultaneously with the delivery of such Refunding Bonds, as provided in the Supplemental Resolution authorizing such Refunding Bonds.

Upon the defeasance of the Bonds being refunded, the refunded Bonds shall no longer be entitled to the benefit of the County Guarantee for the refunded Bonds and such County Guarantee shall be released and extinguished thereon.

GENERAL TERMS AND PROVISIONS OF BONDS

Obligation of Bonds; Medium of Payment; Form and Date; Letters and Numbers. 3. The Bonds shall be direct and special obligations of the Authority payable, with respect to principal or Redemption Price and interest, solely from Revenues and secured by the Pledged Property, which under the Act and this Resolution may be used for the payment of principal or Redemption Price of and interest on the Bonds of the Authority. The Series 2018 Bonds are additionally secured by the County Guarantee for such Series 2018 Bonds.

The Bonds shall be payable with respect to principal and interest in any coin or currency of the United States of America that at the time of payment is legal tender for the payment of public and private debts.

All Bonds of each Series shall be issued in the form of fully registered Bonds. The Bonds of each Series shall be substantially in the form required by Article XIV hereof or substantially in the form set forth in the Supplemental Resolution authorizing such Series.

Each Bond shall be lettered and numbered as provided in this Resolution or the Supplemental Resolution authorizing the Series of which such Bond is a part so as to be distinguished from every other Bond.

Bonds upon original issuance shall be dated as provided in this Resolution. Refunding Bonds shall be dated as provided in a Supplemental Resolution. Principal of the Bonds shall be payable at maturity upon presentation and surrender thereof at the office of the Paying Agent. Bonds shall bear interest as provided herein, payable by check, except as provided in Section 204 hereof, to the registered owners of such Bonds as of the Record Date provided for such Bonds at their addresses on file with the Trustee who has been designated the Bond Registrar hereunder. After original issue, all Bonds exchanged or transferred shall bear an authentication date that shall be the date authenticated. Interest on Bonds shall accrue from the Interest Payment Date to which

interest has been paid next preceding the authentication date unless (1) the date of authentication is also an Interest Payment Date to which interest has been paid, in which event such Bonds shall be dated and shall bear interest from the date of authentication, or (2) the date of authentication is prior to the first Interest Payment Date, in which event such Bonds shall bear interest from the original dated date of such Bonds; provided however that if, as shown on the records of the Trustee, interest on the Bonds of any Series shall be in default, Bonds of such Series issued in lieu of Bonds surrendered for transfer or exchange may be dated as of the date to which interest has been paid in full on the Bonds surrendered.

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

Execution of Bonds. The Bonds shall be executed in the name of the Authority by the manual or facsimile signature of its Chairman or Vice Chairman and its corporate seal shall be thereunto affixed, imprinted or otherwise reproduced and attested by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority. In the event any officer who shall have signed, sealed or attested any of the Bonds shall cease to be such officer of the Authority before the Bonds so signed, sealed or attested shall have been authenticated and delivered by the Trustee or by the Bond Registrar, such Bonds nevertheless may be authenticated and delivered as herein provided as if the person who so signed, sealed or attested such Bonds had not ceased to be such officer. Any Bond of a Series may be signed, sealed or attested on behalf of the Authority by any person who shall hold the proper office at the date of such act, notwithstanding at the date of such Bonds such person may not have held such office.

Authentication of Bonds. The Bonds of each Series shall bear thereon a certificate of authentication, substantially in the form set forth in Section 1402 hereof, duly executed upon issuance by the Trustee or the Bond Registrar. Only such Bonds as shall bear thereon such certificate of authentication, duly executed, shall be entitled to any right or benefit under this Resolution. No Bond shall be valid or obligatory for any purpose unless such certificate of authentication upon such Bond shall have been duly executed by the Trustee, or by the Bond Registrar, as the case may be. Such certificate of authentication by the Trustee or by the Bond Registrar, as the case may be, upon any Bond executed on behalf of the Authority shall be conclusive and the only evidence that the Bond so authenticated has been duly authenticated and delivered under this Resolution and that the Holder thereof is entitled to the benefit of this Resolution.

Transfer, Exchange and Registry of Bonds and Agency Therefor. 4. The Authority shall cause and hereby appoints the Bond Registrar as its agent to maintain and to keep books for the registration, the exchange and the transfer of Bonds. Upon presentation of Bonds for transfer or exchange at the designated office of the Bond Registrar, together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the Holder or by his attorney duly authorized in writing, the Bond Registrar shall register or shall cause to be registered and shall permit to be transferred thereon or to be exchanged any Bond entitled to registration, transfer or exchange. Upon the transfer or exchange of any Bond, the Authority shall execute, and the Trustee

or the Bond Registrar shall authenticate and shall deliver a new Bond or Bonds in any Authorized Denomination registered in the name of the Holder or transferee of the same aggregate principal amount, designation and maturity as the surrendered Bond.

The Authority and each Fiduciary may deem and treat the person in whose name any Bond shall be registered upon the books of the Authority as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price of and interest on such Bond and all such payments so made to any such Registered Owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid and neither the Authority nor any Fiduciary shall be affected by any notice to the contrary. The Authority agrees to indemnify and save each Fiduciary harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without gross negligence or willful misconduct under this Resolution, in so treating such Registered Owner.

All Bonds surrendered in any such exchanges or transfers shall forthwith be delivered to the Bond Registrar and canceled or retained by the Bond Registrar. For every such exchange or transfer of Bonds, whether temporary or definitive, the Authority or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. Neither the Authority nor the Bond Registrar shall be required (a) to exchange or transfer the Bonds of any Series for a period beginning on the Record Date next preceding an Interest Payment Date for Bonds of a particular Series and ending on such Interest Payment Date, or for a period of fifteen (15) days next preceding the date (as determined by the Trustee) of any selection of Bonds to be redeemed and thereafter until after the mailing of the notice of redemption, or (b) to transfer or exchange any Bonds called for redemption.

Reissuance of Mutilated, Destroyed, Stolen or Lost Bonds. In case any Outstanding Bond shall be mutilated, destroyed, stolen or lost, the Authority shall execute and the Trustee or the Bond Registrar, as the case may be, shall authenticate and shall deliver a new Bond, of like tenor, number and amount as the Bond so mutilated, destroyed, stolen or lost in exchange and in substitution for and upon surrender of such mutilated Bond or in lieu of and in substitution for the Bond if any, destroyed, stolen or lost upon filing with the Trustee and the Bond Registrar evidence satisfactory to the Authority, the Trustee and the Bond Registrar that such Bond had been destroyed, stolen or lost and proof of ownership thereof, upon furnishing the Authority, the Trustee and the Bond Registrar with indemnity satisfactory to them, upon paying such expenses as the Authority, the Trustee and the Bond Registrar may incur in connection therewith and upon complying with such other reasonable regulations as the Authority, the Trustee and the Bond Registrar may prescribe. In lieu of reissuing a mutilated, destroyed, lost or stolen Bond that is due and payable, the Trustee and the Bond Registrar may pay the amount due on such Bond to the owner or the Holder thereof, provided all the other requirements of this Section have been met. Any Bond surrendered for transfer shall be canceled by the Trustee. Any such new Bonds issued pursuant to this Section in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the Authority, whether or not the Bonds so alleged to be destroyed, stolen or lost be at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other Bonds issued under this Resolution, in any moneys or securities held by the Authority or any Fiduciary for the benefit of the Bondholders.

Temporary Bonds. Until the definitive Bonds are prepared, the Authority may execute in the same manner as is provided in Section 303 hereof and, upon the request of the Authority, the Trustee or Bond Registrar shall authenticate and shall deliver in lieu of definitive Bonds but subject to the same provisions, limitations and conditions as the definitive Bonds except as to the denominations thereof and as to exchangeability for registered Bonds, one or more temporary Bonds of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in Authorized Denominations and with such omissions, insertions and variations as may be appropriate to temporary Bonds for notation thereon of the payment of such interest. The Authority at its own expense shall prepare and shall execute and, upon the surrender for exchange and for cancellation of such temporary Bonds, the Trustee or the Bond Registrar shall authenticate and shall deliver in exchange therefor definitive Bonds of the Authority without charge to the Holder thereof. The cost and expense of issuing temporary Bonds shall be paid by the Municipality as Additional Rent under the Lease or Additional Loan Payments under the Loan Agreement, which payment shall be allocated to each Municipality on a pro rata basis in accordance with the percentages contained in Exhibit A attached to the Lease and/or Loan Agreement.

Payment of Interest on Bonds; Interest Rights Preserved. 5. Interest on any Bond which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the person in whose name that Bond is registered at the close of business on the date (hereinafter the "Record Date"), which is the first (1st) day of Month (whether or not a Business Day) next preceding such Interest Payment Date or such other date as shall be provided in a Supplemental Resolution authorizing any Series of Bonds.

Any interest on any Bond which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (hereinafter "Default Interest") shall forthwith cease to be payable to the registered owner on the relevant Record Date by virtue of having been such owner; and such Default Interest shall be paid by the Authority to the persons in whose names the Bonds are registered at the close of business on a date (hereinafter the "Special Record Date") for the payment of such Default Interest, which shall be fixed in the following manner. The Authority shall notify the Trustee in writing of the amount of Default Interest proposed to be paid on each Bond and the date of the proposed payment (the "Default Interest Payment Date"), and at the same time the Authority shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Default Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Default Interest herein provided. Thereupon the Trustee shall fix a Special Record Date for the payment of such Default Interest, which Special Record Date shall be not more than fifteen (15) nor less than ten (10) days prior to the Default Interest Payment Date, and which Special Record Date shall be fixed by the Trustee within ten (10) days after the receipt by the Trustee of the written notice of the proposed payment from the Authority. The Trustee shall promptly notify the Authority of such Special Record Date and Default Interest Payment Date and, in the name and at the expense of the Authority, shall cause notice of the proposed payment of such Default Interest and the Special Record Date and Default Interest Payment Date therefor to be mailed, first class postage prepaid, to each Bondholder at his address as it appears in the Bond register, not less than ten (10) days prior to such Special Record Date.

Subject to the foregoing provisions of this Section, each Bond delivered under this Resolution upon transfer of or in exchange for or in lieu of any other Bond shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

Cancellation and Destruction of Bonds. All Bonds paid, either at or before maturity, shall be delivered to the Trustee when such payment is made, and such Bonds shall thereupon be promptly canceled. Bonds so canceled may at any time be destroyed by the Trustee, who shall execute a certificate of destruction in duplicate by the signature of one of its authorized officers describing the Bonds so destroyed, and one executed certificate shall be filed with the Authority and the other executed certificate shall be retained by the Trustee.

REDEMPTION OF BONDS

Privilege of Redemption and Redemption Price. Bonds subject to redemption prior to maturity pursuant to this Resolution or a Supplemental Resolution shall be redeemable, upon notice as provided in this Article IV, at such times, at such Redemption Prices and upon such terms, in addition to the terms contained in this Article IV, as may be specified in the Series Certificate or a Supplemental Resolution authorizing a Series of Bonds. The written consent of the County shall be received by the Authority prior to the redemption of any Bonds or Series of Bonds, except for the redemption of Bonds pursuant to mandatory sinking fund redemption. A copy of such written consent of the County shall be received by the Trustee prior to the mailing of the notice of redemption in accordance with Section 405 hereof. Except as may be otherwise provided in a Supplemental Resolution authorizing a Series of Bonds, any Series of Bonds may be redeemed in whole or in part on any date at the option of the Authority in accordance with this Resolution or a Supplemental Resolution.

Redemption at the Election or Direction of the Authority. In the case of any redemption of Bonds at the election or direction of the Authority, upon the consent of the County, the Authority shall give written notice to the Trustee of its election or direction to so redeem, which notice shall include a copy of the written consent of the County, if required, in accordance herewith, of the redemption date, of the Series, and of the principal amounts of the Bonds of each maturity of such Series to be redeemed (which Series, maturities and principal amounts thereof to be redeemed shall be determined by the Authority upon the consent of the County, subject to any limitations with respect thereto contained in this Resolution). Such notice shall be given at least sixty (60) days prior to the redemption date or such shorter period as shall be acceptable to the Trustee. In the event notice of redemption shall have been given as in Section 405 provided, there shall be paid on or prior to the redemption date to the appropriate Paying Agent an amount in cash or Investment Securities which, in addition to other moneys, if any, available therefor held by such Paying Agent, will be sufficient to redeem on the redemption date at the Redemption Price thereof, plus interest accrued thereon and unpaid to the redemption date, all of the Bonds to be redeemed. The Authority shall promptly notify the Trustee in writing of all such payments by it to such Paying Agents.

Redemption Otherwise Than at the Authority's Election or Direction. Whenever by the terms of this Resolution the Trustee is required or authorized to redeem Bonds otherwise than at the election or direction of the Authority, provided that if such redemption is required to be

consented to in writing by the County, such written consent has been delivered to the Trustee, the Trustee shall (i) select the Bonds or portions of Bonds to be redeemed, (ii) give the notice of redemption and (iii) pay out of moneys available therefor the Redemption Price thereof, plus interest accrued thereon and unpaid to the redemption date, to the appropriate Paying Agents in accordance with the terms of this Article IV.

Selection of Bonds to be Redeemed. Unless otherwise provided in this Resolution, if less than all of the Bonds of like maturity of any Series shall be called for prior redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected at random by the Trustee in such manner as the Trustee in its sole discretion may deem fair and appropriate; provided, however, that the portion of any Bond of a denomination of more than \$5,000 to be redeemed shall be in the principal amount of \$5,000 or a multiple thereof, and that, in selecting portions of such Bonds for redemption, the Trustee shall treat each such Bond as representing that number of Bonds of \$5,000 denomination which is obtained by dividing by \$5,000 the principal amount of such Bond to be redeemed in part.

Notice of Redemption. When the Trustee shall receive written notice from the Authority of its election or direction to redeem Bonds pursuant to Section 402 hereof, including written notice from the County of its consent to the redemption of the Bonds, and when redemption of Bonds is authorized or required pursuant to Section 403 hereof and the Trustee shall have received written notice from the County of its consent to the redemption of the Bonds, the Trustee shall give notice, in the name of the Authority, of the redemption of such Bonds, which notice shall specify the Series and maturities of the Bonds to be redeemed, the Redemption Price, the redemption date and the place or places where amounts due upon such redemption will be payable and, if less than all of the Bonds of any like Series and maturity are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds so to be redeemed, and, in the case of Bonds to be redeemed in part only, such notice shall also specify the respective portions of the principal amount thereof to be redeemed. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable. Such notice shall be mailed by the Trustee, via first class mail, postage prepaid, not less than thirty (30) days nor more than sixty (60) days prior to the redemption date, to registered owners of any Bonds or portions of Bonds which are to be redeemed, at their last addresses appearing upon the registry books. Failure to give notice by mail, or any defect in the notice to the registered owner of any Bonds which are to be redeemed shall not affect the validity of the proceedings for the redemption of any other Bonds.

Any notice which is mailed in the manner herein provided shall be conclusively presumed to have been duly given, whether or not the Holder receives the notice.

Payment of Redeemed Bonds. Notice having been given in the manner provided in Section 405, the Bonds or portions thereof so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price, plus interest accrued thereon and unpaid to the redemption date, and, upon presentation and surrender thereof at the office specified in such notice, such Bonds, or portions thereof, shall be paid at the Redemption Price, plus interest accrued thereon and unpaid to the redemption date. If there shall be called for redemption less

than all of a Bond, the Authority shall execute and the Trustee shall authenticate and the Paying Agent shall deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the Bonds so surrendered, Bonds of like Series and maturity in any of the Authorized Denominations. If, on the redemption date, moneys for the redemption of all the Bonds or portions thereof of any like Series and maturity to be redeemed, together with interest thereon to the redemption date, shall be held by the Paying Agent so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date interest on the Bonds or portions thereof of such Series and maturity so called for redemption shall cease to accrue and become payable. If said moneys shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

The Pledge Effected by this Resolution and Security for the Bonds. 6. The Bonds are direct and special obligations of the Authority payable solely from Revenues and secured by the Pledged Property. There is hereby pledged and assigned as security for the payment of the principal of, redemption premium, if any, and interest on the Bonds in accordance with their terms and the provisions of this Resolution, subject only to the provisions of this Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in this Resolution, all of the Pledged Property. The Series 2018 Bonds are additionally secured by the County Guarantee for such Series 2018 Bonds which unconditionally and irrevocably guarantees the payment of principal of and interest on the Series 2018 Bonds.

All Pledged Property shall immediately be subject to the lien of the pledge made herein for the benefit of the Bondholders without any physical delivery thereof or further act, or any filing, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority, irrespective of whether such parties have notice thereof.

The Bonds shall not be in any way a debt or liability of the State or of any political subdivision thereof other than the Authority and, as applicable under and limited by the County Guarantee and the Guarantee Agreement, the County, and shall not create or constitute any indebtedness, liability or obligation of the State or of any political subdivision thereof other than the Authority and, as applicable under and limited by the County Guarantee and the Guarantee Agreement, the County, or be or constitute a pledge of the faith and credit of the State or of any political subdivision thereof other than, as applicable under and limited by the County Guarantee and the Guarantee Agreement, the County. Neither the State nor any political subdivision thereof other than the Authority and, as applicable under and limited by the County Guarantee and the Guarantee Agreement, the County, is obligated to pay the principal or Redemption Price of and interest on the Bonds and neither the full faith and credit nor the taxing power of the State or any political subdivision thereof other than, as applicable under and limited by the County Guarantee and the Guarantee Agreement, the County, is pledged to the payment of the principal or Redemption Price of and interest on the Bonds but all Bonds shall be payable solely from Revenues

or funds pledged or available for their payment, including any funds available under the County Guarantee and the Guarantee Agreement, as authorized in the Act. The County Guarantee does not provide for the payment of redemption premium on the Bonds, if any.

Notwithstanding the above, the Authority hereby assigns its right to receive all Revenues, including all amounts to be received by the Authority from each Municipality under each Lease and/or Loan Agreement, to the Trustee for the benefit of the Bondholders and covenants and directs the Municipality under each Lease and/or Loan Agreement to pay all such amounts directly to the Trustee. The Authority additionally covenants that all moneys paid by the County pursuant to the County Guarantee and Guarantee Agreement will be paid directly to the Trustee for deposit in accordance with Section 506 hereof.

Nothing contained in this Section 501 shall be deemed a limitation upon the authority of the Authority to issue bonds, notes or other obligations under the Act secured by income and funds other than the Pledged Property, including, without limitation, bonds, notes or other obligations secured by Federal or State grants.

Establishment of Funds. The following Funds are hereby created and established:

Acquisition and Improvement Fund, including each of the Municipal Accounts to be established therein, to be held by the Trustee,

Revenue Fund, to be held by the Trustee,

Operating Fund, to be held by the Trustee,

Proceeds Fund, including each of the Municipal Accounts to be established therein, to be held by the Trustee,

Debt Service Fund, including each of the Municipal Accounts to be established therein, to be held by the Trustee, and

Rebate Fund, to be held by the Trustee on behalf of the Authority.

The Trustee may designate on each Fund or Account established hereunder such number, letter or symbol as may be necessary to distinguish such Funds or Accounts from other funds and accounts of the Authority held by the Trustee.

Acquisition and Improvement Fund. 7. There shall be paid into the Municipal Account for each Municipality established in the Acquisition and Improvement Fund (a) the amounts required to be so paid by the provisions of this Resolution, including any proceeds from the issuance of the Bonds allocated to such Municipality in accordance with Section 203(8) hereof, (b) any Proceeds received with respect to any Improvement or Item of Equipment upon the election by the Municipality to pursue Option A pursuant to Section 5.4(a) of the Lease, and (c) at the option of the Authority, any moneys received for or in connection with the Improvement or Equipment of each such Municipality by the Authority from any other source, unless required to be otherwise applied in accordance with this Resolution. All amounts in each Municipal Account in the Acquisition and Improvement Fund shall be applied in the following order and priority:

(a) to the Cost of Improvement or the Equipment, (b) transferred to the Operating Fund to pay Authority Administrative Expenses pursuant to Section 503(5) of this Resolution, and (c) to the extent not otherwise utilized, moneys in the Municipal Account in the Acquisition and Improvement Fund shall be transferred to the Municipal Account in the Debt Service Fund or Proceeds Fund and applied by the Trustee in accordance with subsections (7) and (8) of this Section. The Trustee shall provide each Municipality on a quarterly basis with a statement as to the amount of money remaining in its Municipal Account in the Acquisition and Improvement Fund.

8. The Trustee is hereby authorized to make payments from each Municipal Account in the Acquisition and Improvement Fund for the Cost of any Improvement or Item of Equipment in the amounts, at the times, in the manner, and on the other terms and conditions set forth in this subsection. Before any such payment shall be made, there shall be filed with the Authority and/or the Trustee: (A) a requisition therefor, which requisition shall be substantially in the form set forth in Exhibit E to the Lease or, in the case of advance, progress or partial payments, Exhibit C to the Lease, signed by an Authorized Municipal Representative and approved by an Authorized Authority Representative (which approval shall not be unreasonably withheld), certifying in respect of each payment to be made (1) the requisition number, (2) the name and address of the Municipality or Person to whom payment is due or has been made, (3) the amount to be paid, (4) the Improvement(s) or Item(s) of Equipment to which the requisition relates, and (5) that each obligation, item of cost or expense mentioned therein has been properly incurred, is an item of Cost and is a proper charge against such Municipal Account in the Acquisition and Improvement Fund and has not been the basis of any previous withdrawal; and (B) either (1) an Acceptance Certificate described in subsection 3 hereof in the case of payment in full of the Cost of any Improvement or Item of Equipment against delivery thereof or, (2) in the case of an advance, progress or partial payment pursuant to Section 2.5(h) of the Lease or pursuant to the terms of the Loan Agreement, a performance bond satisfying the requirements of Section 5.8 of the Lease or Section 5.6 of the Loan Agreement, or (C) a loan proceed forwarding order signed by an Authorized Municipal Representative pursuant Section 2.2(c) of the Loan Agreement whereby the Loan proceeds shall be forwarded by the Trustee, on behalf of the Authority, to the Municipality on the date of the original issuance of the Bonds. The Trustee shall issue its check for each payment required by such requisition or shall by interbank transfer or other method, arrange to make the payment required by such requisition. The Trustee shall have no obligations hereunder and shall be entitled to rely on the requisition if properly completed and executed.

In the event the Cost of an Improvement or Item of Equipment purchased by a Municipality exceeds the amount therefor specified in Exhibit A or Exhibit G, as applicable, to the Lease or Exhibit A to the Loan Agreement, the Trustee shall make payments from the applicable Municipal Account in the Acquisition and Improvement Fund for the Cost of Equipment in the amounts, at the times, in the manner, and on the other terms and conditions set forth in this subsection. Before any such payment shall be made, there shall be filed with the Trustee and the Authority: (A) a requisition therefor, which requisition shall be substantially in the form set forth in Exhibit H to the Lease or, in the case of advance, progress or partial payments, Exhibit C to the Lease, signed by an Authorized Municipal Representative and approved by an Authorized Authority Representative (which approval shall not be unreasonably withheld), certifying in respect of each payment to be made (1) the requisition number, (2) the name and address of the Person to whom payment is due or has been made, (3) the amount to be paid, (4) the

Improvement(s) or Item(s) of Equipment to which the requisition relates, (5) the amount originally specified in Exhibit A or Exhibit G to the Lease or Exhibit A to the Loan Agreement, as applicable, as the Cost of the Equipment, (6) the amount of money the Municipality has forwarded to the Trustee on behalf of the Authority for deposit in the Municipal Account in the Acquisition and Improvement Fund to fund the balance of the Cost of the Equipment, (7) the check and a copy thereof evidencing such payment referred to in number (6) above, and (8) that each obligation, item of cost or expense mentioned therein has been properly incurred, is an item of Cost and is a proper charge against the Municipal Account in the Acquisition and Improvement Fund and has not been the basis of any previous withdrawal; (B) a bank or certified check drawn on an account of the Municipality in the amount necessary to fund the balance of such Cost; and (C) either (1) an Acceptance Certificate described in subsection 3 hereof in the case of payment in full of the Cost of any Improvement or Item of Equipment against delivery thereof or (2) in the case of an advance, progress or partial payment made pursuant to Section 2.5(h) of the Lease or pursuant to the terms of the Loan Agreement, a performance bond satisfying the requirements of Section 5.8 of the Lease or Section 5.6 of the Loan Agreement. Any such moneys deposited by the Municipality pursuant to the provisions hereof shall not constitute Revenues or Pledged Property pledged for the security of the repayment of the Bonds. The Trustee shall issue its check for each payment required by such requisition or shall by interbank transfer or other method, arrange to make the payment required by such requisition.

The completion of the acquisition and installation of all Items of Equipment of each Municipality executing a Lease with the Authority shall be evidenced by Acceptance Certificate(s) for each Item of Equipment of an Authorized Municipal Representative, approved by an Authorized Authority Representative (which approval shall not be unreasonably withheld), which shall be filed with the Trustee and the Authority, certifying (i) that the acquisition and installation of all Items of Equipment has been completed substantially in accordance with the specifications applicable thereto and that such Equipment is ready for use, (ii) the date of such completion and (iii) the purchase price of such Improvement or Item of Equipment. Notwithstanding the foregoing, such Acceptance Certificate shall state that it is given without prejudice to any rights against third parties which exist as of the date of such certificate or which may subsequently come into being.

Subject to the provisions of subsection (5) below, if subsequent to the filing of such Acceptance Certificate, it shall be determined by an Authorized Municipal Representative, as approved by an Authorized Authority Representative, that the amount of Bond proceeds specified in such certificate as being required for the payment of any remaining part of the Cost are no longer so required, such fact shall be evidenced by a certificate or certificates of an Authorized Municipal Representative and an Authorized Authority Representative, which Certificate shall be filed with the Authority and the Trustee certifying such fact and certifying that any amount shown therein is no longer required to purchase such Item of Equipment, such amount shall be transferred by the Trustee in accordance with the directions of the Municipality and Authority to the Debt Service Fund for deposit in such Municipal Account for application in accordance with the requirements of subsections 7 and 8 of this Section.

At any time after the filing of such Acceptance Certificate, upon the delivery to the Trustee of written instructions of an Authorized Authority Representative, the Trustee shall transfer to the Operating Fund from a Municipal Account in the Acquisition and Improvement Fund, money in

an amount equal to the Municipality's pro rata share of Authority Administrative Expenses as shall be determined by the Authority and evidenced in a certificate of an Authorized Authority Representative to be necessary or desirable to fund Authority Administrative Expenses for the Bond Year, such amounts to be applied to the purposes of such Operating Fund. Upon the filing of such Acceptance Certificate and the certificate of the Authorized Authority Representative, the balance of Bond proceeds in the Municipal Account in the Acquisition and Improvement Fund in excess of the amount, if any, stated in such certificate and the amount to be transferred to the Operating Fund as set forth in the immediately preceding sentence shall be transferred into the Debt Service Fund for deposit in the Municipal Account for application in accordance with the requirements of subsections 7 and 8 of this Section.

Any damages or other moneys from any manufacturer or supplier of any Improvement or Item of Equipment or its surety paid to the Municipality pursuant to Section 2.6 of the Lease shall be paid to the Trustee for deposit in the applicable Municipal Account in the Acquisition and Improvement Fund (in accordance with written instructions from the Authority as directed in writing by the Municipality) to the extent such funds are necessary to complete the acquisition of such Item of Equipment. Any moneys not necessary to complete the acquisition of Equipment, as stated in a certificate of an Authorized Municipal Representative delivered to the Trustee, shall be transferred by the Trustee to the Municipal Account in the Debt Service Fund or the Proceeds Fund and applied as a credit toward the Municipality's Basic Rent or Basic Loan Payment obligations on the next succeeding Lease Payment Date or Loan Payment Date, in accordance with Sections 503(5) and 507(4) herein.

Bond proceeds transferred from a Municipal Account in the Acquisition and Improvement Fund to a Municipal Account in the Debt Service Fund pursuant to this Section shall be applied as a credit toward the Basic Rent obligations and/or Basic Loan Payment obligations of such Municipality as set forth in a certificate of an Authorized Authority Representative filed with the Trustee. The Lease Payment and/or Loan Payment due from each such Municipality on the next succeeding Lease Payment Date or Loan Payment Date shall reflect the extent of the application of such amounts.

Pursuant to the written direction of the Authority, Bond proceeds in the Municipal Account in the Acquisition and Improvement Fund which are to be transferred to the Municipal Account in the Debt Service Fund pursuant to subsection 7 above, but which cannot be completely applied to the payment of Debt Service on the Bonds attributable to such Municipality during such Bond Year shall be deposited in the Municipal Account in the Proceeds Fund and shall be paid over to the Municipal Account in the Debt Service Fund on each Lease Payment Date and/or Loan Payment Date and applied to the payment of Debt Service attributable to such Municipality until all such amounts are exhausted; provided that any such amounts shall be invested subject to such Yield restrictions as shall be directed to the Trustee in writing by Bond Counsel. Notwithstanding the above, excess Bond proceeds which are transferred from a Municipal Account in the Acquisition and Improvement Fund to the Municipal Account in the Proceeds Fund may be transferred to the Rebate Fund pursuant to the provisions of Section 509(a) hereof.

Revenue Fund. Except as set forth in Sections 505 and 603 hereof, all Revenues shall be promptly deposited by the Trustee upon receipt thereof into the Revenue Fund and shall be applied as set forth in Section 506 hereof. All moneys at any time deposited in the Revenue Fund shall be

held in trust for the benefit of the Holders but shall nevertheless be disbursed, allocated and applied solely for the uses and purposes set forth in this Article V.

Operating Fund. 9. Pursuant to an order of the Authority simultaneously delivered to the Trustee upon the original issuance of the Bonds, any Bond proceeds representing costs of issuance and each Municipality's allocable share of the Initial Authority Financing Fee paid in connection with the Capital Equipment and Improvement Program shall be immediately deposited in the Operating Fund. Such amounts shall be paid by the Trustee in accordance with subsection 3 hereof.

Amounts payable to the Authority and to the County which constitute Additional Rent pursuant to Section 3.1(b) of the Lease or Additional Loan Payments pursuant to Section 3.1(b) of the Loan Agreement shall first be deposited to the Revenue Fund and shall thereafter be immediately deposited in the Operating Fund by the Trustee upon receipt of such moneys by the Trustee from each Municipality. The Trustee may rely conclusively upon Authority and County requests for Additional Rent and/or Additional Loan Payments under the Lease and/or Loan Agreement in determining the amount to be credited to the Operating Fund.

Amounts deposited in the Operating Fund shall be paid out by the Trustee from time to time for costs of issuance, County Guarantee Costs, Authority Administrative Expenses, including expenses incurred by the Authority in the performance of an arbitrage rebate calculation, and any other items constituting Additional Rent and/or Additional Loan Payments upon requisition therefor submitted to the Trustee and signed by an Authorized Authority Representative or Authorized County Representative, as applicable, certifying: (i) the name of the Person to whom each such payment is due; (ii) the respective amounts to be paid; (iii) the purpose by general classification for which each obligation in the stated amounts has been or will be incurred; and (iv) each obligation in the stated amounts has been or will be incurred by or on behalf of the Authority and the County and that each item thereof is a proper charge against the Operating Fund and has not been previously paid.

Payments into Certain Funds. 10. As soon as practicable after the deposit of Revenues into the Revenue Fund, but in any case no later than 3:00 p.m. of the second Business Day after the deposit of any Revenues in the Revenue Fund, the Trustee shall credit, but only to the extent the amount in the Revenue Fund shall be sufficient therefor, such Revenues as follows: (a) Revenues consisting of Basic Rent payments and/or Basic Loan Payments made by each Municipality, the amount of such payment being made in accordance with Exhibit A or Exhibit G attached to the Lease or Exhibit A attached to the Loan Agreement, and shall be applied to each Municipal Account in the Debt Service Fund in accordance with Sections 507 and 508 hereof and (b) moneys paid by the County on behalf of a Municipality pursuant to the County Guarantee in accordance with Section 508 hereof shall be applied immediately to the applicable Municipal Account in the Debt Service Fund upon the written direction of the Authority such that the balance in the Debt Service Fund shall equal the Debt Service Requirement on such Series of Bonds for the next respective succeeding Interest Payment Date and Principal Installment Date, as applicable, provided that, for the purposes of computing the amount to be deposited in said Fund, there shall be excluded from the balance in said Debt Service Fund the amount, if any, set aside in said Fund from the proceeds of such Series of Bonds for the payment of interest on Bonds less that amount of such proceeds to be applied in accordance with this Resolution to the payment of interest

accrued and unpaid and to accrue on such Series of Bonds to the next Interest Payment Date as set forth in an order of the Authority to the Trustee; provided, however, that so long as there shall be held in the Debt Service Fund an amount sufficient and available in each Municipal Account to pay in full all Outstanding Bonds of a particular Series in accordance with their terms (including principal thereof and interest thereon) no transfers shall be required to be made from the Revenue Fund to the Debt Service Fund.

Revenues representing Proceeds shall be immediately credited in accordance with Sections 503(6) and 507 hereof.

Proceeds Fund - Municipal Account(s). 11. There shall be established a Municipal Account for each Municipality in the Proceeds Fund. Upon an election by the Municipality or, as applicable, the Authority, to pursue Option B under Section 5.4(b) of the Lease, there shall be deposited in the Municipal Account in the Proceeds Fund any Proceeds received with respect to an Item of Equipment. Proceeds from any performance bond provided pursuant to Section 5.8 of the Lease or Section 5.6 of the Loan Agreement shall be deposited in the Municipal Account in the Proceeds Fund. Proceeds on deposit in each Municipal Account in the Proceeds Fund resulting from such deposits shall be applied by the Trustee as a credit toward the amount of Basic Rent and/or Basic Loan Payments owed by the Municipality on each Lease Payment Date and/or Loan Payment Date for the payment of Debt Service on the Bonds allocated to such Municipality by the transfer of such Proceeds to such Municipal Account in the Debt Service Fund as set forth in a certificate of an Authorized Authority Representative filed with the Trustee and the Authority at the time of the deposit of the Proceeds into the Municipal Account in the Proceeds Fund.

To the extent moneys in the Municipal Account in the Debt Service Fund are sufficient to satisfy the amount of Basic Rent payments and/or Basic Loan Payments due and owing by the Municipality for such Bond Year, any such Proceeds shall remain in the Municipal Account in the Proceeds Fund and shall be transferred thereafter into the Municipal Account in the Debt Service Fund on each Lease Payment Date and/or Loan Payment Date for the payment of Debt Service on the Bonds attributable to such Municipality until such Proceeds are exhausted. The application of such Proceeds in accordance herewith shall be credited toward the Basic Rent payments and/or Basic Loan Payment due and owing from the Municipality in any Bond Year. Any such Proceeds in the Municipal Account in the Proceeds Fund shall be invested subject to such Yield restrictions as shall be directed to the Trustee in writing by Bond Counsel.

Pursuant to Sections 4.2, 8.2 and 9.1 of the Lease and at the written direction of the Authority, Revenues from the sale of Equipment of a Municipality (net of expenses incurred by the Authority) shall be deposited in the Municipal Account for such Municipality in the Proceeds Fund and shall be applied by the Trustee in the following order: first, to the payment of the Municipality's Basic Rent obligation under the Lease and second, pursuant to Section 709 hereof, to reimburse the County for County Guarantee Costs, if any. Such amounts shall be requisitioned by the County in accordance with the procedures outlined in Section 505(3) hereof. Amounts remaining in the Municipal Account in the Proceeds Fund after application thereof in accordance herewith shall be applied by the Trustee as a credit toward any other Additional Rent payments of the Municipality due and owing under the Lease prior to the final Debt Service payment of the Bonds attributable to such Municipality; such Proceeds shall be invested subject to such Yield restrictions as shall be directed to the Trustee in writing by Bond Counsel.

Revenues paid to the Trustee pursuant to Section 2.6 of the Lease and 503(6) hereof shall be transferred by the Trustee, upon receipt of a Certificate of an Authorized Municipal Representative and an Authorized Authority Representative stating the amount of money to be so transferred, from the Municipal Account in the Acquisition and Improvement Fund to the Municipal Account in the Proceeds Fund and applied as a credit toward the Municipality's Basic Rent obligations pursuant to Section 507(1) and (2) hereof.

Pursuant to Section 8.1(c) of the Lease, if the Municipality is not able to (a) deliver an Item of Equipment or make arrangements for its substitution in accordance with the provisions of Section 8.1(b) of the Lease and (b) requisition moneys from the Acquisition and Improvement Fund within eighteen (18) months after the date of original issuance of the Bonds in accordance with the time periods and percentages specified in Section 2.3(a) of the Lease, the proceeds of the Bonds allocated to such Item of Equipment for such Municipality shall be transferred by the Trustee into the Municipal Account in the Debt Service Fund upon receipt of a certificate of an Authorized Municipal Representative directing the application of Bond proceeds from the Municipal Account in the Acquisition and Improvement Fund to the payment of Basic Rent or to the extent such moneys cannot be applied as a credit to Basic Rent Payments within thirteen (13) months as provided in Section 503(7) hereof, such Bond proceeds shall be transferred by the Trustee to a Municipal Account in the Proceeds Funds and yield restricted in accordance with the written investment instructions of the Authority delivered to the Trustee. Such proceeds of the Bonds shall be applied by the Trustee as a credit toward the amount of Basic Rent owed by the Municipality on the next succeeding Lease Payment Date and each Lease Payment Date thereafter for the payment of Debt Service on the Bonds allocated to such Municipality by the transfer of such proceeds to the Municipal Account in the Debt Service Fund.

12. All interest (net of that which represents a return of accrued interest paid in connection with the purchase of any investment and net of any losses suffered) earned or any gain realized on any moneys or investments in the Acquisition and Improvement Fund, Debt Service Fund and Proceeds Fund and in any Municipal Accounts established within such Funds which shall be allocated and paid to the respective Municipality by the Trustee in accordance with Section 603(2) of this Bond Resolution, and shall be (i) transferred by the Trustee to the Operating Fund to pay the amount equal to the respective Municipality's pro rata share of Authority Administrative Expenses and County Guarantee Costs for each Bond Year, and (ii) following such transfer by the Trustee; if moneys remain, be transferred by the Trustee to the respective Municipal Account in the Proceeds Fund and held therein by the Trustee. Such interest earned or any gain realized on any moneys or investments in the aforesaid funds and transferred by the Trustee to the Operating Fund to pay the amount equal to the respective Municipality's pro rata share of Authority Administrative Expenses and County Guarantee Costs for each Bond Year, and following such transfer by the Trustee; if moneys remain, be transferred by the Trustee to the Municipal Account in the Proceeds Funds and shall be applied by the Trustee, provided no Event of Default has occurred and is continuing under the Lease or Loan Agreement, and the County has not incurred County Guarantee Costs on behalf of such defaulting Municipality pursuant to Sections 508(1), 708 and 709 of this Bond Resolution, as a credit toward the amount of Basic Rent or Basic Loan Payments owed by the Municipality in the next succeeding Bond Year on the Lease Payment Date or Loan Payment Date and each Lease Payment Date or Loan Payment Date thereafter for the payment of Debt Service on the Bonds allocated to such Municipality by the transfer of such monies to the Municipal Account in the Debt Service Fund;

To the extent the County has made a payment or otherwise has incurred County Guarantee Costs on behalf of a defaulting Municipality pursuant to Sections 508(1), 708 and 709 of this Bond Resolution, any such interest earned, gained or realized and deposited in the Municipal Account in the Proceeds Fund of such defaulting Municipality shall be paid to the County by the Trustee to the extent such moneys are due and owing to the County, upon proper requisition therefor by delivery of a certificate to the Trustee executed by an Authorized County Representative and Authorized Authority Representative and stating the amount due and owing, the date and reason why such costs were incurred and such moneys were paid by the County and the identity of the defaulting Municipality on whose behalf such costs were incurred, or, as shall be determined by the County, shall be applied as a credit toward the Basic Rent payments and/or Basic Loan Payments of the defaulting Municipality on the next ensuing Interest Payment Date and Principal Installment Date, as applicable, which determination shall be made at the complete discretion of the County. No later than sixty (60) days prior to the next succeeding Lease Payment Date and/or Loan Payment Date, the County shall direct the Trustee in writing as to the application of such interest hereunder.

To the extent there are moneys from such investment earnings remaining in the Municipal Account in the Proceeds Fund prior to the last Basic Rent payment and/or Basic Loan Payment, then such moneys shall be credited to the final Basic Rent payment and/or Basic Loan Payment to be made by the Municipality by the Trustee in accordance with the written directions of the Authority. In addition, such moneys may be applied to pay the cost of performing an arbitrage rebate calculation or paying arbitrage rebate as may be directed in writing by an Authorized Authority Representative.

Notwithstanding the provisions of this subsection 6, the amount derived from such investment earnings (and any interest thereon) in all the Municipal Accounts in the Proceeds Fund shall be Yield restricted in accordance with written investment instructions of the Authority delivered to the Trustee.

Debt Service Fund. 13. Pursuant to Section 506(1)(a) hereof, Revenues representing Basic Rent payments and/or Basic Loan Payments deposited in the Revenue Fund on any Lease Payment Date and/or Loan Payment Date shall be credited to each Municipal Account in the Debt Service Fund not later than 3:00 p.m. of the second Business Day thereafter by the Trustee. Not later than 3:00 p.m. of the second Business Day after any Lease Payment Date and/or Loan Payment Date, the Trustee shall determine whether (a) the amounts on deposit in each Municipal Account in the Debt Service Fund are sufficient to meet the Debt Service Requirement on such Series of Bonds for the next succeeding Interest Payment Date and Principal Installment Date, as applicable, and (b) which, if any, Municipality has not made a Basic Rent payment and/or Basic Loan Payment or any portion thereof, which determination shall be made as at the close of business on the Lease Payment Date and/or Loan Payment Date. In the event such amounts therein are insufficient to meet such Debt Service Requirement, the Trustee shall give written notice thereof to the Authority, the Chief Financial Officer of the County or its designee and the nonpaying Municipality of such deficiency no later than 3:00 p.m. of the second Business Day after such Lease Payment Date and/or Loan Payment Date, which notice shall state the amount of such deficiency as at the close of business on any Lease Payment Date and/or Loan Payment Date, the identity of the defaulting Municipality and shall also state that such deficiency must be cured no later than thirty (30) days before the next ensuing Interest Payment Date and Principal Installment

Date, as applicable. The notice to the Chief Financial Officer of the County or its designee and the Authority shall also include the amount of the Interest Payment and Principal Installment, as applicable, due and payable and the amount required to be paid by the County to cure such deficiency to enable the Trustee to make a Debt Service payment on the Bonds on the next ensuing Interest Payment Date and Principal Installment Date, as applicable. The receipt of any such notice by the Chief Financial Officer of the County or its designee shall be acknowledged by the County to the Trustee within two (2) Business Days after receipt thereof. If the nonpayment of the Municipality is not cured thirty (30) days prior to the applicable Interest Payment Date and Principal Installment Date, the Trustee shall so notify the County and the County shall pay to the Trustee, not later than two (2) Business Days prior to such Interest Payment Date and Principal Installment Date, as applicable, any and all amounts required to pay Debt Service on the Bonds. Any late Basic Rent payments and/or Basic Loan Payments received by the Trustee subsequent to an Interest Payment Date and Principal Installment Date, as applicable, on which they were due and owing by the Municipality and subsequent to the time the County has made a payment with respect thereto and has incurred County Guarantee Costs, shall be paid to the County, to the extent the County has made payment thereof to the Trustee, in accordance with this Section and Sections 708 and 709 hereof. Notwithstanding the above, the County shall have the option of determining whether such late Basic Rent payment and/or Basic Loan Payment of the Municipality shall be applied as a credit toward the subsequent Basic Rent payments and/or Basic Loan Payments of such defaulting Municipality on the next succeeding Interest Payment Date and Principal Installment Date, as applicable. The County shall direct the Trustee in writing as to the application of a late Basic Rent payment and/or Basic Loan Payment hereunder and under Sections 708 and 709 hereof.

The Trustee shall promptly notify the Authority and the County of any delinquent Basic Rent payments and/or Basic Loan Payments received by the Trustee from a Municipality at any time after a Lease Payment Date or Loan Payment Date, but prior to an Interest Payment Date and Principal Installment Date, as applicable, which notice shall be sent by the Trustee to the Authority and the County not later than one (1) Business Day after receipt of any such delinquent payments.

All moneys paid by the County on behalf of any Municipality pursuant to the County Guarantee shall be immediately deposited in the applicable Municipal Account in the Debt Service Fund, which moneys shall be applied to the payment of Debt Service on the Bonds on such Interest Payment Date and Principal Installment Date, as applicable.

14. On each Interest Payment Date, the Trustee shall make available to the Paying Agent from moneys available in each Municipal Account in the Debt Service Fund an amount which equals the interest on such Series of Bonds due on such date, which moneys shall be applied by the Paying Agent to the payment of such interest on the Interest Payment Date, and (b) on the Principal Installment Date of any Series of Bonds, the Trustee shall make available to the Paying Agent from moneys in each Municipal Account in the Debt Service Fund an amount equal to the principal of such Series of Bonds due on such date, which moneys shall be applied by the Paying Agent to the payment of such principal on the Principal Installment Date. The Trustee may also pay out of the Debt Service Fund the accrued interest included in the purchase price of such Series of Bonds, pursuant to the provisions of subsection (4) below.

The amount, if any, deposited in each Municipal Account in the Debt Service Fund representing accrued interest on the proceeds of each Series of Bonds allocated to each Municipality shall be set aside in such Fund and applied, in accordance with written instructions of the Authority delivered to the Trustee prior to the authentication of each such Series of Bonds, to the payment of accrued interest on the Bonds of such Series (or Refunding Bonds issued to refund such Bonds) as the same becomes due and payable.

Amounts on deposit in each Municipal Account in the Debt Service Fund for the payment of any Sinking Fund Installment shall be applied by the Trustee to the purchase or redemption of Bonds of the Series and maturity for which such Sinking Fund Installment was established in an amount not exceeding that necessary to complete the retirement of the balance of such Sinking Fund Installment. Not more than sixty (60) days nor less than thirty (30) days preceding the due date of any such Sinking Fund Installment, any amounts then on deposit in each Municipal Account in the Debt Service Fund may, and if so directed by an Authorized Authority Representative shall be applied by the Trustee to the purchase of Bonds of the Series and maturity for which each Sinking Fund Installment was established in an amount not exceeding that which is necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. All purchases of any Bonds pursuant to this subsection shall be made at prices not exceeding the applicable sinking fund Redemption Price of such Bonds plus accrued interest thereon. The applicable sinking fund Redemption Price (or principal amount of maturing Bonds) of and accrued interest paid on any Bonds so purchased or redeemed shall be deemed to constitute part of the Debt Service Fund until such Sinking Fund Installment date for the purpose of calculating the amount of such fund. Not less than thirty (30) days preceding the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for redemption, by giving notice as provided in Section 405 hereof, on such due date Bonds of the Series and maturity for which such Sinking Fund Installment was established (except in the case of Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The Trustee shall pay out of the Debt Service Fund to the appropriate Paying Agent, on or before such redemption date (or maturity date), the amount required for the redemption of the Bonds so called for redemption (or for the payment of such Bonds then maturing), and such amount shall be applied by such Paying Agent to effect such redemption (or payment). All expenses in connection with the purchase or redemption of Bonds shall be paid by the Authority.

In the event of the refunding of any Bonds, the Trustee shall, if an Authorized Authority Representative so directs in writing, withdraw from each Municipal Account in the Debt Service Fund all, or any portion of, the amounts accumulated therein with respect to Debt Service on the Bonds being refunded, and deposit such amounts in such Fund or Account established under this Resolution as set forth in such written direction; provided that such withdrawal shall not be made unless (a) immediately thereafter the Bonds being refunded shall be deemed to have been paid pursuant to subsection (2) of Section 1301, and (b) the amount remaining in the Debt Service Fund, after giving effect to the issuance of Refunding Bonds and the disposition of the proceeds thereof, shall not be less than the requirement of such fund pursuant to subsection (1) of Section 508. In the event of such refunding, an Authorized Authority Representative may also direct the Trustee in writing to withdraw from the Debt Service Fund all, or any portion of, the amounts accumulated therein with respect to Debt Service on the Bonds being refunded and deposit such amounts in any Fund under this Resolution to be used to reimburse the County for County Guarantee Costs and

for other purposes specified hereunder; provided, however, that any such withdrawal shall not be made unless items (a) and (b) referred to hereinabove have been satisfied and provided, further, that, at the time of such withdrawal, there shall exist no deficiency in any Fund or Account mandated by and held under this Resolution.

Rebate Fund. Moneys on deposit in the Rebate Fund, including earnings on or gain realized on any moneys or investments therein, shall be held by the Trustee in trust and applied and invested as provided by instructions to the Authority contained in the tax certificate delivered pursuant to Section 820 hereof.

The Authority shall determine or shall cause to be determined the amounts necessary to be rebated to the Internal Revenue Service (the "Rebate Requirement") and the Authority shall cause each Municipality to deposit such amounts in the Rebate Fund or shall cause the transfer of such amounts from a Municipal Account in the Proceeds Fund to the Rebate Fund and the Authority shall transfer or cause to be transferred by the Trustee pursuant to the written instructions of the Authority, at such times and to such Person as required by section 148 of the Code an amount equal to the Rebate Requirement from the Rebate Fund. To the extent such amounts on deposit in the Rebate Fund are not sufficient to meet the Rebate Requirement, amounts shall be immediately paid by each Municipality to the Trustee for deposit in the Rebate Fund. Notwithstanding the above, moneys comprising excess Bond proceeds and investment earnings transferred to a Municipal Account in the Proceeds Fund pursuant to Sections 503(8) and 507(6)(a) may be transferred to the Rebate Fund and may be used to pay the cost of performing an arbitrage rebate calculation or paying arbitrage rebate as may be directed in writing by an Authorized Authority Representative.

Notwithstanding anything contained in this Resolution to the contrary, neither the Authority nor the Trustee shall be responsible or liable for any loss, liability, or expense incurred to the extent incurred as a result of the failure of each Municipality to fulfill its respective obligations with respect to the calculation and payment of the Rebate Requirement.

The Trustee, as directed in writing, by an Authorized Authority Representative, shall apply or cause to be applied the amounts in the Rebate Fund at the times and in the amounts required by section 148 of the Code solely for the purpose of paying the United States in accordance with section 148 of the Code.

Moneys held in the Rebate Fund shall be invested and reinvested by the Trustee in Investment Securities, as directed, in writing, by an Authorized Authority Representative, that mature not later than such times as shall be necessary to provide moneys when needed for the payments to be made from such Fund and in accordance with Section 603 hereof. The interest earned on any moneys or investments in the Rebate Fund shall be retained in such Fund.

Pursuant to the provisions of Section 603(4) hereof, investment earnings from the Revenue Fund and Operating Fund may be deposited in the Rebate Fund upon written direction of an Authorized Authority Representative to the Trustee.

Trustee No Obligation for Rebate. Notwithstanding the provisions of Section 509 hereof, the Trustee shall have no responsibility for the calculation, collection or payment pursuant

to the Code of any rebate to the United States of America of arbitrage earnings on proceeds of Bonds issued pursuant to this Resolution. The Authority agrees to perform or cause to be performed such calculation, collection and payment in accordance with the requirements of the Code, and hereby indemnifies and holds harmless the Trustee from any liability arising out of the nonperformance by the Authority of such requirements under the Code.

Moneys Remaining in Funds and Accounts; Reimbursement of County. Except with respect to unclaimed funds pursuant to Article XIII hereof, upon the final maturity of any Series of Bonds issued hereunder, any moneys remaining in the Funds and Accounts held under this Resolution shall be paid to the County by the Trustee free and clear of the lien and pledge of this Resolution to the extent required to reimburse the County for County Guarantee Costs and further, after such payment has been made to the County, to the extent any moneys are remaining in such Funds and Accounts and the Fiduciaries have unreimbursed expenses, such moneys shall be paid to each such Fiduciary by the Trustee, free and clear of the lien and pledge of this Resolution to the extent required to reimburse such Fiduciary for such expenses, and thereafter the balance therein shall be paid and shall belong to the Authority free and clear of the lien and pledge of this Bond Resolution.

DEPOSITORIES OF MONEYS, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

Depositaries. 15. All moneys held by the Trustee and the Authority under the provisions of this Resolution shall constitute trust funds and the Authority may deposit such moneys with the Trustee or any one of the Fiduciaries in trust for the Authority, each Municipality and, as applicable, the County. All moneys deposited under the provisions of this Resolution with the Trustee shall be held in trust and applied only in accordance with the provisions of this Resolution, and each of the Funds and Accounts established by this Resolution shall be a trust fund for the purpose thereof.

Each Fiduciary shall be a bank or trust company organized under the laws of the State of New Jersey or a national banking association having capital stock, surplus and undivided earnings of \$100,000,000 or more and willing and able to accept the office on reasonable and customary terms and authorized by law to act in accordance with the provisions of this Resolution. No moneys shall be deposited with any Fiduciary in any amount exceeding fifteen percent (15%) of the amount which an officer of such Fiduciary shall certify to the Authority and the Trustee as to the capital stock and surplus of such Fiduciary.

Deposits. 16. All Revenues and moneys held by the Trustee or any Fiduciary under this Resolution may be placed on demand or time deposit, if and as directed by the Authority, provided that such deposits shall permit the moneys so held to be available for use at the time when needed. Any such deposit may be made in the commercial banking department of any Fiduciary which may honor checks and drafts on such deposit with the same force and effect as if it were not such Fiduciary. All moneys held by any Fiduciary, as such, may be deposited by such Fiduciary in its banking department on demand or, if and to the extent directed by the Authority and acceptable to

such Fiduciary, on time deposit, provided that such moneys on deposit be available for use at the time when needed.

All moneys held under this Resolution by the Trustee or any Fiduciary shall be (a) either (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by lodging with the Trustee or its agents, as custodian, as collateral security, such securities as are described in subsection (a) (1) and (3) of the definition of Investment Securities in Section 101 hereof having a market value at the time of deposit (exclusive of accrued interest) not less than the amount of such moneys, or (b) secured in such other manner as may then be required by applicable Federal or State laws and regulations and applicable state laws and regulations of the state in which the Trustee or such Fiduciary (as the case may be) is located, regarding security for, or granting a preference in the case of, the deposit of trust funds; provided, however, that it shall not be necessary for the Fiduciaries to give security under this subsection (2) for the deposit of any moneys with them held in trust and set aside by them for the payment of the principal or Redemption Price of and interest on any Series of Bonds, or to give security for any moneys which shall be represented by Investment Securities purchased as an investment of such moneys.

All moneys deposited with the Trustee and each Fiduciary shall be credited to the particular Fund or Account, including any Municipal Account, to which such moneys belong and, except as provided with respect to the investment of moneys in Investment Securities in Section 603 hereof, the moneys credited to each particular Fund or Account shall be kept separate and apart from, and not commingled with, any moneys credited to any other Fund or Account or any other moneys deposited with the Trustee and each Fiduciary.

Investment of Certain Funds. 17. Moneys held in the Revenue Fund or the Debt Service Fund, including the Municipal Account(s) established therein, shall be invested and reinvested by the Trustee to the fullest extent practicable in the types of securities defined in subsection (a) (1), (2) and (3) of the definition of Investment Securities in Section 101 hereof, which Investment Securities shall mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Funds. Moneys held in the Acquisition and Improvement Fund, the Operating Fund and the Proceeds Fund may be invested and reinvested in Investment Securities which mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Funds. Moneys held in the Rebate Fund, if any, shall be invested and reinvested in accordance with the written instructions received from any Authorized Authority Representative. The Trustee shall make all such investments of moneys held by it in accordance with written instructions from time to time received from any Authorized Authority Representative. In making any investment in any Investment Securities with moneys in any Fund established under this Resolution, the Authority may instruct the Trustee or any Fiduciary in writing to combine such moneys in any other Fund, if permitted hereunder, but solely for purposes of making such investment in such Investment Securities.

All interest (net of that which represents a return of accrued interest paid in connection with the purchase of any investment and net of any losses suffered) earned or any gain realized on any moneys or investments in the Acquisition and Improvement Fund, Debt Service Fund and Proceeds Fund and any Municipal Accounts established within such Funds shall be (i) be transferred by the Trustee to the Operating Fund to pay the amount equal to the respective

Municipality's pro rata share of Authority Administrative Expenses and County Guarantee Costs for each Bond Year, and (ii) following such transfer to the Operating Fund, if moneys remain, be transferred by the Trustee and held for the benefit of the Municipal Accounts in the Proceeds Fund and allocated to the respective Municipality and shall be paid into the respective Municipal Accounts in the Proceeds Fund on a periodic basis at least quarterly or as otherwise shall be directed by the Authority. The Trustee shall annually notify each Municipality, the County, and the Authority in writing of such interest and earnings. Such interest in each Municipal Account in the Proceeds Fund may be applied by the Authority in accordance with the provisions of Section 507(6) hereof.

In the absence of written investment direction from an Authorized Authority Representative, the Trustee shall invest all uninvested moneys which the Authority has failed to direct in money market funds customarily invested in by the Trustee.

Notwithstanding anything herein to the contrary, the Authority may direct the Trustee to deposit interest earnings from the Revenue Fund and Operating Fund into the Rebate Fund to pay any amounts required to be set aside for rebate to the Internal Revenue Service pursuant to the Code.

Nothing in this Resolution shall prevent any Investment Securities acquired as investments of or security for funds held under this Resolution from being issued or held in book-entry form on the books of the Department of the Treasury of the United States.

Nothing in this Resolution shall preclude the Trustee from investing or reinvesting moneys through its bond department; provided, however, that the Authority may, in its discretion, direct that such moneys be invested or reinvested in a manner other than through such bond department.

Valuation and Sale of Investments. Obligations purchased as an investment of moneys in any Fund or Account created under the provisions of this Resolution shall be deemed at all times to be a part of such Fund or Account and any profit realized from the liquidation of such investment shall be credited to such Fund or Account, and any loss resulting from the liquidation of such investment shall be charged to the respective Fund or Account, subject to any transfers authorized hereunder.

In computing the amount in any Fund or Account created under the provisions of this Resolution for any purpose provided in this Resolution, obligations purchased as an investment of moneys therein shall be valued at the lesser of cost or market value thereof.

Except as otherwise provided in this Resolution, the Authority shall direct the Trustee to sell at the best price reasonably obtainable or present for redemption or transfer as provided in the next sentence any obligation so purchased as an investment whenever either shall be requested in writing by an Authorized Authority Representative to do so or whenever it shall be necessary in order to provide moneys to meet any payment or transfer from any Fund or Account held by it. In lieu of such sale or presentment for redemption, the Trustee may, in making the payment or transfer from any Fund or Account mentioned in the preceding sentence, transfer at cost such investment obligations or coupons for interest appertaining thereto if such investment obligations or coupons shall mature or be collectable at or prior to the time the proceeds thereof shall be needed.

The Trustee shall not be liable or responsible for any loss resulting from any such investment, sale or presentation for investment made in the manner provided above.

LEASES OR LOAN AGREEMENTS WITH MUNICIPALITIES

Terms and Conditions for Lease or Loan Agreement. The Authority shall enter into a Lease and/or a Loan Agreement with each Municipality, in the manner, on the terms and conditions and upon submission of the documents required by this Article VII.

Form of Lease and Loan Agreement. Each Lease and Loan Agreement shall be substantially in the forms approved by the Authority pursuant to the Determination Resolution with such revisions therein as shall be approved by the Authority.

Delivery of Documents in Connection with Leases and the Loan Agreements. Prior to or at the execution and delivery of the Lease and Loan Agreement with each Municipality and the closing on each Series of Bonds, the Authority and the Trustee shall have received the following documents from each Municipality:

an opinion of counsel or bond counsel for each Municipality executing a Lease and/or Loan Agreement with the Authority, as approved by Bond Counsel to the Authority and counsel to the County, to the effect that the Lease and/or Loan Agreement was duly authorized by such Municipality and is a valid and binding obligation of such Municipality;

counterparts of each Lease and/or Loan Agreement executed by each Municipality;

copies of the ordinance(s) adopted by the governing bodies of each Municipality authorizing the execution and delivery of the Lease and/or Loan Agreement and related applicable matters, certified by an Authorized Municipal Representative or the clerk of the Municipality;

evidence satisfactory to Bond Counsel to the Authority and counsel to the County that the Basic Rent, Basic Loan Payments, Additional Rent payments and Additional Loan Payments under each Lease or Loan Agreement, assuming the Basic Rent, Basic Loan Payments, Additional Rent payments and Additional Loan Payments attributable to each Lease or Loan Agreement are timely paid by each Municipality, are sufficient to pay Debt Service on each Series of Bonds, Authority Administrative Expenses and all costs of the program, respectively; and

such other certificates, documents, opinions and information as the Authority and the County may reasonably require in connection with the execution, delivery and implementation of each Lease and/or Loan Agreement and the issuance of such Series of Bonds.

All opinions and certificates required under this Section 703 shall be dated the closing date of such Series of Bonds and all such opinions shall be addressed to the Authority, the County, the underwriter and the Trustee.

Default Under Each Lease or Loan Agreement. The Trustee shall, by 3:00 p.m. of the second Business Day after a Lease Payment Date or Loan Payment Date, immediately notify the Authority, the Chief Financial Officer of the County and the nonpaying Municipality of the Trustee's failure to receive a Basic Rent payment or Basic Loan Payment from such Municipality and of any other Event of Default under the Lease or Loan Agreement known to the Trustee pursuant to Section 908 hereof.

Notwithstanding the above, the failure of the Trustee to receive any Basic Rent payment or Basic Loan Payment from any Municipality on any Lease Payment Date or Loan Payment Date shall not cause an Event of Default for the purposes of Article IX of this Resolution or the acceleration of any of the Bonds then Outstanding.

In the event of a default in the payment of Basic Rent or Basic Loan Payment due and owing to the Authority by any Municipality under the applicable Lease or Loan Agreement, the County shall be unconditionally obligated to pay such sum of money due and owing by such Municipality to the Trustee pursuant to the County Guarantee and the Guarantee Agreement so as not to cause an Event of Default under Section 901(i) or (ii) hereunder and an acceleration of any Series of Bonds.

The Trustee's Obligations. 18. Subject to the provisions of Article IX and Section 1003 hereof, the Trustee shall reasonably assist and cooperate with the Authority and the County in the enforcement of all terms and conditions of each Lease and/or Loan Agreement with each Municipality, including (without limitation) the prompt payment of all Basic Rent, Basic Loan Payments, Additional Rent payments and Additional Loan Payments, and all other amounts due to the Trustee thereunder, and the observance and performance of all duties, covenants, obligations and agreements thereunder.

The Trustee shall not release the duties, covenants, obligations or agreements of each Municipality under each Lease and/or Loan Agreement and shall at all times, to the extent permitted by law, defend, enforce, preserve and protect the rights and privileges of the Authority, the County and the Holders under or with respect to each Lease and/or Loan Agreement; provided, however, that this provision shall not be construed to prevent the Trustee (with the written consent of the Authority and the County) from settling a default under each Lease and/or Loan Agreement on such terms as the Trustee shall determine to be in the best interests of the Authority and the Holders.

The Trustee, the Authority and the Chief Financial Officer of the County or its designee shall receive from each Municipality, on an annual basis as long as the County Guarantee is in effect and any Debt Service on the Bonds attributable to each Municipality remains unpaid, within five (5) Business Days after the adoption of a temporary budget appropriation and/or the filing of an annual budget as introduced by the Municipality with the Division of Local Government Services, a certificate of the Chief Financial Officer of the Municipality stating that the temporary budget appropriation and/or annual budget contains a line item which represents an amount due under the Lease and/or Loan Agreement for all Rental Payments and/or Loan Payments due from the Municipality during the Municipality's Fiscal Year (as used herein, the "Certificate"). Such Certificate shall have attached a copy of the page of the temporary budget appropriation and/or budget on which the line item appears. The Trustee, the Authority and the Chief Financial Officer

of the County or its designee shall also receive from each Municipality, within five (5) Business Days thereof, notice of any revisions to such line item or the transfer of any moneys out of such line item. In the event such Certificate is not received by the Trustee sixty (60) days following the beginning of the Municipality's Fiscal Year or the Trustee otherwise has actual knowledge that the Municipality has revised its budget or transferred money out of a line item, as applicable, the Trustee shall promptly notify the Authority and the Chief Financial Officer of the County or its designee of such event(s) and the Authority and the County shall take immediate action to cause all Lease Payments and/or Loan Payments to be timely paid by the Municipality. For purposes of this section, the Trustee shall be deemed to have actual knowledge only if an officer of the corporate trust department of the Trustee has actual knowledge thereof.

Termination of Each Lease and/or Loan Agreement. Upon the payment in full by each Municipality of all amounts due under its Lease and/or Loan Agreement, the Trustee shall, at the written direction of the Authority, undertake such actions as shall be required to effectuate the provisions of Article VIII of the Lease, including (without limitation) the execution of all relevant documents in connection with such actions.

Files. After the execution and delivery of each Lease and/or Loan Agreement, the Trustee shall retain all the documents received by it pursuant to this Article VII in connection with each Lease and/or Loan Agreement executed by each Municipality in a file pertaining to each Municipality, to which file the Trustee shall from time to time add all records and other documents pertaining to Rental Payments and/or Loan Payments and other amounts received by the Trustee under each Lease and/or Loan Agreement and all communications from or received by the Trustee with respect to the Municipality. Such file shall be kept at the principal corporate trust office of the Trustee and shall be available for inspection by the Authority at reasonable times and under reasonable circumstances.

County Guarantee. (a) Each Lease and/or Loan Agreement shall provide that each Municipality shall pay on each Lease Payment Date and/or Loan Payment Date during the Bond Year, Basic Rent and/or Basic Loan Payments which together with other moneys on deposit in the Municipal Account in the Debt Service Fund will equal the Debt Service Requirement on the Bonds attributable to such Municipality on the next succeeding Interest Payment Date and Principal Installment Date, as applicable under each Lease and/or Loan Agreement during each Bond Year. Each Basic Rent payment and/or Basic Loan Payment due under each Lease and/or Loan Agreement shall be on deposit in the Revenue Fund not later than the Lease Payment Date and/or Loan Payment Date.

(b) Not later than 3:00 p.m. of the second Business Day after any Lease Payment Date and/or Loan Payment Date the Trustee shall determine (i) whether the amounts on deposit in each Municipal Account in the Debt Service Fund are sufficient to meet the Debt Service Requirement on such Series of Bonds for the next succeeding Interest Payment Date and Principal Installment Date, as applicable, and (ii) which, if any, Municipality has not made a Basic Rent payment and/or Basic Loan Payment or portion thereof, which determination shall be made as at the close of business on the Lease Payment Date and/or Loan Payment Date. In the event such amounts are insufficient to meet such Debt Service Requirement the Trustee shall, in writing, notify the Authority, the Chief Financial Officer of the County or its designee and the nonpaying Municipality of such deficiency no later than 3:00 p.m. of the second Business Day after such

Lease Payment Date and/or Loan Payment Date, which notice shall be in conformance with the provisions of subsection (c) hereof, and shall demand such Basic Rent payment and/or Basic Loan Payment from such Municipality with directions to make such Lease Payment and/or Loan Payment not later than thirty (30) days before any Interest Payment Date and Principal Installment Date, as applicable. The County shall acknowledge receipt of any such notice from the Trustee within two (2) Business Days after receipt thereof.

In accordance with Section 508 hereof, in the event a Municipality has failed to make a payment of Basic Rent on any Lease Payment Date and/or Basic Loan Payment on any Loan Payment Date so that the total amount of Basic Rent payments and/or Basic Loan Payments so received by the Trustee and on deposit in each of the Municipal Accounts in the Debt Service Fund is insufficient to meet the Debt Service Requirement on a Series of Bonds due on the next ensuing Interest Payment Date and Principal Installment Date, as applicable, the Trustee shall notify the Authority and the Chief Financial Officer of the County or its designee in writing in accordance with the County Guarantee Agreement of such deficiency not later than 3:00 p.m. of the second Business Day after a Lease Payment Date and/or Loan Payment Date, which notification shall specify the amount of the Interest Payment and Principal Installment due and payable and the amount of such deficiency owed by the nonpaying Municipality and shall state that an amount equal to such deficiency is required to be paid by the County, which amount shall be due and payable by the County to the Trustee not later than two (2) Business Days prior to the Interest Payment Date and Principal Installment Date, as applicable, on such Series of Bonds, unless the deficiency shall have been satisfied by the defaulting Municipality no later than thirty (30) days prior to the next ensuing Interest Payment Date and Principal Installment Date, as applicable. The County shall acknowledge receipt of any such notice within two (2) Business Days after receipt thereof. Notwithstanding the above, failure of the Trustee to give the notices required under Sections 704 and 705 hereof, or any defect in the notice to the County shall not relieve the County of its obligations under the County Guarantee.

The County shall take all actions necessary and permitted by law, which actions may include ex parte actions, to make payment of an amount, equal to the deficiency owed by the nonpaying Municipality, which amount, when added to available amounts on deposit in such nonpaying Municipality's Municipal Account in the Debt Service Fund, shall be sufficient to pay the principal of and interest on the Bonds due on the next ensuing Interest Payment Date and Principal Installment Date, as applicable.

Subrogation of County to Bondholders. The County shall, to the extent it incurs County Guarantee Costs pursuant to the County Guarantee and the Guarantee Agreement to cure a deficiency in Debt Service resulting from a deficiency in Basic Rent payments or Basic Loan Payments, which payments are to be applied to the payment of principal or Redemption Price of and interest on a Series of Bonds, become subrogated to the rights of Bondholders. In the case of subrogation for payments applied to the payment of Debt Service on a Series of Bonds on any Interest Payment Date or Principal Installment Date, as applicable, the Trustee shall note on its records the County's rights as subrogee on the Funds and Accounts of the Authority held under this Resolution. Notwithstanding anything in this Resolution to the contrary, the Trustee shall make payment of delinquent Basic Rent payments or Basic Loan Payments received from the defaulting Municipality directly to the County to the extent the County is a subrogee with respect thereto, unless otherwise directed by the County pursuant to Section 508 hereof.

PARTICULAR COVENANTS OF THE AUTHORITY

The Authority covenants and agrees with the Trustee and the Bondholders as follows:

Payment of Bonds. The Authority shall duly and punctually pay or cause to be paid, but solely from the Pledged Property, the principal of every Bond and the interest thereon, at the dates and places and in the manner provided in the Bonds, according to the true intent and meaning thereof.

Extension of Payment of Bonds. The Authority shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement, and in case the maturity of any of the Bonds or the time for payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default under this Resolution, to the benefit of this Resolution or to any payment out of Revenues or Funds established by this Resolution, including the investment, if any, thereof, pledged under this Resolution or the moneys (except moneys held in trust for the payment of particular Bonds or claims for interest pursuant to this Resolution) held by the Fiduciaries, except subject to the prior payment of the principal of all Bonds Outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Bonds as shall not be represented by such extended claims for interest. Nothing herein shall be deemed to limit the right of the Authority to issue Refunding Bonds pursuant to Section 205 and such issuance shall not be deemed to constitute an extension of maturity of the Bonds.

Offices for Servicing Bonds. The Authority shall at all times maintain one or more agencies in the State of New Jersey, and may maintain one or more such agencies in any other state or states, where Bonds may be presented for payment. The Authority hereby appoints the Trustee as a Bond Registrar, and the Authority shall at all times maintain one or more agencies where Bonds may be presented for registration or transfer and where notices, demands and other documents may be served upon the Authority in respect of the Bonds or of this Resolution, and the Trustee shall continuously maintain or make arrangements to provide such services.

Further Assurance. At any and all times the Authority shall, as far as it may be authorized by law, comply with any reasonable request of the Trustee to pass, make, do, execute, acknowledge and deliver all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, pledging, assigning and confirming all and singular the rights, Revenues and other moneys, securities and funds hereby pledged, or intended so to be, or which the Authority may become bound to pledge.

Power to Issue Bonds and Pledge Pledged Property. The Authority is duly authorized under all applicable laws to create and issue the Bonds, to adopt this Resolution and to pledge the Pledged Property purported to be subjected to the lien of this Resolution in the manner and to the extent provided in this Resolution. Except to the extent otherwise provided in this Resolution, the Pledged Property so pledged is and will be free and clear of any other pledge, lien, charge or

encumbrance thereon or with respect thereto prior to, or of equal rank with the pledge and assignment created by this Resolution, and all action on the part of the Authority to that end has been and will be duly and validly taken. The Bonds and the provisions of this Resolution are and will be the valid and legally binding obligations of the Authority. The Authority shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Pledged Property under this Resolution and all the rights of the Bondholders under this Resolution against all claims and demands of all persons whomsoever.

Creation of Liens. The Authority shall not issue any bonds, notes, debentures or other evidences of indebtedness of similar nature, other than the Bonds, payable out of or secured by a pledge or assignment of the Pledged Property held or set aside by the Authority or by Fiduciaries under this Resolution, and shall not create or cause to be created any lien or charge on the Pledged Property; provided, however, that nothing contained in this Resolution shall prevent the Authority from issuing, if and to the extent permitted by law, evidences of indebtedness payable out of or secured by a pledge and assignment of the Pledged Property on and after such date as the pledge of the Pledged Property provided in this Resolution shall be discharged and satisfied as provided in Section 1301 hereof.

Accounts and Reports. (c) The Authority shall keep or cause to be kept proper books of record and account (separate from all other records and accounts) in accordance with generally accepted accounting principles in which complete and correct entries shall be made of its transactions relating to the amount of Revenues and the application thereof, each Fund or Account established under this Resolution and the payment of County Guarantee Costs by the County. All books and papers of the Authority shall, subject to the terms thereof, at all times be subject to the inspection of the Trustee, the County and the Holders of the Bonds or their representatives duly authorized in writing.

The Trustee and any Fiduciary shall advise the Authority as soon as practicable after the end of each Month of the respective transactions during such Month relating to each Fund or Account held by it under this Resolution.

The Authority shall annually, within 120 days after the close of its Fiscal Year, file or cause to be filed with the Trustee and the County, and otherwise as provided by law, a copy of an annual report for such Fiscal Year, accompanied by an Accountant's Certificate and including the following statements in reasonable detail: (i) a statement of assets and liabilities as of the end of such Fiscal Year; and (ii) a statement of revenues and expenses of the Authority for such Fiscal Year. Such Accountant's Certificate shall state whether or not, to the knowledge of the signer, the Authority is in default with respect to any of the covenants, agreements or conditions on its part contained in this Resolution, and if so, the nature of such default.

The Authority shall file or cause to be filed with the Trustee and the County (a) forthwith upon becoming aware of any Event of Default or default in the performance by the Authority of any covenant, agreement or condition contained in this Resolution, a certificate signed by an Authorized Authority Representative and specifying such Event of Default or default and (b) within ninety (90) days after the end of each Fiscal Year, a certificate signed by an appropriate Authorized Authority Representative stating whether, to the best of his knowledge and belief, the Authority has kept, observed, performed and fulfilled its covenants and obligations contained in

this Resolution and that there does not exist at the date of such certificate any default by the Authority under this Resolution or any Event of Default or other event which, with the lapse of time specified in Section 901, would become an Event of Default, or, if any such default or Event of Default or other event shall so exist, specifying the same and the nature and status thereof.

The reports, statements and other documents required to be furnished to the Trustee pursuant to any provisions of this Resolution shall be available for the inspection of the Bondholders at the principal corporate trust office of the Trustee and shall be mailed to each Bondholder, at the expense of the Authority, who shall file a written request therefor with the Authority. The Authority may charge or cause to be charged each Bondholder requesting such reports, statements and other documents a reasonable fee to cover reproduction, handling and postage.

Payment of Taxes and Charges. The Authority will from time to time duly pay and discharge, or cause to be paid and discharged, all taxes, assessments and other governmental charges, or required payments in lieu thereof, lawfully imposed upon the properties of the Authority or upon the rights, revenues, income, receipts, and other moneys, securities and funds of the Authority when the same shall become due (including all rights, moneys and other property transferred, assigned or pledged under this Resolution), and all lawful claims for labor and material and supplies, except those taxes, assessments, charges or claims which the Authority shall in good faith contest by proper legal proceedings if the Authority shall in all such cases have set aside on its books reserves deemed adequate with respect thereto.

The Leases or Loan Agreements. The Authority shall collect or cause to be collected and forthwith cause to be deposited in the Revenue Fund held by the Trustee all amounts, if any, payable to it pursuant to each Lease and/or Loan Agreement. The Authority shall provide the Trustee with a certified copy of all requests for Additional Rent under each Lease and/or Additional Loan Payments under each Loan Agreement. The Authority shall enforce or cause to be enforced all of the provisions of each Lease and/or Loan Agreement. Subject to the provisions of Section 815 hereof, the Authority will not consent or agree to or permit any amendment, change or modification to the Lease and/or Loan Agreement which would adversely affect the rights or security of Bondholders or the County. Copies of each Lease and Loan Agreement certified by an Authorized Authority Representative shall be filed with the Trustee, and copies of any such amendment certified by an Authorized Authority Representative shall be filed with the Trustee and the County.

Power to Determine and Collect Rentals and/or Loan Payments. The Authority has, and will have as long as any Bonds are Outstanding hereunder, good right and lawful power to establish and collect or cause to be established and collected the Rentals and the Loan Payments.

Rentals and/or Loan Payments. Prior to the execution of each Lease and/or Loan Agreement, and in each and every Fiscal Year during which the Bonds are Outstanding, the Authority shall at all times establish and collect or cause to be established and collected Rentals and Loan Payments, as applicable, as shall be required to provide Revenues at least sufficient, in the aggregate, together with other available funds, for the payment of the sum of:

an amount equal to the Debt Service on the Bonds for such Fiscal Year; and

all other charges or liens whatsoever payable out of Revenues during such Fiscal Year.

Acquisition and Installation of Improvement or Equipment and its Operation and Maintenance. (d) The Authority shall cause each Municipality to acquire and install each Improvement or Item of Equipment with due diligence and in a sound and economical manner.

The Authority shall at all times cause each Municipality to use the Improvement or Equipment properly and in an efficient and economical manner, consistent with good business practices, and shall maintain, preserve, reconstruct and keep the same or cause the same to be so maintained, preserved, reconstructed and kept, with the appurtenances and every part and parcel thereof, in good repair, working order and condition, and shall from time to time make, or cause to be made, all necessary and proper repairs, replacements and renewals so that at all times the leasing of the Equipment or the loan for the undertaking of the Improvement may be properly and advantageously conducted.

Maintenance of Insurance. (e) The Authority shall at all times cause each Municipality (for the benefit of the Authority) to maintain such insurance as shall be required by the provisions of each Lease and/or Loan Agreement.

The Authority shall also maintain any additional or other insurance which it shall deem necessary or advisable to protect its interests and those of the Bondholders.

Any such insurance shall be in the form of policies or contracts for insurance with insurers of good standing.

The Authority shall file with the Trustee annually, within 100 days after the close of each calendar year, a certificate of an Authorized Authority Representative setting forth a description in reasonable detail of the insurance then in effect with respect to the Improvement and/or Equipment and that the Authority has complied in all respects with the requirements of this Section.

Application of Insurance Proceeds. The Proceeds of any insurance, including the Proceeds of any self-insurance fund, or condemnation award paid on account of any damage or destruction to the Equipment or any portion thereof (other than any business interruption loss insurance) shall be applied as set forth in Section 5.4 of each Lease and Section 503(6), Section 506(2) and Section 507 hereof.

Enforcement of Leases and Loan Agreements; Amendments. The Authority shall enforce the provisions of each Lease and Loan Agreement and shall duly perform its covenants and agreements thereunder, as applicable, for the benefit of the Trustee, the Bondholders and the County. Each Lease and/or Loan Agreement may not be amended, changed, modified, altered or terminated so as to adversely affect the interests of the County or the Holders of Outstanding Bonds without the prior written consent of (a) the County and (b)(i) the Holders of at least fifty-one percent (51%) in aggregate principal amount of the Bonds then Outstanding, or (ii) in case less than all of the several Series of Bonds then Outstanding are affected by the modifications or amendments, the Holders of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds of each Series so affected then Outstanding; provided, however, that if such

modification or amendment will, by its terms, not take effect so long as any Bonds of any specified Series remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section; provided, further, that no such amendment, change, modification, alteration or termination will reduce the percentage of the aggregate principal amount of Outstanding Bonds the consent of the Holders of which is a requirement for any such amendment, change, modification, alteration or termination, or decrease the amount of any payment required to be made under each Lease and/or Loan Agreement or extend the time of payment thereof. Each Lease and/or Loan Agreement may be amended, changed, modified or altered without the consent of the Holders of Outstanding Bonds (but with the prior written consent of the County) to provide necessary changes in connection with the issuance of Refunding Bonds, to cure any ambiguity therein, to correct or supplement any provisions contained in each Lease and/or Loan Agreement which may be defective or inconsistent with any other provisions contained in each Lease and/or Loan Agreement or to provide other changes which will not adversely affect the interest of such Holders, provided that any such changes shall not cause the Lease Payments and/or Loan Payments thereunder to be insufficient to pay Debt Service on all Outstanding Bonds. Notwithstanding the above, amendments to each Lease and/or Loan Agreement to add, delete or substitute Equipment and to effectuate amendments to Exhibits A and G to each Lease resulting therefrom pursuant to Section 8.1 of the Lease may be accomplished with the prior written consent of the Authority but without the consent of the County and the Trustee, written or otherwise. Subsequent to the execution by the Authority of any amendment to each Lease and/or Loan Agreement, a copy thereof certified by an Authorized Authority Representative shall be filed with the Trustee and the County.

Termination of the Lease or Loan Agreement. In the event any Municipality is unable to pay when due the Rental Payments and/or Loan Payments to be paid under the Lease and/or Loan Agreement or is unable to observe and perform any covenant or agreement on its part to be observed or performed under the Lease and/or Loan Agreement, the Authority upon written request of the County and either the Trustee or the Holders of fifty-one percent (51%) in principal amount of the Bonds then Outstanding, shall exercise its right to accelerate the Lease and/or Loan Agreement and exercise remedies pursuant to Article VII of the Lease or Loan Agreement.

Enforcement of County Guarantee Agreement. The Authority shall undertake all actions necessary so as to entitle it to collect payments from the County, if necessary, in accordance with the terms of the Act and the terms of the County Guarantee Agreement. The Authority shall not release or modify the obligations of the County under the terms of the County Guarantee Agreement in any manner which would adversely affect the County's obligation to make payments thereunder. Any modification of the County Guarantee Agreement shall be accompanied by a written consent of the County and an opinion of counsel to the County, or its successor, which states that such modification is in compliance with the provisions of this Section. Any such modification shall be delivered to the Trustee prior to its effective date. The Authority shall take all reasonable measures which are permitted by the Act or otherwise by law, to enforce prompt payment to the Trustee of all amounts due under the County Guarantee Agreement, and shall at all times, to the extent permitted by the Act or otherwise by law, defend, enforce, preserve and protect the rights, benefits and privileges of the Authority and of the Bondholders under or with respect to the County Guarantee Agreement.

Enforcement by County Against Municipalities. In the event a default under the Lease and/or Loan Agreement by any Municipality has occurred for the nonpayment of Basic Rent on any Lease Payment Date and/or Basic Loan Payment on any Loan Payment Date and the County has made payments to the Trustee on behalf of the Municipality pursuant to the County Guarantee to cure any deficiency in the Debt Service Requirement due and owing on the Bonds on the next ensuing Interest Payment Date and Principal Installment Date, as applicable, then the County shall be entitled under the Lease and/or Loan Agreement and this Resolution to enforce its rights against any Municipality, in addition to the rights of the Trustee and the Authority hereunder and under the Lease and/or Loan Agreement, including but not limited to, the County's right to pursue independently any action, suit or proceeding at law or in equity to collect from any defaulting Municipality all amounts sufficient to reimburse the County for County Guarantee Costs under the Lease, the Loan Agreement, the Guarantee Agreement and this Resolution.

General Conditions. (f) Upon the date of authentication and delivery of any Series of Bonds, all conditions, acts and things required by law and this Resolution to exist, to have happened and to have been performed precedent to and in the issuance of such Series of Bonds shall exist, have happened and have been performed and the issue of such Series of Bonds, together with all other indebtedness of the Authority, shall comply in all respects with the applicable laws of the State.

The Authority shall at all times maintain its existence and shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Authority under the provisions of the Act, this Resolution and the County Guarantee Agreement, including the exercise of its remedies thereunder.

Tax Covenant. (g) The Authority covenants to maintain the exclusion from gross income for Federal income tax purposes of interest on the Bonds, to the extent that Bond Counsel has rendered an opinion to the effect that, subject to the conditions and qualifications contained in each Lease and/or Loan Agreement, interest on the Bonds is excludable from gross income for Federal income tax purposes. In furtherance of the covenant contained in the preceding sentence, the Authority will, among other things, comply with the instructions as to compliance with rebate contained in the tax certificate delivered by the Authority as of the date of, and with respect to, the first issuance and delivery of the Bonds, as a source of guidance for achieving compliance with the Code. Notwithstanding any other provision of this Resolution to the contrary, so long as it is necessary in order to maintain the exclusion from gross income for Federal income tax purposes of interest on each of the Bonds, the covenants contained in this Section 820 shall survive the payment or discharge thereof pursuant to Section 1301 of this Resolution.

The Authority hereby particularly covenants and agrees with the Holders of the Bonds which are issued as Tax-Exempt Obligations that (a) no part of the proceeds which are derived from the sale of any Series of the Bonds which are issued as Tax-Exempt Obligations shall be used directly or indirectly to acquire any "investment property", as such term is defined in the Code, or any securities or obligations the acquisition of which would cause any such Bond to be an "arbitrage bond", as such term is defined in section 148 of the Code (an "Arbitrage Bond"), (b) it will not take, and shall to the extent reasonably possible prohibit all other persons from taking, any actions which, if taken, would cause any such Bond to be an "Arbitrage Bond," and, (c) to the extent the Authority is itself a user of property financed with proceeds of such Bonds, all other

covenants contained in the tax certificate delivered by the Authority in connection with the issuance of the Bonds.

Secondary Market Disclosure. The Authority has determined that no financial or operating data concerning the Authority is material to any decision to purchase, hold or sell the Bonds and the Authority will not provide any such information. Further, the Authority shall have no liability to the Holders of the Bonds or any other person with respect thereto. The Authority will require each Municipality in the Lease and/or Loan Agreement and the County in the Guarantee Agreement, if the same are determined by the Authority to be Obligated Persons as defined under the Rule (as hereinafter defined), to covenant and agree that each such entity will undertake all responsibilities for compliance with secondary market disclosure requirements pursuant to section (b) of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended and supplemented, as described in the Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") to be executed by and between the Authority and each Municipality or the County, as applicable. Notwithstanding any other provision of this Bond Resolution, the failure of a Municipality or the County, as applicable, to comply with the provisions of the Continuing Disclosure Agreement shall not be considered an Event of Default hereunder and the Beneficial Owners of the Bonds (as defined in the Continuing Disclosure Agreement) may take such actions as set forth in the Continuing Disclosure Agreement as may be necessary and appropriate to cause the Municipality or the County, as applicable, to comply with its obligations set forth in the Lease and/or Loan Agreement, the Guarantee Agreement and the Continuing Disclosure Agreement.

REMEDIES OF BONDHOLDERS

Events of Default. The following events shall constitute an Event of Default under this Resolution:

if default shall be made by the Authority in the due and punctual payment of the principal or Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity or by call for redemption, or otherwise, as applicable; or

if default shall be made by the Authority in the due and punctual payment of any installment of interest on any Bond or the unsatisfied balance of any Sinking Fund Installment therefor, when and as such interest installment or Sinking Fund Installment shall become due and payable; or

if default shall be made by the County pursuant to the County Guarantee and Guarantee Agreement in the due and punctual payment of principal or interest on the Bonds when such payment shall become due and payable, not less than two (2) Business Days before any Interest Payment Date and Principal Installment Date, as applicable, upon notice by the Trustee to the Authority and the County under Section 5 of the Guarantee Agreement and such default is not cured by such Interest Payment Date and Principal Installment Date, as applicable; or

if default shall be made by the Authority in the performance or observance of any other of the covenants, agreements or conditions on its part in this Resolution or in the Bonds contained, and such default shall continue for a period of sixty (60) days after written notice thereof to the Authority by the Trustee or to the Authority and to the Trustee by the Holders of not less than fifty-one percent (51%) in principal amount of the Bonds Outstanding; provided that, the failure of the Authority, the Municipality or the County to comply with the requirements of Section 821 hereof shall not constitute an Event of Default hereunder, however performance by an Obligated Person may be compelled by Bondholders pursuant to the provisions hereof and the Continuing Disclosure Agreement; or

if the Authority shall commence a voluntary case or similar proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect or shall authorize, apply for or consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator or similar official of its properties and/or its rents, fees, charges or other revenues therefrom, or shall make any general assignment for the benefit of creditors, or shall make a written declaration or admission to the effect that it is unable to meet its debts as such debts mature, or shall authorize or take any action in furtherance of any of the foregoing; or

if a court having jurisdiction in the premises shall enter a decree or order for relief in respect of the Authority in an involuntary case or similar proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or a decree or order appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official for the Authority, of its properties and/or the rents, fees, charges or other revenues therefor, or a decree or order for the dissolution, liquidation or winding up of the Authority and its affairs or a decree or order finding or determining that the Authority is unable to meet its debts as such debts mature, and any such decree or order shall remain unstayed and in effect for a period of sixty (60) consecutive days;

then, so long as such Event of Default shall not have been remedied, unless the principal of all the Bonds of a particular Series shall have already become due and payable, the Trustee by notice in writing to the Authority may, or upon receipt of a direction in writing from the Holders of not less than fifty-one percent (51%) in principal amount of the Bonds Outstanding, shall declare the principal of all the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and be immediately due and payable, anything in this Resolution or in any of the Bonds contained to the contrary notwithstanding.

The right of the Trustee or of the Holders of not less than fifty-one percent (51%) in principal amount of the Bonds to make any such declaration as aforesaid, however, is subject to the condition that if, at any time after such declaration, but before the Bonds shall have matured by their terms, all overdue installments of interest upon the Bonds, together with interest on such overdue installments of interest (to the extent permitted by law) and the reasonable and proper fees, charges, expenses and liabilities of the Trustee, and all other sums then payable by the Authority and the County under this Resolution (except the principal of, and interest accrued since the next preceding Interest Payment Date on, the Bonds due and payable solely by virtue of such

declaration) shall either be paid by or for the account of the Authority or the County or provision satisfactory to the Trustee shall be made for such payment, and all defaults under the Bonds or under this Resolution (other than the payment of principal and interest due and payable solely by reason of such declaration) shall be made good or be secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, then and in every such case the Holders of fifty-one percent (51%) in principal amount of the Bonds Outstanding, by written notice to the Authority, the County and the Trustee, may rescind such declaration and annul such default in its entirety, or, if the Trustee shall have acted itself, and if there shall not have been theretofore delivered to the Trustee written direction to the contrary by the Holders of fifty-one percent (51%) in principal amount of the Bonds Outstanding, then any such declaration shall **ipso facto** be deemed to be rescinded and any such default shall **ipso facto** be deemed to be annulled, but no such rescission or annulment shall extend to or affect any subsequent default or impair or exhaust any right or power consequent thereon.

Accounting and Examination of Records After Default. (h) The Authority covenants that if an Event of Default shall have happened and shall not have been remedied, the books of record, papers and accounts of the Authority shall at all times be subject to the inspection and use of the Trustee and its agents and attorneys and the Holders of the Bonds or their representatives duly authorized in writing.

The Authority covenants that if an Event of Default shall have happened and shall not have been remedied, the Authority, upon demand of the Trustee will account, as if it were the trustee of an express trust, for all Revenues and other moneys, securities and funds pledged or held under this Resolution for such period as shall be stated in such demand.

Application of Pledged Property After Default. (i) The Authority covenants that if an Event of Default shall happen and shall not have been remedied, the Authority, upon the demand of the Trustee, shall pay over or cause to be paid over to the Trustee (a) forthwith, all Pledged Property then held by the Authority under this Resolution, and (b) all Revenues, if any, which are not paid directly to the Trustee as promptly as practicable after receipt thereof.

During the continuance of an Event of Default, the Trustee shall apply the Pledged Property, including all moneys, securities, funds and Revenues received by the Trustee pursuant to any right given or action taken under the provisions of this Article together with all Funds held by the Trustee under this Resolution as follows and in the following order:

Expenses of Fiduciaries -- to the payment of the reasonable and proper fees (including reasonable attorneys' fees), charges, expenses and liabilities of the Fiduciaries;

Principal and Interest -- to the payment of the interest and principal then due on the Bonds, as follows:

unless the principal of all of the Bonds shall have become or have been declared due and payable,

First: Interest -- To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, together with accrued and unpaid interest on the Bonds, and, if the amount available shall

not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

Second: Principal -- To the payment to the persons entitled thereto of the unpaid principal and Sinking Fund Installment of any Bonds which shall have become due in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal due on such date, to the persons entitled thereto, without any discrimination or preference;

If the principal of all of the Bonds shall have become or have been declared due and payable, to the payment of the principal and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds.

Whenever all overdue installments of all Bonds, together with the reasonable and proper charges, fees (including reasonable attorneys' fees), expenses and liabilities of the Trustee, and all other sums payable by the Authority and the County under this Resolution, including the principal of and accrued unpaid interest on all Bonds which shall then be payable, by declaration or otherwise shall either be paid by or for the account of the Authority or the County, or provisions satisfactory to the Trustee shall be made for such payment, and all defaults under this Resolution or the Bonds shall be made good or secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, the Trustee shall pay over to the Authority and to the County (to the extent of County Guarantee Costs incurred pursuant to the County Guarantee and the Guarantee Agreement) all moneys, securities and funds then remaining unexpended in the hands of the Trustee (except moneys, securities and funds deposited or pledged, or required by the terms of this Resolution to be deposited or pledged, with the Trustee) and thereupon the Authority, the County and the Trustee shall be restored, respectively, to their former positions and rights under this Resolution. No such payment over to the Authority or the County by the Trustee nor such restoration of the Authority, the County and the Trustee to their former positions and rights shall extend to or affect any subsequent default under this Resolution or impair any right consequent thereon.

Proceedings Brought by Trustee. (j) If an Event of Default shall happen and shall not have been remedied, then and in every such case, the Trustee, by its agents and attorneys, may proceed, and upon written request of the Holders of not less than fifty-one percent (51%) in principal amount of the Bonds Outstanding shall proceed, to protect and enforce its rights and the rights of the Holders of the Bonds under this Resolution forthwith by a suit or suits in equity or at law, whether for the specific performance of any covenant herein contained, or in aid of the execution of any power herein granted, or for an accounting against the Authority as if the Authority were the trustee of an express trust, or in the enforcement of any other legal or equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under this Resolution.

All rights of action under this Resolution may be enforced by the Trustee without the possession of any of the Bonds or the production thereof at the trial or other proceedings, and any such suit or proceedings instituted by the Trustee shall be brought in its name.

The Holders of fifty-one percent (51%) in principal amount of the Bonds at the time Outstanding may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, provided that the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action or proceeding so directed may not lawfully be taken, or if the Trustee in good faith shall determine that the action or proceeding so directed would involve the Trustee in personal liability or be unjustly prejudicial to the Bondholders not parties to such direction.

Upon commencing a suit in equity or upon other commencement of judicial proceedings by the Trustee to enforce any right under this Resolution, the Trustee shall be entitled to exercise any and all rights and powers conferred in this Resolution and provided to be exercised by the Trustee upon the occurrence of any Event of Default.

Regardless of the happening of an Event of Default, the Trustee shall have power to, but unless requested in writing by the Holders of fifty-one percent (51%) in principal amount of the Bonds then Outstanding and furnished with adequate security and indemnity satisfactory to the Trustee, shall be under no obligation to, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to prevent any impairment of the security under this Resolution by any acts which may be unlawful or in violation of this Resolution, and such suits and proceedings as the Trustee may be advised shall be necessary or expedient to preserve or protect its interests and the interests of the Bondholders.

Restrictions on Bondholder's Action. (k) No Holder of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of this Resolution or the execution of any trust under this Resolution or for any remedy under this Resolution, unless such Holder shall have previously given to the Trustee written notice of the happening of an Event of Default, as provided in this Article, and the Holders of at least fifty-one percent (51%) in principal amount of the Bonds then Outstanding shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity, either to exercise the powers granted in this Resolution or by the Act or by the laws of the State or to institute such action, suit or proceeding in its own name, and unless such Holders shall have offered to the Trustee adequate security and indemnity satisfactory to the Trustee against the costs, fees (including reasonable attorneys' fees), expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused to comply with such request for a period of sixty (60) days after receipt by it of such notice, request and offer of indemnity, it being understood and intended that no one or more Holders of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the pledge created by this Resolution, or to enforce any right under this Resolution, except in the manner therein provided; and that all proceedings at law or in equity to enforce any provision of this Resolution shall be instituted, had and maintained in the manner provided in this Resolution and for the equal benefit of all Holders of the Outstanding Bonds, subject only to the provisions of Section 902.

Nothing contained in this Resolution or in the Bonds shall affect or impair the obligation of the Authority, which is absolute and unconditional, to pay at the respective dates of maturity and places therein expressed, the principal of (and redemption premium, if any) and interest on the Bonds to the respective Holders thereof, or affect or impair the right of action, which is also absolute and unconditional, of any Holder to enforce such payment of his Bond.

Remedies Not Exclusive. No remedy by the terms of this Resolution conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Resolution or existing at law or in equity or by statute on or after the date of execution and delivery of this Resolution.

Effect of Waiver and Other Circumstances. (1) No delay or omission of the Trustee or any Bondholder to exercise any right or power arising upon the happening of an Event of Default shall impair any right or power or shall be construed to be a waiver of any such Event of Default or be an acquiescence therein; and every power and remedy given by this Article to the Trustee or to the Bondholders may be exercised from time to time and as often as may be deemed expedient by the Trustee or by the Bondholders.

Prior to the declaration of maturity of the Bonds as provided in Section 901, the Holders of fifty-one percent (51%) in principal amount of the Bonds at the time Outstanding, or their attorneys-in-fact duly authorized, may on behalf of the Holders of all of the Bonds waive any past default under this Resolution and its consequences, except a default in the payment of interest on or principal of or premium (if any) on any of the Bonds. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Notice of Default. The Trustee shall promptly mail written notice of the occurrence of any Event of Default of which the Trustee has actual knowledge to each registered owner of Bonds then Outstanding at his address, if any, appearing upon the registry books of the Authority. The Trustee shall also give prompt notice of the occurrence of a payment event of default of each Municipality or an Event of Default of which the Trustee has actual knowledge to the Authority, the County and the Paying Agent. For purposes of this Section, the Trustee will be deemed to have actual knowledge only if an officer of the corporate trust department of the Trustee has actual knowledge.

Notice to Trustee to Exercise Remedies Under Lease and/or Loan Agreement. The Authority covenants that if an Event of Default under the Lease and/or Loan Agreement of any Municipality shall occur and be continuing, it will not exercise any of such remedies set forth in each Lease and/or Loan Agreement without written consent of the Trustee and the County thereto, which consent shall not be unreasonably withheld; provided, however, in the event the County is in default under its Lease and/or Loan Agreement, the County's consent shall not be required.

CONCERNING THE FIDUCIARIES

Trustee; Appointment and Acceptance of Duties. TD Bank, National Association, Cherry Hill, New Jersey is hereby appointed Trustee under this Resolution. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by executing and delivering to the Authority a written acceptance thereof, and by executing such acceptance the Trustee shall be deemed to have accepted such duties and obligations with respect to all the Bonds thereafter to be issued, but only, however, upon the terms and conditions set forth in this Resolution.

Paying Agents; Appointment and Acceptance of Duties; Bond Registrar. (m) The Authority shall appoint one or more Paying Agents for the Bonds, and may at any time or from time to time appoint one or more other Paying Agents. All Paying Agents appointed shall have the qualifications set forth in Section 1013 for a successor Paying Agent. The Trustee is hereby appointed Paying Agent.

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

Each Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by executing and delivering to the Authority and to the Trustee a written acceptance thereof. No Paying Agent shall be liable for the acts or omissions of any other Paying Agent.

The Authority shall appoint a Bond Registrar, which shall be the Trustee. The Bond Registrar shall have the duties and the responsibilities provided in this Resolution. The Bond Registrar shall accept the responsibilities of a Bond Registrar hereunder with respect to all Bonds by executing a certificate to be delivered to the Trustee and the Authority.

Responsibilities of Fiduciaries. (n) The recitals of fact herein and in the Bonds contained shall be taken as the statements of the Authority and no Fiduciary assumes any responsibility for the correctness of the same. No Fiduciary makes any representations as to the validity or sufficiency of this Resolution or of any Bonds issued hereunder or as to the security afforded by this Resolution, and no Fiduciary shall incur any liability in respect thereof. The Trustee or Bond Registrar shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid by such Fiduciary in accordance with the provisions of this Resolution to the Authority or to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect thereof, or to advance any of its own moneys, unless properly indemnified to its satisfaction. Subject to the provisions of subsection 2 of this Section 1003, no Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own gross negligence or willful misconduct.

The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Resolution. In case an Event of Default has occurred (which has not been cured) the Trustee shall exercise such of the rights and powers vested in it by this

Resolution, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. Any provision of this Resolution relating to action taken or to be taken by the Trustee or to evidence upon which the Trustee may rely shall be subject to the provisions of this Section 1003 and Section 1004 hereof.

Evidence on Which Fiduciaries May Act. (o) Each Fiduciary, upon receipt of any notice, resolution, requisition, request, consent, order, certificate, report, opinion, bond or other paper or document furnished to it pursuant to any provision of this Resolution, shall examine such instrument to determine whether it conforms to the requirements of this Resolution and shall be protected in acting upon any such instrument believed by it in good faith to be genuine and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with counsel, who may or may not be counsel to the Authority, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Resolution in good faith and in accordance therewith.

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

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

Compensation. The Authority shall pay to each Fiduciary from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including without limitation those of its attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Resolution, in accordance with the agreements made from time to time between the Authority and the Fiduciary, and subject to the rights of Bondholders hereunder, the Trustee and each Paying Agent shall have a lien therefor on any and all funds at any time held by it under this Resolution. Subject to the provisions of Section 1003, the Authority further agrees to indemnify and save each Fiduciary harmless against any losses, liabilities, expenses and fees which it may incur in the exercise and performance of its powers and duties hereunder and which are not due to such Fiduciary's gross negligence or willful misconduct. The provisions of this Section shall survive the payment of the Bonds pursuant to Section 1301 hereof.

Certain Permitted Acts. Any Fiduciary, individually or otherwise, may become the owner of any Bonds, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or to effect or aid in any reorganization growing out of the

enforcement of the Bonds or this Resolution, whether or not any such committee shall represent the Holders of a majority in principal amount of the Bonds then Outstanding. To the extent permitted by law, any Fiduciary may provide banking, financial and similar services to the Authority.

Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties created by this Resolution by giving not less than sixty (60) days prior written notice thereof to the Authority and the County, and mailing notice thereof to the Holders of Bonds then Outstanding, specifying the date when such resignation shall take effect, and such resignation shall take effect upon the day specified in such notice unless (i) previously a successor shall have been appointed by the Authority or the Bondholders as provided in Section 1009 hereof, in which event such resignation shall take effect immediately on the appointment of such successor, or (ii) a successor shall not have been appointed by the Authority or the Bondholders as provided in Section 1009 on such date, in which event such resignation shall not take effect until a successor is appointed.

Removal of the Trustee. The Trustee may be removed at any time with or without cause by an instrument or concurrent instruments in writing, filed with the Trustee, and signed by the Holders of fifty-one percent (51%) in principal amount of the Bonds then Outstanding or their attorneys-in-fact duly authorized, excluding any Bonds held by or for the account of the Authority. So long as no Event of Default, or an event which, with notice or passage of time, or both, would become an Event of Default, shall have occurred and be continuing, the Trustee may be removed at any time for just cause by a resolution of the Authority filed with the Trustee.

Appointment of Successor Trustee. (p) In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, a successor Trustee may be appointed by the Authority by a duly executed written instrument signed by an Authorized Authority Representative, but if the Authority does not appoint a successor Trustee within sixty (60) days, then by the Holders of fifty-one percent (51%) in principal amount of the Bonds then Outstanding, excluding any Bonds held by or for the account of the Authority, by an instrument or concurrent instruments in writing signed and acknowledged by such Bondholders or by their attorneys-in-fact duly authorized and delivered to such successor Trustee, notification thereof being given to the Authority and the predecessor Trustee. After such appointment of a successor Trustee, the Authority shall mail notice of any such appointment by it or by the Bondholders to the registered owners of the Bonds then Outstanding and to Moody's and Standard & Poor's, if the Bonds are then rated by such rating agency or agencies.

If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within forty-five (45) days after the Trustee shall have given to the Authority written notice as provided in Section 1007 hereof or after a vacancy in the office of the Trustee shall have occurred by reason of its inability to act, removal, or for any other reason whatsoever, the Trustee or the Holder of any Bond may apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Trustee.

Any Trustee appointed under the provisions of this Section 1009 in succession to the Trustee shall be a bank or trust company organized under the laws of any state or a national banking association and shall have capital stock, surplus and undivided earnings aggregating at least \$100,000,000 if there be such a bank or trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Resolution.

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

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

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

Resignation or Removal of Paying Agent or Bond Registrar and Appointment of Successor. (q) Any Paying Agent or Bond Registrar may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least sixty (60) days prior written

notice thereof to the Authority, the Trustee and the Paying Agent or Bond Registrar, as applicable. Any Paying Agent or Bond Registrar may be removed by the Authority at any time by an instrument filed with such Paying Agent or Bond Registrar and the Trustee and signed by an Authorized Authority Representative. Any successor Paying Agent or Bond Registrar shall be appointed by the Authority with the approval of the Trustee and shall be a commercial bank or trust company organized under the laws of any state of the United States or a national banking association, having capital stock, surplus and undivided earnings aggregating at least \$100,000,000, and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Resolution.

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

Conflict Between Provisions of Bond Resolution And County Guarantee Agreement. In the event the Trustee, in the performance of its fiduciary responsibilities, determines that there are conflicts, ambiguities or inconsistencies between the provisions of the County Guarantee Agreement and this Resolution, the Trustee may rely upon a written opinion from Bond Counsel addressed to the County and the Trustee directing the Trustee to adhere to the provisions of either the County Guarantee Agreement or this Resolution. The Trustee shall be fully protected in the performance of its fiduciary responsibilities to the extent it acts in accordance with such opinion.

SUPPLEMENTAL RESOLUTIONS

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

To close this Resolution against, or provide limitations and restrictions in addition to the limitations and restrictions contained in this Resolution on, the authentication and delivery of Bonds or the issuance of other evidences of indebtedness;

To add to the covenants and agreements of the Authority in this Resolution, other covenants and agreements to be observed by the Authority which are not contrary to or inconsistent with this Resolution, the County Guarantee and the Guarantee Agreement, as theretofore in effect;

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

To authorize Refunding Bonds of a Series and, in connection therewith, specify and determine, or delegate to an Authorized Authority Representative the power to specify and determine, the matters and things referred to in Section 202 and Section 205(2) hereof and also any other matters and things relative to such Refunding Bonds which are not contrary to or inconsistent with this Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first authentication and delivery of such Refunding Bonds;

Reserved;

To authorize, in compliance with all applicable law, Bonds of each Series to be issued in the form of fully registered Bonds issued and held in certificated form on the books of the Authority, any Fiduciary or custodian appointed for that purpose by the Authority and, in connection therewith, make such additional changes herein, not adverse to the rights of the County and the Holders of the Bonds, as are necessary or appropriate to accomplish or recognize such certificated form Bonds, substitute for any such Fiduciary or custodian, provide for in, and amend any provisions in, this Resolution relating to the giving of notice, and specify and determine the matters and things relative to the issuance of such certificated form Bonds as are appropriate or necessary;

To confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, this Resolution, of the Revenues or of any other moneys, securities or funds;

To confirm, as further assurance, any pledge or assignment under, and the subjection to any security interest, pledge or assignment created or to be created by, this Resolution of the Pledged Property and to pledge any additional revenues, moneys, securities or other agreements; and

To modify any of the provisions of this Resolution in any other respect whatever, provided that (i) such modification shall be, and be expressed to be, effective only after all Bonds of each Series Outstanding at the date of the adoption of such Supplemental Resolution shall cease to be Outstanding, and (ii) such modification shall become effective prior to the authentication and delivery of the first Bond authorized to be issued pursuant to this Resolution, each Supplemental Resolution shall be specifically referred to in the text of all Bonds authenticated and delivered after the date of the adoption of such Supplemental Resolution and of Bonds issued in exchange therefor or in place thereof.

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

To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in this Resolution; or

To insert such provisions clarifying matters or questions arising under this Resolution as are necessary or desirable and are not contrary to or inconsistent with this Resolution and the County Guarantee as theretofore in effect.

Supplemental Resolutions Effective With Consent of the County and Bondholders.

At any time or from time to time, a Supplemental Resolution may be adopted subject to consent by Bondholders and the County and in accordance with and subject to the provisions of Article XII, which Supplemental Resolution, upon the filing with the Trustee and the County of a copy thereof certified by an Authorized Authority Representative and upon compliance with the provisions of said Article XII, shall become fully effective in accordance with its terms as provided in said Article XII upon the filing with the Trustee of a copy thereof certified by an Authorized Authority Representative and upon compliance with the provisions of such Article XII.

General Provisions. (r) This Resolution shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article XI and Article XII hereof. Nothing contained in this Article XI or Article XII shall affect or limit the right or obligation of the Authority to adopt, make, do, execute, acknowledge or deliver any resolution, act or other instrument pursuant to the provisions of Section 804 or the right or obligation of the Authority to execute and deliver to any Fiduciary any instrument which elsewhere in this Resolution it is provided shall be delivered to said Fiduciary.

Any Supplemental Resolution referred to and permitted or authorized by Sections 1101 and 1102 herein may be adopted by the Authority without the consent of any of the Bondholders, but shall become effective only on the conditions, to the extent and at the time provided in said Sections, respectively. The copy of every Supplemental Resolution when filed with the Trustee shall be accompanied by an opinion of Bond Counsel stating that such Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of this Resolution and the County Guarantee, is authorized or permitted by this Resolution and the County Guarantee, and is valid and binding upon the Authority and enforceable in accordance with its terms subject to any applicable bankruptcy, insolvency or other laws affecting creditors' rights generally.

The Trustee is hereby authorized to accept the delivery of a certified copy of any Supplemental Resolution referred to and permitted or authorized by Sections 1101, 1102 or 1103 hereof and to make all further agreements and stipulations which may be therein contained, and the Trustee, in taking such action, shall be fully protected in relying on an opinion of Bond Counsel that such Supplemental Resolution is authorized or permitted by the provisions of this Resolution.

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

AMENDMENTS

Mailing and Publication. (s) Any provision in this Article for the mailing of a notice or other matter to Bondholders by the Authority shall be fully complied with if it is mailed postage prepaid only (i) to each registered owner of Bonds then Outstanding at his address, if any, appearing upon the registry books of the Authority, (ii) to the County, and (iii) to the Trustee. If the Bonds are rated by Moody's or Standard & Poor's, then the Authority shall give notice to the rating agency or agencies that rated the Bonds of any material amendments to this Resolution.

Any provision in this Article for publication of a notice or other matter shall require the publication thereof only in an Authorized Newspaper of the Authority.

Powers of Amendment. Any modification or amendment of this Resolution and of the rights and obligations of the Authority and of the Holders of the Bonds hereunder in any particular, may be made by a Supplemental Resolution with the written consent, given as provided in Section 1203, of the County and the Holders of at least fifty-one percent (51%) in principal amount of the Bonds Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. No such modification or amendment shall permit a change in the maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or in the rate of interest thereon without the consent of the County and the Holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the County and the Holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto. The Trustee may in its discretion determine whether or not, in accordance with the foregoing powers of amendment, Bonds of any particular maturity would be affected by any modification or amendment of this Resolution and any such determination shall be binding and conclusive on the Authority and all Holders of Bonds.

Consent of County and Bondholders. The Authority may at any time adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of Section 1202 to take effect when and as provided in this Section 1203. A copy of such Supplemental Resolution (or brief summary thereof or reference thereto approved by the Trustee), together with a request to Bondholders and the County for their consent thereto in form satisfactory to the Trustee, shall be mailed by the Authority to the County and Bondholders (but failure to mail such copy and request shall not affect the validity of the Supplemental Resolution when consented to as in this Section 1203 provided). Such Supplemental Resolution shall not be effective unless and until (i) there shall have been filed with the Trustee (a) the written consents of the County and Holders of the percentages of Outstanding Bonds specified in Section 1202 hereof and (b) an opinion of Bond Counsel stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the Authority in accordance with the provisions of this Resolution, is authorized or permitted by this Resolution, and is valid and binding upon the Authority and enforceable in accordance with its terms, subject to any applicable bankruptcy, insolvency or other laws affecting creditors' rights generally, and (ii) a notice shall have been given as hereinafter in this Section 1203 provided. The consent of the County shall be effective if given by written instrument and the consent of the Holders of the Bonds shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent

is given, which proof shall be such as is permitted by Section 1303. A certificate or certificates executed by the Trustee and filed with the Authority and the County stating that it has examined such proof and that such proof is sufficient in accordance with Section 1303 shall be conclusive that the consents have been given by the Holders of the Bonds described in such certificate or certificates of the Trustee. Any such consent shall be binding upon the County and the Holder of the Bonds giving such consent and, anything in Section 1303 to the contrary notwithstanding, upon any subsequent Holder of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof) unless such consent is revoked in writing by the County or the Holder of such Bonds giving such consent or a subsequent Holder thereof by filing with the Trustee, prior to the time when the written statement of the Trustee hereinafter in this Section 1203 provided for is filed, such revocation and, if such Bonds are transferable by delivery, proof that such Bonds are held by the signer, of such revocation in the manner permitted by this Section 1203. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Authority to the effect that no revocation thereof is on file with the Trustee. At any time after the County and the Holders of the required percentages of Bonds shall have filed their consents to the Supplemental Resolution, the Trustee shall make and file with the Authority a written statement that the County and Holders of such required percentages of Bonds have filed such consents. Such written statements shall be conclusive that such consents have been so filed. At any time thereafter, notice stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the Authority on a stated date, a copy of which is on file with the Trustee) has been consented to by the County and Holders of the required percentages of Bonds and will be effective as provided in this Section 1203, may be given to Bondholders by the Authority by mailing such notice to Bondholders (but failure to mail such notice shall not prevent such Supplemental Resolution from becoming effective and binding as in this Section 1203 provided). The Authority shall file with the Trustee proof of the mailing thereof. A record, consisting of the certificates or statements required or permitted by this Section 1203 to be made by the Trustee, shall be proof of the matters therein stated. Such Supplemental Resolution making such amendment or modification shall be deemed conclusively binding upon the Authority, the County, the Trustee and the Holders of all Bonds at the expiration of forty (40) days after the filing with the Trustee of the proof of the mailing of such last mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Resolution in a legal action or equitable proceeding for such purpose commenced within such forty (40) day period; provided, however, that the Trustee and the Authority during such forty (40) day period and any such further period during which any such action or proceeding may be binding shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Resolution as they may deem expedient.

Modifications by Unanimous Consent. The terms and provisions of this Resolution and the rights and obligations of the Authority, the County and the Holders of the Bonds thereunder may be modified or amended in any respect upon the adoption and filing by the Authority of a Supplemental Resolution and the consents of the County and the Holders of all of the Bonds then Outstanding, such consents to be given as provided in Section 1203, except that no notice to Bondholders shall be required; provided, however, that no such modification or amendment shall change or modify any of the rights or obligations of any Fiduciary without the filing with the Trustee of the written assent thereto of such Fiduciary, of the County and of the Bondholders.

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

Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as in Article XI or this Article XII provided may, and, if the Trustee so determines, upon advice of counsel, shall, bear a notation by endorsement or otherwise in form approved by the Authority and the Trustee as to such action, and in that case upon demand of the Holder of any Bond Outstanding at such effective date and presentation of his Bond for the purpose at the principal corporate trust office of the Trustee or upon any transfer or exchange of any Bond Outstanding at such effective date, suitable notation shall be made on such Bond or upon any Bond issued upon any such transfer or exchange by the Trustee as to any such action. If the Authority or the Trustee shall so determine, new Bonds so modified as in the opinion of the Trustee and the Authority to conform to such action shall be prepared, authenticated and delivered, and upon demand of the Holder of any Bond then Outstanding shall be exchanged, without cost to such Bondholder, for Bonds of the same maturity then Outstanding, upon surrender of such Bonds.

MISCELLANEOUS

Defeasance. (t) If, subject to the provisions set forth in the next succeeding sentence, the Authority shall pay or cause to be paid, or there shall otherwise be paid, to or for the account of the Holders of all Bonds the principal, redemption premium, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated in the Bonds and in this Resolution, then the pledge of the Pledged Property, any Revenues, and other moneys and securities pledged under this Resolution and all covenants, agreements and other obligations of the Authority to the Bondholders and the provisions of the County Guarantee, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by the Authority to be prepared and filed with the Authority and, upon the request of the Authority, shall execute and deliver to the Authority all such instruments as may be desirable to evidence such discharge and satisfaction, and, after the Fiduciaries have paid all amounts due and payable to the County for County Guarantee Costs, the Fiduciaries shall pay over or deliver to the Authority the Funds and Accounts and all moneys or securities held by them pursuant to this Resolution which are not required for the payment of principal, redemption premium, if any, and interest on Bonds not theretofore surrendered for such payment or redemption. If the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of the Outstanding Bonds of a particular maturity or particular Bonds within a maturity, the principal, redemption premium, if any, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Resolution, such Bonds shall cease to be entitled to any lien, benefit or security under this Resolution and the County Guarantee, and all covenants, agreements and obligations of the Authority to the Holders of such Bonds and the County shall thereupon cease, terminate and become void and be discharged and satisfied.

2. Principal and/or interest installments for the payment or redemption of which moneys or Investment Securities shall have been set aside and shall be held in trust by the Trustee or Paying Agents (through deposit by the Authority of funds for such payment or redemption or otherwise) at the maturity date thereof shall be deemed to have been paid within the meaning and with the effect expressed in paragraph 1 of this Section. Subject to the provisions of subsection 3 through subsection 5 of this Section, any Outstanding Bonds shall, prior to the maturity date thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection 1 of this Section if (a) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Investment Securities (including any Investment Securities issued or held in book-entry form on the books of the Department of the Treasury of the United States) the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient (as shall be verified by an independent certified public accountant as stated in a verification report addressed to the Authority, the County and the Trustee) to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on or prior to the redemption date or maturity date thereof, as the case may be and (b) in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Authority shall have given the Trustee, in form satisfactory to it, instructions to mail as provided in Article IV hereof a notice to the Holders of such Bonds that the deposit required by (a) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Section 1301 and stating such maturity or redemption date upon which moneys are expected, subject to the provisions of subsection 6 of this Section 1301, to be available for the payment of the principal or Redemption Price, if applicable, on said Bonds, and (c) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Authority shall have given to the Trustee, in form satisfactory to it, instructions to mail as provided in Article IV hereof notice of redemption of such Bonds (other than Bonds which have been purchased by the Trustee at the direction of the Authority or purchased or otherwise acquired by the Authority and delivered to the Trustee as hereinafter provided prior to the mailing of such notice of redemption) on said date. Any notice of redemption mailed pursuant to the preceding sentence with respect to Bonds which constitute less than all of the Outstanding Bonds of any maturity within a Series shall specify the letter and number or other distinguishing mark of each such Bond. For purposes of this Section 1301 only, the term Investment Securities shall mean only those Investment Securities described in clause a(1) of the definition of Investment Securities contained in Section 101 hereof unless the Authority shall have received written confirmation from Moody's, if the Bonds are then rated by Moody's and Standard & Poor's, if the Bonds are then rated by Standard & Poor's, that defeasance with Investment Securities other than those described in clause a(1) of the definition in Section 101 hereof will result in the Bonds being rated in the highest investment grade or category of each such rating agency. The Trustee shall, if so directed by the Authority prior to the maturity date of Bonds deemed to have been paid in accordance with this Section 1301 which are not to be redeemed prior to their maturity date or prior to the maturity date of any Bonds deemed to have been paid in accordance with this Section 1301 which are to be redeemed on any date prior to their maturity, apply moneys deposited with the Trustee in respect of such Bonds and redeem or sell Investment Securities so deposited with the Trustee and apply the proceeds thereof to the purchase of such Bonds so purchased; provided, however, that the moneys and Investment Securities remaining on deposit with the Trustee after the purchase and cancellation of such Bonds shall be sufficient (as verified by an independent certified public accountant as stated in a verification

report addressed to the Authority, the County and the Trustee) to pay when due the Principal Installment, redemption premium, if any, and interest due or to become due on all Bonds, in respect of which such moneys and Investment Securities are being held by the Trustee on or prior to the redemption date or maturity date thereof, as the case may be. If, at any time prior to the maturity date of Bonds deemed to have been paid in accordance with this Section 1301 which are not to be redeemed prior to their maturity date or Bonds which are to be redeemed prior to their maturity date, the Authority shall purchase or otherwise acquire any such Bonds and deliver such Bonds to the Trustee prior to their maturity date, the Trustee shall immediately cancel all such Bonds so delivered; such delivery of Bonds to the Trustee shall be accompanied by directions from the Authority to the Trustee as to the manner in which such Bonds are to be applied against the obligation of the Trustee to pay Bonds deemed paid in accordance with this Section 1301. The directions given by the Authority to the Trustee referred to in the preceding sentences shall also specify the portion, if any, of such Bonds so purchased or delivered and canceled to be applied against the obligation of the Trustee to pay Bonds deemed paid in accordance with this Section 1301 upon their maturity date or dates and the portion, if any, of such Bonds so purchased or delivered and canceled to be applied against the obligation of the Trustee to redeem Bonds deemed paid in accordance with this Section 1301 on any date or dates prior to their maturity. In the event that on any date as a result of any purchases, acquisitions and cancellations of Bonds as provided in this Section 1301 such amount is in excess (as verified by an independent certified public accountant as stated in a verification report addressed to the Authority, the County and the Trustee) of the total amount which would have been required to be deposited with the Trustee on such date in respect of the remaining Bonds in order to satisfy subclause (a) of this subsection 2 of Section 1301, the Trustee shall, after having paid all amounts (to the extent available) due and owing to the County under the County Guarantee Agreement, if requested by the Authority, pay the amount of such excess to the Authority free and clear of any trust, lien, pledge or assignment securing said Bonds or otherwise existing under this Resolution. Except as otherwise provided in this subsection 2 of Section 1301 and in subsection 3 through subsection 5 of this Section 1301, neither Investment Securities nor moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Investment Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal, redemption premium, if any, and interest on said Bonds; provided that any cash received from such principal or interest payments on such Investment Securities deposited with the Trustee, (A) to the extent such cash will not be required (as verified by an independent certified public accountant as stated in a verification report addressed to the Authority, the County and the Trustee) at any time for such purpose after having paid all amounts (to the extent available) due and owing to the County under the County Guarantee Agreement, shall be paid over to the Authority as received by the Trustee, free and clear of any trust, lien or pledge securing said Bonds or otherwise existing under this Resolution, and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Investment Securities maturing at times and in amounts sufficient (as verified by an independent certified public accountant as stated in a verification report addressed to the Authority, the County and the Trustee) to pay when due the principal, redemption premium, if any, and interest to become due on said Bonds on or prior to such maturity date thereof, as the case may be, and interest earned from such reinvestment after having paid all amounts (to the extent available) due and owing to the County under the County Guarantee Agreement shall be paid over to the Authority, as received by the Trustee, free and clear of any trust, lien, pledge or assignment securing said Bonds or otherwise existing under this Resolution. For the purposes of this Section,

Investment Securities shall mean and include only (x) such securities as are described in this subsection which shall not be subject to redemption prior to their maturity other than at the option of the Holder thereof or as to which an irrevocable notice of redemption of such securities on a specified redemption date has been given and such securities are not otherwise subject to redemption prior to such specified date other than at the option of the Holder thereof, or (y) upon compliance with the provisions of subsection 3 of this Section 1301, such securities as are described in this subsection which are subject to redemption prior to maturity at the option of the issuer thereof on a specified date or dates.

3. Investment Securities described in clause (y) of subsection 2 of this Section 1301 may be included in the Investment Securities deposited with the Trustee in order to satisfy the requirements of clause (a) of subsection 2 of this Section 1301 only if the determination as to whether the moneys and Investment Securities to be deposited with the Trustee in order to satisfy the requirements of such clause (a) would be sufficient to pay when due either on the maturity date or the redemption date thereof, the principal, redemption premium, if any, and interest on the Bonds which will be deemed to have been paid as provided in subsection 2 of this Section 1301 is made both (i) on the assumption that the Investment Securities described in clause (y) were not redeemed at the option of the issuer prior to the maturity date thereof and (ii) on the assumption that such Investment Securities would be redeemed by the issuer thereof at its option on each date on which such option could be exercised, that as of such date or dates interest ceased to accrue on such Investment Securities and that the proceeds of such redemption would not be reinvested by the Trustee.

4. In the event after compliance with the provisions of subsection 3 of this Section 1301 the Investment Securities described in clause (y) of paragraph 2 of this Section 1301 are included in the Investment Securities deposited with the Trustee in order to satisfy the requirements of clause (a) of subsection 2 of this Section 1301 and any such Investment Securities are actually redeemed by the issuer thereof prior to their maturity date, then the Trustee at the direction of the Authority, provided that the aggregate of the moneys and Investment Securities to be held by the Trustee, taking into consideration any changes in redemption dates or instructions to give notice of redemption given to the Trustee by the Authority in accordance with subsection 3 of this Section 1301, shall at all times be sufficient (as verified by an independent certified public accountant as stated in a verification report addressed to the Authority, the County and the Trustee) to satisfy the requirements of clause (b) of subsection 2 of this Section 1301, shall reinvest the proceeds of such redemption in Investment Securities.

5. In the event that after compliance with the provisions of paragraph 4 of Section 1301 the Investment Securities described in clause (y) of subsection 2 of Section 1301 are included in the Investment Securities deposited with the Trustee in order to satisfy the requirements of clause (a) of paragraph 2 of Section 1301, then any notice of defeasance and notice of redemption to be mailed by the Trustee and any set of instructions relating to a notice of defeasance and notice of redemption given to the Trustee may provide, at the option of the Authority, that any redemption date or dates in respect of all or any portion of the Bonds to be redeemed on such date or dates may at the option of the Authority be changed to any other permissible redemption date or dates and that redemption dates may be established for any Bonds deemed to have been paid in accordance with this Section 1301 upon their maturity date or dates at any time prior to the actual mailing of any applicable notice of redemption in the event that all or any portion of any

Investment Securities described in clause (y) of subsection 2 of Section 1301 have been called for redemption pursuant to an irrevocable notice of redemption or have been redeemed by the issuer thereof prior to the maturity date thereof. No such change of redemption date or dates or establishment of redemption date or dates may be made unless taking into account that on such changed redemption date or dates or newly established redemption date or dates the moneys and Investment Securities on deposit with the Trustee including any Investment Securities or redemption proceeds in accordance with subsection 5 of Section 1301 pursuant to clause (a) of subsection 2 of Section 1301 would be sufficient to pay when due the principal and Redemption Price, if applicable, and interest on all Bonds deemed to have been paid in accordance with subsection 2 of Section 1301 which have not as yet been paid.

6. If the Bonds are rated by Moody's or Standard & Poor's, then the Authority shall give notice to the rating agency or agencies that rated the Bonds of any defeasance of all or any of the Bonds.

Unclaimed Funds. (u) Anything in this Bond Resolution to the contrary notwithstanding, but subject to any provision of State or Federal law to the contrary, any moneys held by a Fiduciary in trust for the payment and discharge of any of the Bonds which remain unclaimed for five (5) years (or such other time period as may be set forth in N.J.S.A. 46:30B-37) after the date when such Bonds have become due and payable, at their stated maturity dates or by call for earlier redemption, shall be presumed to be abandoned pursuant to the provisions of N.J.S.A. 46:30B-37 and shall be paid by the Fiduciary to the State Treasurer in accordance with the provisions of N.J.S.A. 46:30B-1 et seq. free and clear of the lien of this Bond Resolution, and the Fiduciary shall thereupon be released and discharged with respect thereto and the Bondholders shall look only to the State Treasurer for the payment of such Bonds, all in accordance with the provisions of N.J.S.A. 46:30B-1 et seq.; provided, however, that before being required to make any such payment to the State Treasurer, the Fiduciary shall, at the expense of the Authority, cause to be published at least twice, at an interval of not less than seven (7) days between publications, in an Authorized Newspaper, a notice that said moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than thirty (30) days after the date of the first publication of such notice, the balance of such moneys then unclaimed shall be forwarded to the State Treasurer.

In the event the County pays money to the Trustee pursuant to the County Guarantee Agreement to cure a deficiency in a Municipal Account in the Debt Service Fund on behalf of a Municipality and the County remains unreimbursed for the County Guarantee Costs associated with the making of such payment, then to such extent, any unclaimed moneys remaining in the Funds and Accounts (but not including any sums which are paid to the State Treasurer pursuant to Section 1302(1) hereof) shall be paid to the County and further, after such payment has been made to the County, to the extent any moneys are remaining in such Funds and Accounts and the Fiduciaries have unreimbursed expenses, such moneys shall be paid to each such Fiduciary by the Trustee, free and clear of the lien and pledge of this Resolution to the extent required to reimburse each Fiduciary for such expenses, and if thereafter there are any unclaimed moneys remaining in the Funds and Accounts, then to the Authority.

Evidence of Signatures of Bondholders and Ownership of Bonds. (v) Any request, consent, revocation of consent or other instrument which this Resolution may require or permit to

be signed and executed by the Bondholders may be signed or executed in one or more instruments of similar tenor, and shall be signed or executed by such Bondholders in person or by their attorneys appointed in writing. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the holding by any person of the Bonds shall be sufficient for any purpose of this Resolution (except as otherwise therein expressly provided) if made in the following manner, or in any other manner satisfactory to the Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

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

The amount of Bonds transferable by delivery held by any person executing any instrument as a Bondholder, the date of his holding such Bonds, and the numbers and other identification thereof, may be proved by a certificate, which need not be acknowledged or verified, in form satisfactory to the Trustee, executed by the Trustee or by a member of a financial firm or by an officer of a bank, trust company, insurance company, or financial corporation or other depository wherever situated, showing at the date therein mentioned that such person exhibited to such member or officer or had on deposit with such depository the Bonds described in such certificate. Such certificate may be given by a member of a financial firm or by an officer of any bank, trust company, insurance company or financial corporation or depository with respect to Bonds owned by it, if acceptable to the Trustee. In addition to the foregoing provisions, the Trustee may from time to time make such reasonable regulations as it may deem advisable permitting other proof of holding of Bonds transferable by delivery.

The ownership of Bonds registered otherwise than to bearer and the amount, numbers and other identification, and date of holding the same shall be provided by the registry books.

Any request or consent by the owner of any Bond shall bind all future owners of such Bond in respect of anything done or suffered to be done by the Authority or any Fiduciary in accordance therewith.

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

Preservation and Inspection of Documents. All documents received by any Fiduciary under the provisions of this Resolution shall be retained in its possession for a period of seven (7) years and shall be subject at all reasonable times to the inspection of the Authority, the County, any other Fiduciary and any Bondholder and their agents and their representatives, any of whom may make copies thereof.

Parties Interest Herein. Nothing in this Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the Authority, the County, the Fiduciaries and the Holders of the Bonds, any right, remedy or claim under or by reason of this Resolution or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in this Resolution contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the County, the Fiduciaries and the Holders of the Bonds.

No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Resolution against any member or officer of the Authority, the County or any person executing the Bonds.

Publication of Notice; Suspension of Publication. (w) Any publication to be made under the provisions of this Resolution in successive weeks or on successive dates may be made in each instance upon any Business Day of the week and need not be made in the same Authorized Newspaper for any or all of the successive publications but may be made in a different Authorized Newspaper.

If, because of the temporary or permanent suspension of the publication or general circulation of any Authorized Newspaper or for any other reason, it is impossible or impractical to publish any notice pursuant to this Resolution in the manner herein provided, then such publication in lieu thereof as shall be made with the approval of the Authority shall constitute a sufficient publication of such notice.

Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in this Resolution on the part of the Authority or any Fiduciary to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Resolution.

Holidays. Except with respect to the computation of a Record Date, if the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Resolution, shall be a legal holiday or a day on which banking institutions in the municipality in which is located the principal corporate trust office of the Trustee or the operational office of the Authority are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Resolution, and no interest shall accrue for the period after such nominal date.

Notices and Demands. All notices, demands or other communications provided for in this Resolution shall be in writing and shall be by facsimile transmission (with written confirmation of receipt) followed by hard copy sent by personal delivery or certified or registered mail or by recognized overnight delivery, to (i) each Municipality as set forth in a certificate delivered by the Authority to the Trustee upon delivery of the Bonds, (ii) the Authority at 101 Interchange Plaza, Cranbury, New Jersey 08512, Attn: Chairman, (iii) the County at the Middlesex County Administration Building, John F. Kennedy Square, 75 Bayard Street, New Brunswick, New Jersey 08901, Attn: Chief Financial Officer of the County and Clerk of the Board of Chosen Freeholders, (iv) the Trustee at 1006 Astoria Boulevard, Cherry Hill, New Jersey, 08034, Attn: Institutional Trust Department/Kelly M. Bekas, (v) Bond Counsel to the Authority, McCarter & English, LLP, Four Gateway Center, 100 Mulberry Street, Newark, New Jersey, 07102 Attn: Jacqueline P. Shanes, Esq., and (vi) Counsel to the County, Thomas F. Kelso, Esq., County Counsel, Middlesex County Administration Building, John F. Kennedy Square, 75 Bayard Street, New Brunswick, New Jersey 08901, or to such other representatives or addresses as the Authority, the Municipality, the County or the Trustee may from time to time designate by written notice to the parties hereto or beneficiaries hereof.

Headings. The Article and Section headings in this Resolution are inserted for convenience of reference only and are not intended to define or limit the scope of any provision of this Resolution.

Governing Law. This Resolution shall be governed by and construed in accordance with the laws of the State of New Jersey.

Separate Financings. Nothing contained in this Resolution shall be construed to prevent the Authority from acquiring, constructing or financing through the issuance of its bonds, notes, or other evidences of indebtedness any other public facilities or from securing such bonds, notes or other evidences of indebtedness by a mortgage of such public facilities so financed or by a pledge of, or other security interest in, the revenues thereunder or any lease or other agreement with respect thereto or any revenues derived from such lease or other agreement; provided that such bonds, notes, or other evidences of indebtedness shall not be payable out of or secured by the Revenues or any Fund held under this Resolution and neither the cost of such public facilities nor any expenditure in connection therewith or with the financing thereof shall be payable from the Revenues or from any such Fund hereunder.

BOND FORMS AND EFFECTIVE DATE

Form of Bonds. Subject to the provisions of this Resolution, the form of each series of Bonds shall be substantially as follows:

**UNITED STATES OF AMERICA
STATE OF NEW JERSEY
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
COUNTY-GUARANTEED CAPITAL EQUIPMENT
AND IMPROVEMENT REVENUE BONDS, SERIES 2018**

No. R-

INTEREST RATE

CUSIP NUMBER

596564__

MATURITY DATE

September 15, __

BOND DATE

_____, 2018

AUTHENTICATION DATE

_____, 2018

REGISTERED OWNER:

PRINCIPAL SUM:

The MIDDLESEX COUNTY IMPROVEMENT AUTHORITY, in the County of Middlesex, State of New Jersey (hereinafter called the "Authority"), a public body corporate and politic organized and existing under and by virtue of the laws of the State of New Jersey, acknowledges itself indebted and for value received hereby promises to pay to the REGISTERED OWNER stated above, or registered assigns, the PRINCIPAL SUM stated above, on the MATURITY DATE stated above or on the date fixed for redemption, as the case may be, together with interest on such PRINCIPAL SUM from the date of this Bond (as hereinafter defined) until the Authority's obligation with respect to the payment of such PRINCIPAL SUM shall be discharged, at the INTEREST RATE per annum stated above on March 15, 2019, and semiannually thereafter on the fifteenth day of September and March. This Bond (as hereinafter defined), as to principal, when due, will be payable at the principal corporate trust office of TD Bank, National Association, Cherry Hill, New Jersey. Interest on this Bond will be payable by check which will be mailed or shall be by wire transfer to the Registered Owner hereof whose name shall appear on the registration books of the Authority which shall be kept and maintained by the Bond Registrar hereinafter mentioned, as determined on the first day of March and September (whether or not a Business Day) (the "Record Date"); provided however, that a Registered Owner of \$1,000,000 or more in principal amount of Bonds shall be entitled, upon five (5) Business Days' written notice to the Trustee in advance of the applicable Record Date, to receive interest payments by wire transfer of immediately available funds. Payment of the principal of and interest on this Bond shall be made in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Bond is one of the duly authorized issue of revenue bonds, each designated as "County-Guaranteed Capital Equipment and Improvement Revenue Bonds, Series 2018" (the "Bond" or "Bonds") of the Authority, limited to the aggregate principal amount of \$_____ and authorized and issued under and pursuant to the County Improvement Authorities Law, 1960 N.J. Laws c.183, as amended and supplemented, and under and in accordance with a resolution of the Authority duly adopted July 11, 2018 entitled, "Resolution of the Middlesex County

Improvement Authority Authorizing the Issuance of County-Guaranteed Capital Equipment and Improvement Revenue Bonds” (the “Bond Resolution”) and a resolution of the Authority duly adopted July 11, 2018 entitled, “Resolution of the Middlesex County Improvement Authority Authorizing Certain Actions and Approving Certain Documents Necessary in Connection with the Issuance of the Authority’s Proposed Not to Exceed \$10,000,000 Aggregate Principal Amount of County-Guaranteed Capital Equipment and Improvement Revenue Bonds, Series 2018” (the “Determination Resolution”) (the Bond Resolution and the Determination Resolution are hereinafter collectively referred to as the “Resolution”) and the Series Certificate (as defined in the Bond Resolution). Copies of the Resolution are on file in the office of the Authority in Cranbury, New Jersey and at the principal corporate trust office of TD Bank, National Association, Cherry Hill, New Jersey (the “Trustee”), as trustee under the Resolution.

This Bond is a direct, limited and special obligation of the Authority payable from the Revenues and secured by a lien on the Pledged Property of the Authority, as such term is defined in the Bond Resolution, and from any other moneys pledged therefor under the Bond Resolution; provided, however, that the power and obligation of the Authority to cause application of such Pledged Property and other funds to the payment of the principal or redemption price of and the interest on the Bonds is subject to the terms of the Bond Resolution. This Bond is also an obligation which is entitled to the benefit of a guarantee of the County of Middlesex, State of New Jersey (the “County”), authorized pursuant to an ordinance of the County duly adopted on June 21, 2018 (the “County Guarantee”) and the Guarantee Agreement by and between the County and the Authority dated as of September 1, 2018 (the “Guarantee Agreement”), which County Guarantee and Guarantee Agreement secure the payment of principal of and interest on the Bonds (but not redemption premium, if any).

The Bonds are issued in the form of Registered Bonds without coupons in book-entry only form in the denomination of \$5,000 or any integral multiple thereof.

As defined in the Bond Resolution, and for purposes of this Bond, “Business Day” shall mean any day that is not a Saturday, a Sunday or a legal holiday in the State of New Jersey or the State of New York or a day on which the Trustee, the Bond Registrar, the Authority or any Paying Agent is legally authorized to close. All other terms used herein which are not defined shall have the meanings ascribed to such terms in the Bond Resolution.

The Bonds maturing prior to _____, 20__ are not subject to redemption prior to their stated maturity dates.

The Bonds maturing on and after _____, 20__ are subject to redemption prior to maturity at the option of the Authority, upon the written consent of the County, on or after _____, 20__, upon notice to the Registered Owner hereof as hereinafter provided, as a whole or in part at any time, in inverse order of maturities at the respective redemption prices (expressed as percentages of the principal amount of the Bonds or portions thereof to be redeemed) set forth below for the applicable redemption period, together with interest accrued thereon, to the date fixed for redemption:

Optional Redemption Period
(Both Dates Inclusive)

Redemption Price

%

If less than all of the Bonds of like maturity Outstanding are to be redeemed, the particular Bonds to be redeemed shall be selected as provided in the Bond Resolution.

Notice of each optional or mandatory redemption of the Bonds shall be mailed by the Trustee, via first class mail, postage prepaid, not less than thirty (30) days nor more than sixty (60) days prior to the redemption date, to the Registered Owner hereof, in accordance with the provisions of the Bond Resolution. If notice of redemption shall have been provided as aforesaid, the Bonds which are specified in said notice shall become due and payable at the applicable Redemption Price on the redemption date therein designated, and if, on the redemption date, moneys for payment of the Redemption Price of all of the Bonds which are to be redeemed, together with interest accrued thereon to the redemption date, shall be available for such payment on said date, then from and after the redemption date, interest on such Bonds shall cease to accrue and become payable to the Holders who are entitled to receive payment thereof upon such redemption. So long as this Bond is registered in the name of The Depository Trust Company, New York, New York ("DTC") or its nominee, Cede & Co., notice of redemption shall be mailed by the Trustee to DTC or its nominee, and the Trustee shall not be required to mail notices of redemption to any other person or entity.

Pursuant to the Bond Resolution, the Authority may hereafter issue refunding bonds (herein called "Refunding Bonds") for the purposes, in the amounts and on the conditions prescribed in the Bond Resolution. All bonds issued and to be issued under the Bond Resolution, including Refunding Bonds, are and will be equally secured by the pledge of funds and Revenues provided in the Bond Resolution except as otherwise provided in or pursuant to the Bond Resolution.

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

This Bond is transferable, as provided in the Bond Resolution, only upon the registration books of the Authority which are kept and maintained for that purpose at the principal corporate trust office of TD Bank, National Association, Cherry Hill, New Jersey (the "Bond Registrar"), as registrar under the Resolution, or its successor as Bond Registrar, by the Registered Owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer which is satisfactory to the Bond Registrar and which is duly executed by the Registered Owner or by such duly authorized attorney, together with the required signature guarantee, and thereupon the Authority shall issue in the name of the transferee a new registered Bond or Bonds, of the same aggregate principal amount and series, designation, maturity and interest rate as the surrendered Bond as provided in the Bond Resolution, upon payment of

the charges therein prescribed. The Authority, the Trustee, the Bond Registrar and any Paying Agent of the Authority may treat and consider the person in whose name this Bond is registered as the Holder and absolute owner of this Bond for the purpose of receiving payment of the principal or Redemption Price of and interest due thereon and for all other purposes whatsoever.

Reference to the Resolution, to the County Guarantee, to the Guarantee Agreement and to the Act is made for a description of the nature and extent of the security for the Bonds, the Pledged Property, the funds pledged for the payment thereof, the nature, manner and extent of the enforcement of such pledge, the rights and remedies of the Holders of the Bonds with respect thereto, the terms and conditions upon which the Bonds are issued and upon which they may be issued thereunder, and a statement of the rights, duties, immunities and obligations of the Authority, the County and of the Trustee.

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

THE BONDS ARE NOT AND SHALL NOT BE IN ANY WAY A DEBT OR LIABILITY OF THE STATE OF NEW JERSEY OR ANY SUBDIVISION THEREOF OTHER THAN THE AUTHORITY, AND AS APPLICABLE UNDER AND LIMITED BY THE COUNTY GUARANTEE AND THE GUARANTEE AGREEMENT, THE COUNTY, AND DO NOT AND SHALL NOT CREATE OR CONSTITUTE ANY INDEBTEDNESS, LIABILITY OR OBLIGATION OF SAID STATE, OR OF ANY SUBDIVISION OTHER THAN THE AUTHORITY, AND AS APPLICABLE UNDER AND LIMITED BY THE COUNTY GUARANTEE AND THE GUARANTEE AGREEMENT, THE COUNTY, EITHER LEGAL, MORAL OR OTHERWISE. THE AUTHORITY IS OBLIGATED TO PAY THE PRINCIPAL OR REDEMPTION PRICE OF, AND INTEREST ON THE BONDS FROM THE REVENUES AND FUNDS PLEDGED THERETO. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN THE COUNTY, AS APPLICABLE, UNDER AND LIMITED BY THE COUNTY GUARANTEE AND COUNTY GUARANTEE AGREEMENT) IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE BONDS.

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

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

IN WITNESS WHEREOF, MIDDLESEX COUNTY IMPROVEMENT AUTHORITY has caused this Bond to be signed in its name and on its behalf by the manual or facsimile signature of its [Vice] Chairman and its corporate seal to be affixed, impressed or reproduced hereon, and

this Bond and such seal to be attested by the manual or facsimile signature of its [Assistant] Secretary, all as of the BOND DATE set forth above.

MIDDLESEX COUNTY IMPROVEMENT
AUTHORITY

ATTEST:

Paul Abbey, Secretary

BY: _____
James Nolan, Chairman

SEAL

ASSIGNMENT

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

PLEASE
PRINT OR TYPE NAME, ADDRESS AND TAXPAYER IDENTIFICATION NO. OF
ASSIGNEE

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints
_____, as Attorney, to transfer the within Bond on the registration books
of the Middlesex County Improvement Authority with full power of substitution and revocation.

NOTICE: The signature to this assignment must correspond with the name of the registered owner hereof as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: _____

SIGNATURE GUARANTEE:

(National Bank, trust company or commercial bank located in the City or State of New York, or the State of New Jersey, or any member of the New York Stock Exchange)

Form of Certificate of Authentication of Trustee or Bond Registrar. The form of Certificate of Authentication by the Trustee or Bond Registrar on the Bonds shall be substantially as follows:

“CERTIFICATE OF AUTHENTICATION

This bond is one of the issue of County-Guaranteed Capital Equipment and Improvement Revenue Bonds, Series 2018 of the Middlesex County Improvement Authority, described and delivered pursuant to the within mentioned Resolution and being dated September __, 2018.

_____ , Trustee
or
Bond Registrar
By: _____
Authorized Signature”

Form of County Guarantee. The form of County Guarantee which shall appear on the Bonds shall be substantially as follows:

“GUARANTEE OF THE COUNTY OF MIDDLESEX, STATE OF NEW JERSEY

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

IN WITNESS WHEREOF, the County has caused this guaranty to be executed by the manual or facsimile signature of its Director of the Board of Chosen Freeholders.

COUNTY OF MIDDLESEX

By: _____
_____, (Deputy) Director of the
Board of Chosen Freeholders”

(SEAL)

Effective Date. This Resolution shall take effect immediately upon its adoption in accordance with the Act.

**RESOLUTION OF THE
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
APPROVING AFFILIATION AGREEMENT WITH MONMOUTH UNIVERSITY FOR
TRAINING PROGRAM AT ROOSEVELT CARE CENTER FACILITIES**

WHEREAS, a regular meeting of the Middlesex County Improvement Authority (the "Authority") was held on July 11, 2018; and

WHEREAS, pursuant to N.J.S.A. 40:37A-54(a), the Authority may provide within the County of Middlesex public facilities; and

WHEREAS, in furtherance of this statutory provision, the Authority operates the long term care facilities Roosevelt Care Center at Edison and Roosevelt Care Center at Old Bridge (collectively, "Roosevelt Care Center"); and

WHEREAS, pursuant to N.J.S.A. 40:37A-55(t), a county improvement authority is empowered to enter into any and all agreements or contracts, execute any and all instruments, and do and perform any and all acts or things necessary, convenient or desirable for the purposes of the Authority or to carry out any power given in the County Improvement Authorities Law, N.J.S.A. 40:37A-44 et seq., subject to the "Local Public Contracts Law," N.J.S.A. 40A:11-1 et seq.; and

WHEREAS, Monmouth University has requested the Authority to participate in a program for the clinical training of students (the "Program"); and

WHEREAS, the Authority would like to approve the Program with Monmouth University and approve an affiliation agreement with Monmouth University for the Program at Roosevelt Care Center in accordance with this Resolution.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

1. The Authority hereby approves the Program with Monmouth University.
2. The Authority approves the affiliation agreement for the Program with Monmouth University in substantially the form attached with such changes as shall be approved by the Chairman on advice of counsel.
3. The Authority authorizes the Chairman or Vice-Chairman to execute the affiliation agreement in the form so approved and the Secretary to attest to the signature of the Chairman or Vice-Chairman appearing thereon and to affix the seal of the Authority thereto.
4. The Authority hereby authorizes the Licensed Administrators of the Roosevelt Care Center facilities to take all acts reasonable and necessary in connection with implementation and conduct of the Program.

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
James P. Nolan	X			
Anthony Raczynski	X			
Paul Abbey	X			
Christine D'Agostino	X			
Jose Jimenez				X

**RESOLUTION OF THE
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
APPROVING AFFILIATION AGREEMENT WITH SETON HALL UNIVERSITY TO
PROVIDE CLINICAL AND EDUCATIONAL EXPERIENCES AT ROOSEVELT CARE
CENTER FACILITIES**

WHEREAS, a regular meeting of the Middlesex County Improvement Authority (the "Authority") was held on July 11, 2018; and

WHEREAS, pursuant to N.J.S.A. 40:37A-54(a), the Authority may provide within the County of Middlesex public facilities; and

WHEREAS, in furtherance of this statutory provision, the Authority operates the long term care facilities Roosevelt Care Center at Edison and Roosevelt Care Center at Old Bridge (collectively, "Roosevelt Care Center"); and

WHEREAS, pursuant to N.J.S.A. 40:37A-55(t), a county improvement authority is empowered to enter into any and all agreements or contracts, execute any and all instruments, and do and perform any and all acts or things necessary, convenient or desirable for the purposes of the Authority or to carry out any power given in the County Improvement Authorities Law, N.J.S.A. 40:37A-44 et seq., subject to the "Local Public Contracts Law," N.J.S.A. 40A:11-1 et seq.; and

WHEREAS, Seton Hall University has requested the Authority to participate in a program for the clinical training and educational experiences for students who are in the BSN, CNL, RN_BSN, MSN DNP, and PhD Programs; and

WHEREAS, the Authority would like to approve the Program with Seton Hall University and approve an affiliation agreement with Seton Hall University for the Program at Roosevelt Care Center in accordance with this Resolution.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

1. The Authority hereby approves the Program with Seton Hall University.
2. The Authority approves the affiliation agreement for the Program with Seton Hall University in substantially the form attached with such changes as shall be approved by the Chairman on advice of counsel.
3. The Authority authorizes the Chairman or Vice-Chairman to execute the affiliation agreement in the form so approved and the Secretary to attest to the signature of the Chairman or Vice-Chairman appearing thereon and to affix the seal of the Authority thereto.

4. The Authority hereby authorizes the Licensed Administrators of the Roosevelt Care Center facilities to take all acts reasonable and necessary in connection with implementation and conduct of the Program.

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
James P. Nolan	X			
Anthony Raczynski	X			
Paul Abbey	X			
Christine D'Agostino	X			
Jose Jimenez				X

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Agenda 8(q)

**RESOLUTION OF THE
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING AWARD OF RESPIRATORY SERVICES CONTRACT FOR
ROOSEVELT CARE CENTER FACILITIES**

WHEREAS, a regular meeting of the Middlesex County Improvement Authority (the "Authority") was held on July 11, 2018; and

WHEREAS, pursuant to N.J.S.A. 40:37A-54(a), the Authority may provide within the County of Middlesex, public facilities; and

WHEREAS, in furtherance of this provision, the Authority operates Roosevelt Care Center at Edison, a long-term care facility located in the Township of Edison, and Roosevelt Care Center at Old Bridge, a long-term care facility located in the Township of Old Bridge (collectively, "Roosevelt Care Center"); and

WHEREAS, the Authority requires the provision of respiratory services (the "Services") for Roosevelt Care Center; and

WHEREAS, the Authority has received a proposal for the provision of the Services from New Jersey Respiratory Associates Inc.; and

WHEREAS, pursuant to N.J.S.A. 40:37A-55(t), a county improvement authority is empowered to enter into any and all agreements or contracts, execute any and all instruments, and do and perform any and all acts or things necessary, convenient or desirable for the purposes of the Authority or to carry out any power given in the County

Improvement Authorities Law, N.J.S.A. 40:37A-44 et seq., subject to the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.; and

WHEREAS, pursuant to the Local Public Contracts Law, the Authority is authorized to award certain contracts without public advertisement for bids when such contracts are for professional services; and

WHEREAS, the Services are professional services which do not require public bidding; and

WHEREAS, the Authority has a need to acquire the Services as a non-fair and open contract pursuant to the provisions of N.J.S.A. 19:44A-20.4; and

WHEREAS, the Certifying Finance Officer has determined and certified that the value of the contract will exceed \$17,500.00; and

WHEREAS, the anticipated term of the contract is one (1) year; and

WHEREAS, New Jersey Respiratory Associates Inc. (“NJRA”) has completed and submitted a Business Entity Disclosure Certification which certified that NJRA has not made any reportable contributions to a political or candidate committee in the previous year as prohibited by the law, and that the contract will prohibit NJRA from making any reportable contributions through the term of the contract; and

WHEREAS, the Authority would like to award a contract to NJRA for the provision of the Services in accordance with this Resolution.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

1. The Authority hereby awards a contract to NJRA for the Services for a cost not to exceed \$ 300,000.00.

2. The Authority approves the agreement with NJRA in substantially the form attached with such changes as shall be approved by the Chairman on advice of counsel.

3. The Authority authorizes the Chairman or Vice-Chairman to execute the agreement with NJRA and the Secretary to attest to the signature of the Chairman or Vice-Chairman appearing thereon and to affix the seal of the Authority thereto.

4. The Business Entity Disclosure Certification and the Determination of Value shall be placed on file.

5. The Secretary is authorized to publish a brief notice of the award of the contract pursuant to N.J.S.A. 40A:11-5(l)(a)(i).

6. The Certifying Finance Officer has certified that the funds for the Services are available and can be obtained from the funds of the Authority.

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
James P. Nolan	X			
Anthony Raczynski	X			
Paul Abbey	X			
Christine D'Agostino	X			
Jose Jimenez				X

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Agenda 8(r)

**RESOLUTION OF THE
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING TO AWARD A ONE-YEAR CONTRACT FOR YARD WASTE
RECYCLING AND MARKETING SERVICES**

WHEREAS, a regular meeting of the Middlesex County Improvement Authority (the "Authority") was held on July 11, 2018; and

WHEREAS, pursuant to N.J.S.A. 40:37A-55(t) a county improvement authority is empowered to enter into any and all agreements or contracts, execute any and all instruments and do and perform any and all acts or things necessary, convenient or desirable for the purposes of the Authority or to carry out any power given in the County Improvement Authorities Law, N.J.S.A. 40:37A-44 et seq., subject to the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.; and

WHEREAS, the Authority requires collection and marketing of recyclable materials for participating municipalities in Middlesex County (the "Services"); and

WHEREAS, the Authority prepared and issued a bid specification package and publicly advertised for bids for the Services; and

WHEREAS, by the Authority received two bids in response to Contract 18-13 from Nature’s Choice and Britton Industries; and

WHEREAS, the contract term is for one year beginning September 1, 2018 through August 31, 2019.

WHEREAS, the bid of Nature’s Choice was the lowest responsive, responsible bid received for the Services; and

WHEREAS, the Authority would like to award a contract to Nature’s Choice for the Services in accordance with this Resolution.

NOW, THEREFORE IT IS HEREBY RESOLVED BY THE MEMBERS OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

1. The Authority hereby awards a contract to Nature’s Choice for the provision of the Services for a period of one (1) year at an annual cost not to exceed at a cost not to exceed \$1,242,500.00.

2. The Certifying Finance Officer has certified that the funds for the Services are available from and can be obtained from the funds of the Authority.

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
James P. Nolan	X			
Anthony Raczynski	X			
Paul Abbey	X			
Christine D’Agostino	X			
Jose Jimenez				X

**RESOLUTION OF THE
MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING AGREEMENT WITH THE COUNTY OF MIDDLESEX
FOR YARD WASTE RECYCLING SERVICES**

WHEREAS, a regular meeting of the Middlesex County Improvement Authority (the “Authority) was held on July 11, 2018; and

WHEREAS, pursuant to N.J.S.A. 40 :37A-55(t), the Authority is empowered to enter into any and all agreements or contracts, execute any and all instruments, and do and perform any and

all acts and things necessary, convenient or desirable for the purpose of the Authority, subject to the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq; and

WHEREAS, the County of Middlesex (the “County”) oversees a program (the “Program”) for the provision of yard waste services (the “Services”) for municipalities; and

WHEREAS, the Authority is able to provide the Services to Middlesex County municipalities; and

WHEREAS, the County would like to enter into an agreement with the Authority for the provision of the Services; and

WHEREAS, the Authority would like to approve the provision of the Services for the Program and authorize the entering into and execution of an agreement with the County for the provision of the Services at Middlesex County municipalities.

NOW THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

1. The Authority hereby approves the provision of the Services at Middlesex County municipalities for the Services and approves the Inter-Agency Agreement with the County in substantially the form attached with such changes as shall be approved by the Chairman on advice of counsel.
2. The Authority hereby authorizes the Chairman or Vice-Chairman to execute the Inter-Agency Agreement with the County in the form so approved. The Secretary shall be authorized to attest to the signature of the Chairman or Vice-Chairman appearing thereon and to affix the seal of the Authority thereto.

3. <u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
4. James P. Nolan	X			
5. Anthony Raczynski	X			
6. Paul Abbey	X			
7. Christine D’Agostino	X			
8. Jose Jimenez				X

**RESOLUTION OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY
AUTHORIZING AMENDMENT TO THE POLICY FOR HEALTH BENEFITS
COVERAGE TO RETIREES WITH 15 YEARS OF SERVICE**

WHEREAS, a regular meeting of the Middlesex County Improvement Authority (the “Authority”) was held on July 11, 2018; and

WHEREAS, pursuant to N.J.S.A. 40:37A-55(m), to make and enforce bylaws or rules and regulations for the management and regulation of its business and affairs and for the use, maintenance and operation of any public facility, and to amend the same; and

WHEREAS, the Authority has a need to authorize an amendment to the Middlesex County Improvement Authority’s Policies and Procedures

WHEREAS, the Authority would like to adopt the rules and regulations promulgated by the County Joint Health Insurance Fund Commission; and

WHEREAS, the Authority previously amended the award of health benefits coverage on April 11, 2018 through Resolution #18-75 to retirees with 25 (twenty-five) years of service pursuant to the Human Resource Policy (“Policy,”) heretofore approved by the Authority; and

WHEREAS, the Authority would now like to amend the policy for health benefits coverage to retirees with 15 (fifteen) years of services pursuant to the Middlesex County Joint Health Insurance Fund

WHEREAS, the Authority would like to amend this policy in accordance with this resolution.

NOW THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE MIDDLESEX COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

1. The Authority hereby authorizes an amendment as set forth on Schedule A pursuant to the terms contained therein and attached hereto and made a part hereof.
2. The Certifying Finance Officer has certified that the funds for the Agreement are available from and can be obtained from the Authority and shall be included in the budget of the Authority for the term of the Agreement.
3. This Resolution shall be effective immediately.

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
James P. Nolan	X			
Anthony Raczynski	X			
Paul Abbey	X			
Christine D’Agostino	X			
Jose Jimenez				X

12. PAYMENT OF VOUCHERS:

Mr. Paul Abbey abstained from voting on one line item regarding Medicare B. Reimbursement Plan due to a conflict. He voted on all remaining items.

A motion for payment of vouchers was made by Anthony Raczynski and seconded by Paul Abbey, the members adopted the following resolution:

It is hereby resolved by the members of the Middlesex County Improvement Authority at its meeting of July 11, 2018, that payments as itemized on the attached bill list, attached hereto and made a part hereof, in the total amount of \$2,460,771.24 be authorized to be paid out of the Middlesex County Improvement Authority account.

This is to certify that the payments on the attached bill list, in the total amount of \$2,460,771.24 are correct and just and payment should be approved.

/s/ Lory L. Cattano
Lory L. Cattano, Chief Financial Officer

/s/ James P. Nolan
James P. Nolan, Chairman

This is to certify that the above is a true copy of a Resolution adopted by the Middlesex County Improvement Authority at a meeting held on July 11, 2018, at which a quorum of the membership was present.

/s/ Paul Abbey
Secretary-Treasurer

13. PUBLIC SESSION:

• The public session was closed by a motion made by Anthony Raczynski and seconded by Paul Abbey. All members in favor.

14. ADJOURNMENT:

• A motion to adjourn was made by Paul Abbey and seconded by Anthony Raczynski. All members in favor.