

BEDMINSTER TOWNSHIP

RESOLUTION NO. 2015-128

EXTRACT from the minutes of a regular meeting of the Township of Bedminster, in the County of Somerset, New Jersey, held on November 2, 2015, at 7:00 P.M., at the Municipal Building, One Miller Lane, Bedminster, New Jersey.

PRESENT:

ABSENT:

* * *

_____ introduced the following resolution and moved its adoption, and

_____ seconded the motion:

RESOLUTION DETERMINING THE FORM OF GENERAL REFUNDING BONDS OF 2015 OF THE TOWNSHIP OF BEDMINSTER, IN THE COUNTY OF SOMERSET, NEW JERSEY, AND DETERMINING CERTAIN DETAILS IN CONNECTION THEREWITH.

BE IT RESOLVED BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF BEDMINSTER, IN THE COUNTY OF SOMERSET, NEW JERSEY (not less than two-thirds of all the members thereof affirmatively concurring), **AS FOLLOWS:**

Section 1. Maximum Amount and Title of the Bonds. The Township of Bedminster, in the County of Somerset, New Jersey (the "Township") is hereby authorized to issue refunding bonds pursuant to a refunding bond ordinance, entitled: "Refunding bond

ordinance authorizing the issuance of \$1,900,000 Refunding Bonds of the Township of Bedminster, in the County of Somerset, New Jersey”, finally adopted on November 2, 2015, in a principal amount not in excess of \$1,900,000 and entitled “General Refunding Bonds of 2015” (the “Bonds”). The Chief Financial Officer of the Township (the “Chief Financial Officer”), pursuant to N.J.S.A. 40A:2-53 and other applicable law, is hereby delegated the power to determine the final principal amounts of the Bonds; provided, however, that the maximum principal amount of the Bonds shall not exceed \$1,900,000.

Section 2. Maturities and Interest Rates. The Bonds shall mature (or have mandatory sinking fund installments) annually on such dates and in such principal amounts and shall bear interest at such rates, all as shall be determined by the Chief Financial Officer; provided, however, that (i) the year of final maturity of the Bonds shall be no later than 2020 and (ii) the effective rate of interest on the Bonds will allow the Township to realize a net (i.e., after payment of the costs of issuance of the Bonds) present value debt service savings of at least 3% of the aggregate principal amount of the Refunded Bonds (as defined in Section 12 of this resolution).

Section 3. Denominations, Dates, Interest Payment Dates and Manner of Payment. The Bonds are issuable in fully registered form without coupons and payable to a named person or registered assigns, and each in the denomination of \$5,000 or any whole multiple of \$1,000 in excess thereof. On original issuance the Bonds shall be dated as of, and shall bear interest from, such date as shall be determined by the Chief Financial Officer. Interest on the Bonds shall be payable semi-annually in each year until maturity or earlier redemption, on such dates as shall be determined by the Chief Financial Officer, by check or bank draft mailed (unless other arrangements have been made with any securities depository) to the registered

owners thereof whose names appear on the registration books of the Township held by the Chief Financial Officer in the capacity as paying agent (the “Paying Agent”) as of the record dates, such record dates to be determined by the Chief Financial Officer. Principal or redemption price, if any, of the Bonds shall be payable upon presentation and surrender (unless other arrangements have been made with any securities depository) of the Bonds at the office of the Chief Financial Officer. Principal or redemption price, if any, of and interest on the Bonds shall be payable in lawful money of the United States of America.

Section 4. Form of the Bonds. The Bonds shall be in substantially the form attached hereto as Exhibit A and by this reference incorporated as if set forth in full herein, with such changes, insertions and omissions as may be approved by the Chief Financial Officer, including a change, if necessary, to the title of the Bonds to reflect the issuance thereof in a different year. The Bonds shall be executed in the name of the Township by the manual or facsimile signatures of the Mayor of the Township (the “Mayor”) and the Chief Financial Officer, under the seal of the Township affixed, imprinted or otherwise reproduced thereon and attested by the manual signature of the Township Clerk (the “Clerk”). The execution of the Bonds by the Chief Financial Officer shall be conclusive evidence of any approval required by this Section.

Section 5. Redemption. The Bonds shall not be subject to redemption prior to their stated maturities

Section 6. Sale of the Bonds. Subject to the terms of and the limitations set forth in this resolution, the Chief Financial Officer is hereby authorized to award and sell the Bonds to Peapack-Gladstone Bank, Princeton, New Jersey (the “Purchaser”).

Section 7. Term Sheet or Purchase Contract. The Chief Financial Officer is hereby authorized and directed to execute and deliver, if necessary, a term sheet or a contract for the sale of the Bonds with the Purchaser, in a form approved by bond counsel to the Township.

Section 8. Delivery of the Bonds. The Bonds, in registered form, shall be numbered and lettered for identification purposes, in such manner as shall be determined by the Chief Financial Officer, and shall, as soon as practicable, be prepared, executed and delivered in definitive form to or upon the order of the Purchaser at the expense of the Township upon payment in full of the purchase price for the Bonds.

Section 9. Delivery of Related Documents. Upon the date of issue of the Bonds, being the date of delivery of the Bonds to the Purchaser and the payment of the purchase price thereof in accordance with the contract of sale, the Chief Financial Officer is hereby authorized and directed, as of the date of issue, to deliver to the Purchaser (a) an arbitrage and use of proceeds certificate with respect to the Bonds in such form as shall be satisfactory to Hawkins Delafield & Wood LLP under and for the purposes of Section 148 of the Internal Revenue Code of 1986, as amended to said date of issue (the "Code"), (b) if necessary, an undertaking to provide continuing disclosure in order to assist the Purchaser in complying with Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12") in a form satisfactory to Hawkins Delafield & Wood LLP and (c) such other documents as may be useful, necessary, convenient or desirable in connection with the issuance of the Bonds.

Section 10. Delegation of Power to Award the Bonds. Pursuant to N.J.S.A. 40A:2-53 and other applicable law, the Township Committee of the Township does by this resolution delegate to the Chief Financial Officer the power to sell and award the Bonds to the Purchaser in accordance with the terms of and the limitations set forth in this resolution. The

Chief Financial Officer shall report in writing to this governing body at its next meeting thereafter as to the details of the Bonds, including the principal amounts, interest rates, maturities, interest payment dates, record dates, redemption features and purchase price.

Section 11. Appointment of Escrow Agent. If the Chief Financial Officer determines, after consultation with and upon advice of bond counsel to the Township and the Township's financial advisor, that an escrow arrangement is necessary or desirable, the Township does hereby appoint The Bank of New York Mellon, of Woodland Park, New Jersey, or such other bank or trust company as may be determined by the Chief Financial Officer, as escrow agent (the "Escrow Agent") with respect to a portion of the proceeds of the Bonds that will be held for payment of the Refunded Bonds.

Section 12. Election to Redeem. The Township hereby irrevocably elects to redeem, as soon as practicable after the date of delivery of the Bonds, \$1,801,000 aggregate principal amount of General Bonds of 2005 of the Township, dated September 15, 2005, and maturing on September 15 in each of the years 2016, 2017 and 2020 (the "Refunded Bonds"). The Refunded Bonds shall be redeemed at a redemption price equal to 100% of the principal amount thereof, plus interest accrued to the date fixed for redemption. The election set forth in this Section shall be effective upon the issuance of the Bonds. The Chief Financial Officer is hereby authorized to refund less than all the Refunded Bonds as may be desirable to accomplish the savings referred to in Section 2 of this resolution.

Section 13. Notice of Redemption. The Escrow Agent or the Chief Financial Officer is hereby authorized and directed to give notice of redemption of the Refunded Bonds in substantially the form attached to the Escrow Deposit Agreement (as defined in Section 15 of this resolution) or as otherwise provided by bond counsel to the Township with such changes,

insertions and omissions as are acceptable to the Township and/or the Escrow Agent. Unless some other method of delivery and time is acceptable to the recipient, such notice of redemption shall be given not less than thirty (30) days prior to the date fixed for redemption by first class mail, postage prepaid, to (a) the registered owners of the Refunded Bonds (i.e., The Depository Trust Company) and (b) the Municipal Securities Rulemaking Board. Any failure to mail, to publish or to receive such notice, or any defect therein, shall not affect the validity of the proceedings for redemption.

Section 14. Application of Proceeds of the Bonds. The proceeds of sale of the Bonds shall be applied by the Township to the payment of the principal or redemption price, if any, of and interest on the Refunded Bonds through and including the date of redemption thereof and to the costs of issuance of the Bonds. The proceeds of the Bonds to be applied to the principal or redemption price, if any, of and interest on the Refunded Bonds, together with any other moneys of the Township to be used therefor, shall be held either (a) by the Township or (b) in accordance with the provisions of the Escrow Deposit Agreement, in trust by the Escrow Agent on behalf of the Township, pending application thereof to the payment of the principal or redemption price, if any, of and interest on the Refunded Bonds. Simultaneously with the issuance of the Bonds, the Chief Financial Officer is hereby authorized and directed, after consultation with and upon the advice of bond counsel to the Township and the Township's financial advisor, to deposit in the escrow account established by the Escrow Deposit Agreement or other account held by the Township, all or a portion of the moneys budgeted or anticipated to be budgeted by the Township in the fiscal year in which the Bonds are issued to pay principal and interest due on the Refunded Bonds.

Section 15. Escrow Deposit Agreement. The Chief Financial Officer is hereby authorized and directed, if necessary or desirable, to execute and deliver an escrow deposit agreement (the “Escrow Deposit Agreement”) with the Escrow Agent in a form approved by bond counsel to the Township.

Section 16. Appointment of Verification Agent. The Township does hereby appoint Nisivoccia LLP, Mount Arlington, New Jersey, as verification agent with respect to the Bonds. The verification agent shall, among other things, deliver a report verifying (a) the yield on the Bonds for arbitrage purposes and (b) the sufficiency of the escrow deposit to accomplish the refunding of the Refunded Bonds.

Section 17. Bank-Qualified Designation. The Bonds are hereby designated as “qualified tax-exempt obligations” pursuant to and for the purposes of Section 265(b)(3) of the Code, or to the extent the Bonds currently refund other obligations of the Township, the Bonds are “qualified tax-exempt obligations” pursuant to Section 265(b)(3)(D)(iii) of the Code. Not more than \$10,000,000 of obligations, including the Bonds, of the Township and all subordinate entities thereof issued from January 1, 2015 to and including the date hereof have been designated by the Township for purposes of Section 265(b)(3) of the Code. As of the date hereof, the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, as referred to and defined in Section 141 of the Code and current refundings of other obligations of the Township), which will be issued by the Township and all subordinate entities thereof during the calendar year commencing January 1, 2015 does not exceed \$10,000,000.

Section 18. Actions to be Taken on Behalf of the Township. The Mayor, Administrator, Chief Financial Officer and Township Clerk are hereby authorized and directed to execute the Bonds on behalf of the Township and to do all matters necessary, useful, convenient

or desirable to accomplish the sale, issuance and delivery of the Bonds and the refunding and redemption of the Refunded Bonds all in accordance with the provisions of this resolution including without limitation the filing of continuing disclosure materials on the Electronic Municipal Market Access website maintained by the Municipal Securities Rulemaking Board.

Section 19. Prior Action. All action taken to date by Township officials, employees and professionals with respect to the authorization, sale and issuance of the Bonds be and the same hereby are ratified, approved, confirmed and adopted in all respects.

Section 20. Effective Date. This resolution shall take effect immediately.

AYES:

NOES:

EXHIBIT A

FORM OF BOND

**UNITED STATES OF AMERICA
STATE OF NEW JERSEY**

THE TOWNSHIP OF BEDMINSTER, IN THE COUNTY OF SOMERSET

GENERAL REFUNDING BOND OF 2015

Number: G-R-__

Registered Owner: Cede & Co.

Principal Amount: \$_____

Dated Date: December 1, 2015

Interest Rate: ____%

Maturity Date: September 15, ____

CUSIP Number: 076536__

THE TOWNSHIP OF BEDMINSTER, IN THE COUNTY OF SOMERSET, a municipal corporation of the State of New Jersey, situate in said County of Somerset, hereby acknowledges itself indebted and for value received promises to pay to the above-stated Registered Owner or registered assigns, the above-stated Principal Amount on the above-stated Maturity Date upon presentation and surrender of this bond, and to pay to the registered owner hereof interest on such sum, from the date of this bond until it matures at the above-stated Interest Rate per annum payable semi-annually on March 15 and September 15 in each year, commencing March 15, 2016. Principal of this bond will be paid in lawful money of the United States of America at the office of the Chief Financial Officer, Municipal Building, One Miller Lane, Bedminster, New Jersey. Interest on this bond will be payable by check or draft mailed to the registered owner hereof whose name appears on the registration books of the Township on the March 1 or September 1 next preceding each interest payment date.

This bond is transferable only upon the books of the Township kept for that purpose at the office of the Chief Financial Officer, Municipal Building, One Miller Lane, Bedminster, New Jersey (the "Transfer Agent"), 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 satisfactory to the Transfer Agent duly executed by the registered owner or such duly authorized attorney, and thereupon the Township shall issue in the name of the transferee a new bond or bonds of the same aggregate principal amount and series, designation, maturity and interest rate as the surrendered bond. The Township, the Transfer

Agent and any paying agent of the Township may treat and consider the person in whose name this bond is registered as the holder and absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price, if any, and interest due hereon and for all other purposes whatsoever.

This bond is one of an authorized issue of bonds and is issued pursuant to the Local Bond Law of the State of New Jersey, and as provided by ordinance of the Township Committee of the Township, entitled: "Refunding bond ordinance authorizing the issuance of \$1,900,000 Refunding Bonds of the Township of Bedminster, in the County of Somerset, New Jersey", adopted November 2, 2015, and by resolutions adopted by the Township Committee of the Township.

The bonds are not subject to redemption prior to their stated maturities.

The full faith and credit of the Township are hereby irrevocably pledged for the punctual payment of the principal of and interest on this bond according to its terms.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of New Jersey 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 issue of bonds of which this is one does not exceed any limitation imposed thereon by said Constitution or statutes.

IN WITNESS WHEREOF, THE TOWNSHIP OF BEDMINSTER, IN THE COUNTY OF SOMERSET, has caused this bond to be executed in its name by the manual or facsimile signatures of its Mayor and its Chief Financial Officer, and its corporate seal to be affixed, imprinted or reproduced hereon, and this bond and said seal to be attested by the manual signature of its Township Clerk and this bond to be dated the above-stated Dated Date.

**THE TOWNSHIP OF BEDMINSTER,
IN THE COUNTY OF SOMERSET**

(SEAL)

ATTEST:

By _____
Mayor

Township Clerk

Chief Financial Officer

The foregoing resolution was adopted by the following vote:

AYES:

NOES:

CERTIFICATE

I, **JUDITH A. SULLIVAN**, Township Clerk of the Township of Bedminster, in the County of Somerset, New Jersey, **HEREBY CERTIFY** that the foregoing annexed extract from the minutes of a meeting of the Township Committee of said Township, duly called and held on November 2, 2015, has been compared by me with the original minutes as officially recorded in my office in the Minute Book of said Township and is a true, complete and correct copy thereof and of the whole of said original minutes so far as the same relate to the subject matters referred to in said extract.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said Township this 2nd day of November, 2015.

(SEAL)

Judith A. Sullivan
Township Clerk