

**NOTICE TO THE TAXPAYERS AND RESIDENTS OF THE BOROUGH
OF SOUTH WAVERLY, BRADFORD COUNTY, PENNSYLVANIA**

NOTICE IS HEREBY GIVEN that the Council (the "Council") of the Borough of South Waverly, Bradford County, Pennsylvania (the "Borough"), proposes to enact at a meeting that is to be held not more than thirty (30) days nor less than three (3) days from the date of advertisement of this Notice, an ordinance (the "Ordinance") authorizing, among other things, the incurrence of nonelectoral indebtedness of the Borough to be evidenced by a certain note of the Borough (the "Note"). The caption and summary of the Ordinance to be considered by the Council at such meeting is as follows:

AN ORDINANCE OF THE COUNCIL OF THE BOROUGH OF SOUTH WAVERLY, BRADFORD COUNTY, PENNSYLVANIA, SETTING FORTH ITS INTENT TO ISSUE ITS GENERAL OBLIGATION NOTE, SERIES OF 2021 IN THE PRINCIPAL AMOUNT NOT TO EXCEED ONE MILLION SEVEN HUNDRED SEVENTY THOUSAND DOLLARS (\$1,770,000) PURSUANT TO THE ACT OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF PENNSYLVANIA, 53 PA.C.S. CHAPTERS 80-82, AS AMENDED, REENACTED AND SUPPLEMENTED, KNOWN AS THE LOCAL GOVERNMENT UNIT DEBT ACT (THE "ACT"); FINDING THAT A PRIVATE SALE BY NEGOTIATION IS IN THE BEST FINANCIAL INTERESTS OF THE BOROUGH; DETERMINING THAT SUCH NOTE SHALL EVIDENCE NONELECTORAL DEBT OF THE BOROUGH; SPECIFYING THAT SUCH INDEBTEDNESS IS TO BE INCURRED TO PROVIDE FUNDS TO FINANCE A PROJECT OF THE BOROUGH WHICH CONSISTS OF ANY OR ALL OF THE FOLLOWING: (1) CURRENTLY REFUNDING THE BOROUGH'S OUTSTANDING GENERAL OBLIGATION NOTE, SERIES OF 2011 (AS AMENDED); (2) CURRENTLY REFUNDING THE SOUTH WAVERLY MUNICIPAL AUTHORITY'S OUTSTANDING GUARANTEED SEWER REVENUE NOTE, SERIES OF 2011 (AS AMENDED), WHICH WAS GUARANTEED BY THE BOROUGH; AND (3) PAYING THE COSTS AND EXPENSES OF ISSUING THE NOTE; SETTING FORTH THE REASONABLE ESTIMATED USEFUL LIVES OF THE CAPITAL PROJECTS TO BE REFINANCED BY THE NOTE; ACCEPTING A PROPOSAL FOR THE PURCHASE OF SUCH NOTE AT PRIVATE SALE BY NEGOTIATION; PROVIDING THAT SUCH NOTE, WHEN ISSUED, SHALL CONSTITUTE A GENERAL OBLIGATION OF THE BOROUGH; FIXING THE DENOMINATION, DATED DATE, INTEREST PAYMENT DATES, INTEREST RATE, REDEMPTION PROVISIONS AND PLACE OF PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH NOTE; AUTHORIZING SPECIFIED OFFICERS OF THE BOROUGH TO CONTRACT WITH THE PAYING AGENT FOR ITS SERVICES IN CONNECTION WITH THE NOTE; SETTING FORTH THE SUBSTANTIAL FORM OF THE NOTE EVIDENCING THE DEBT; AUTHORIZING EXECUTION AND ATTESTATION OF SUCH NOTE; PROVIDING COVENANTS RELATED TO DEBT SERVICE APPLICABLE TO SUCH NOTE TO THE EXTENT REQUIRED BY THE ACT AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE BOROUGH IN SUPPORT THEREOF; CREATING A SINKING FUND IN CONNECTION WITH SUCH NOTE, TO THE EXTENT REQUIRED BY THE ACT; DESIGNATING THE PAYING AGENT TO BE THE SINKING FUND DEPOSITARY; PROVIDING A COVENANT TO INSURE PROMPT AND FULL

PAYMENT FOR SUCH NOTE WHEN DUE; SETTING FORTH REGISTRATION AND TRANSFER PROVISIONS WITH RESPECT TO SUCH NOTE; AUTHORIZING THE EXECUTION OF ONE OR MORE INVESTMENT AGREEMENTS BY SPECIFIED OFFICERS OF THE BOROUGH (IF APPLICABLE) AND THE PURCHASE OF CERTAIN U.S. TREASURY OBLIGATIONS OR ANY OTHER SECURITIES OR INVESTMENTS IN CONNECTION WITH THE PROJECT AND THE REFUNDING OF THE PRIOR NOTES; AUTHORIZING AND DIRECTING SPECIFIED OFFICERS OF THE BOROUGH TO DO, TO TAKE AND TO PERFORM CERTAIN SPECIFIED, REQUIRED, NECESSARY OR APPROPRIATE ACTS TO EFFECT THE ISSUANCE OF THE NOTE, INCLUDING, WITHOUT LIMITATION, THE PREPARATION OF A DEBT STATEMENT AND BORROWING BASE CERTIFICATE, AND THE FILING OF SPECIFIED DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, ALL AS REQUIRED BY THE ACT; DECLARING THAT THE DEBT TO BE EVIDENCED BY SUCH NOTE, TOGETHER WITH ALL OTHER INDEBTEDNESS OF THE BOROUGH, WILL NOT BE IN EXCESS OF ANY APPLICABLE LIMITATION IMPOSED BY THE ACT; AUTHORIZING PROPER OFFICERS OF THE BOROUGH TO DELIVER THE NOTE UPON THE APPROVAL OF THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; SETTING FORTH CERTAIN COVENANTS PRECLUDING THE BOROUGH FROM TAKING ACTIONS WHICH WOULD CAUSE THE NOTE TO BECOME AN "ARBITRAGE BOND" OR A "PRIVATE ACTIVITY BOND" AS THOSE TERMS ARE USED IN THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), AND APPLICABLE REGULATIONS PROMULGATED THEREUNDER; DESIGNATING THE NOTE AS A "QUALIFIED TAX-EXEMPT OBLIGATION" UNDER SECTION 265(b) OF THE CODE; PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INSOFAR AS THE SAME SHALL BE INCONSISTENT HEREWITH.

A copy of the proposed text of the Ordinance described above, which includes a copy of the substantial form of the Note evidencing the nonelectoral indebtedness to be incurred by the Borough, may be examined or inspected by any resident at the office of the Secretary of the Borough in the Borough Hall, 2523 Pennsylvania Avenue, South Waverly, Pennsylvania 18840, on any business day between the hours of 8:00 a.m. and 12:00 noon, and 1:00 p.m. and 4:00 p.m., prevailing time.

The Ordinance currently on file will be completed by insertion of certain information and will be amended prior to enactment by the Council of the Borough to reflect the details of the proposal for the purchase of such indebtedness (the "Purchase Proposal") presented to the Council of the Borough at such meeting by the Purchaser (the "Purchaser"). The Ordinance may be amended in any other respect upon final enactment by the Council of the Borough as the Council of the Borough may deem necessary or appropriate or as may be required by the Purchase Proposal of the Purchaser presented at such meeting.

THE ORDINANCE CURRENTLY ON FILE, AMONG OTHER THINGS, ESTIMATES THE MAXIMUM PRINCIPAL AMOUNT OF THE NONELECTORAL INDEBTEDNESS TO BE INCURRED BY THE BOROUGH TO BE \$1,770,000; HOWEVER,

SUCH AMOUNT MAY BE INCREASED OR DECREASED PRIOR TO FINAL ENACTMENT.

If the Ordinance is enacted, a notice of enactment, including a summary of any omitted details (including the amount of indebtedness to be incurred and the principal amount of the Note to be issued, the purchase price for the Note, the interest rate to be borne by the Note, the maturity date and redemption provisions of the Note, and a summary of any other amendments made on final enactment) will be advertised after enactment and posted in accordance with the provisions of the Local Government Unit Debt Act.

Any person with a disability requiring a special accommodation to attend a Council meeting should notify the Borough Secretary at (570) 888-2125 as early as possible but not later than three (3) working days prior to the meeting. The Borough will make every effort to provide reasonable accommodations.

This Notice is published in compliance with the Act of the General Assembly of the Commonwealth of Pennsylvania, 53 PA.C.S., Chapters 80-82, as amended.

Jonathan P. Foster, Sr., Esquire
South Waverly Borough Solicitor
Foster Law Office
303 South Keystone Avenue
Sayre, PA 18840

