

**CITY OF ALLENTOWN,
Lehigh County, Pennsylvania
\$7,090,000 Principal Amount
Revenue Note, Series of 2020
Dated: May 14, 2020**

Settlement on May 14, 2020

CLOSING AGENDA

**CITY OF ALLENTOWN,
Lehigh County, Pennsylvania
\$7,090,000 Principal Amount
Revenue Note, Series of 2020
Dated: May 14, 2020**

Settlement on May 14, 2020

CITY	-	CITY OF ALLENTOWN, Lehigh County, Pennsylvania
LENDER	-	WEBSTER PUBLIC FINANCE CORPORATION
PAYING AGENT	-	WEBSTER BANK, N.A.
BOND COUNSEL	-	ECKERT SEAMANS CHERIN & MELLOTT, LLC, Harrisburg, Pennsylvania
FINANCIAL ADVISOR	-	NW FINANCIAL GROUP, LLC., Pottstown, Pennsylvania
CITY SOLICITOR	-	MATTHEW J. KLOIBER, ESQUIRE, Allentown, Pennsylvania
2020 NOTE	-	REVENUE NOTE, SERIES OF 2020, IN THE PRINCIPAL AMOUNT OF \$7,090,000, ISSUED BY THE CITY TO THE LENDER
2016 NOTE	-	CITY'S SPECIAL REVENUE NOTE, SERIES OF 2016
REFUNDING PROJECT	-	REFUNDING THE 2016 NOTE ON MAY 14, 2020 FROM PROCEEDS OF THE 2020 NOTE
2016 NOTE PAYING AGENT	-	FULTON BANK, NATIONAL ASSOCIATION
CAPITAL PROJECT	-	CAPITAL PROJECTS UNDER THE CONCESSION LEASE AGREEMENT, DATED MAY 1, 2013, BETWEEN THE CITY AND LEHIGH COUNTY AUTHORITY

1. Lender delivers a copy of its loan proposal accepted by the City.

2. City delivers a General Certificate.

3. City delivers a copy of the debt proceedings submitted to and approved by the Pennsylvania Department of Community and Economic Development to issue nonelectoral debt of the City evidenced by the Note in accordance with the Pennsylvania Local Government Unit Debt Act.

4. City delivers the signed 2020 Note to the Lender.

5. Lender delivers a Lender Certificate.

6. Paying Agent delivers a Certificate of Paying Agent.

7. Financial Advisor delivers a Certificate as to 8038-G Calculations.

8. City delivers a Tax Compliance Certificate.

9. City Solicitor delivers an Opinion of Solicitor.

10. Bond Counsel delivers an Opinion of Bond Counsel.

11. Bond Counsel delivers an Advisory Opinion.

12. City executes and delivers IRS Form 8038-G and makes arrangements for its filing with the IRS.

13. 2016 Note Paying Agent delivers a Receipt and Certificate as to Redemption of 2016 Note.

14. City delivers a Summary of Settlement with Authorization of Payment.

15. City and Bank make arrangements to file a UCC-1 financing statement under the Pennsylvania Uniform Commercial Code

16. City makes arrangements to file an event notice to the MSRB's EMMA website regarding the issuance of a financial obligation.

{L0879093.4}

The City of Allentown, Lehigh County, Pennsylvania
Summary of Terms & Conditions

\$7,090,000 Project Revenue Note, Series 2019
(The "Notes/Obligations/Loan")

The terms and conditions contained herein are subject to satisfactory completion of due diligence, internal credit approval and such other conditions as may be required by Webster Bank, N.A. and the Webster Public Finance Corporation in its sole discretion. This term sheet is confidential and is not to be relied upon by third parties. Webster Bank, N.A. and the Webster Public Finance Corporation are not registered municipal advisors and cannot provide advice in connection with municipal financial products.

I) Transaction

Issuer:	The City of Allentown, Lehigh County, Pennsylvania (the "City").
Lender:	The Webster Public Finance Corporation (WPFC).
Par Amount:	\$7,090,000, tax exempt.
Purpose:	<p>The proceeds to be derived by the City from the Note will be used to refinance all or a portion of the City's 2016 Special Revenue Note and to provide the funds for capital projects (the "Administrative Order Projects") related to remediating the effects of I&I as established pursuant to various Administrative Orders of the Environmental Protection Administration in connection with the sewer system leased by the City to the Lehigh County Authority (the "LCA" or "Authority"), pursuant to the terms of a Concession Lease Agreement between the City and the LCA dated as of May 1, 2013 (the "Concession Agreement"). Proceeds will be deposited in an Administrative Order Escrow Fund for the benefit of the City and the Authority to pay the costs of Administrative Order Projects to be undertaken by the Authority.</p> <p>Proceeds of the Note will be used to fund (1) costs of the Administrative Order Projects; (2) a debt service reserve fund equal to the lesser of 10% of the Note, 125% of average annual debt service or maximum annual debt service; (3) one year of capitalized interest; and, (4) costs and expenses of issuing the Note.</p>
Closing:	Closing will occur by May 14, 2020.
Maturity:	Final maturity will occur on or about December 1, 2034. Average life on the Note is 9 years.
Interest:	Interest will be payable semiannually.
Tax Status:	\$7,090,000 will be designated tax-exempt.
Disclosure:	Please see "Private Placement" herein.

Bank Counsel: Please see "Other Fees" herein.

Security: The Note is payable from and secured by a first lien upon all payments received by the City from the Authority derived from service charges imposed on customers of the LCA ("Service Charges") allocable to debt service on the City's Administrative Order Bonds under Section 4.16(b) of the Concession Agreement.

The City will covenant in an Ordinance (the "Ordinance") with the holders of the Note to (1) include the amount of debt service of the Note in its budget for each fiscal year, (2) appropriate such amounts from Service Charges for the payment of such debt service, and (3) duly and punctually pay from the sinking fund established under the Ordinance the principal of and interest on the Note(s) on the dates and in the place and manner described in such Note(s). For such budgeting, appropriation and payment, the City pledges payments received or to be received by the City from the Authority derived from Service Charges allocable to debt service on the City's Administrative Order Bonds, including the Note pursuant to Section 4.16(b) of the Concession Agreement.

The City shall execute, acknowledge and deliver to the Bank a UCC-1 filing perfecting the lien on Service Charges.

Legal Opinion: A legal opinion as to the tax-exempt status of the Obligations and the validity and enforceability of the Obligations and other documentation.

Prepayment: The City shall have the ability to prepay any or all of the par amount of the outstanding obligations at any time after December 1, 2023 with 30 days' written notice with a 1% prepayment fee, and at any time after December 1, 2025 with 30 days' written notice with no fee.

Private Placement: The Obligations are being offered pursuant to private placement. No offering document constituting an "official statement" will be prepared, and the Obligations will be in minimum authorized denominations of \$100,000. The Bank will deliver a certificate to the City and Bond Counsel at Settlement to the effect that the Bank agrees to purchase the Obligations without an official statement and will not reoffer the Obligations for sale or sell the Obligations to more than thirty-five persons each of whom the Bank reasonably believes: (i) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment; and (ii) is not purchasing for more than one account or with a view to distributing the Obligations and shall agree on the foregoing limitations within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended.

Interest Rate: WPFC's tax-exempt fixed rate will be 3.326%.

Upfront Fees:	None.
Other Fees:	The Bank will charge no fees for this loan. However, the City is responsible for all reasonable costs and expenses relating to the transaction including, but not limited, to Bond Counsel, Bank Counsel, and Municipal Advisor, and any other fees and expenses incidental to the transaction contemplated by this term sheet. Estimated Bank Counsel fees will not exceed \$12,500 and shall be paid at closing.
Covenants:	<p>Usual and customary for transactions of this type, including, without limitation, the following: (i) payment of obligations; (ii) compliance with laws; (iii) maintenance of books and records; (iv) use of proceeds; and (vi) such other customary covenants for a transaction of this type.</p> <p>In addition, the lender shall require rates and charges be established by the City at sufficient levels in each Fiscal Year during which the loan is outstanding to produce Service Charges that shall equal at least 100% of the principal, sinking fund, and interest requirements coming due during such year on all outstanding Bonds, including these notes, and to replenish any deficiencies in the Debt Service Account and the Debt Service Reserve Fund within one fiscal year. Per section 4.16(b) of the Concession Agreement, The Annual Debt Service payable with respect to the repayment of the Administrative Order Bonds will be allocated to the Municipal Customers that are parties to Sewer Service Agreements and to retail customers of the Sewer Utility System. Not less than 30 days prior to the first day of each Reporting Year, the City shall prepare and submit to the Concessionaire a report setting forth for that Reporting Year, the Annual Debt Service, the Aggregate Municipal Customer Share, the Net Debt Service Payment, the Municipal Customer Share of each Municipal Customer and the portion of each Municipal Customer payment to be withheld by the City as a periodic payment of the Municipal Customer Share for the Reporting Year. If the Annual Debt Service requirements for any Reporting Year are changed during the Reporting Year, the City shall prepare and submit to the Concessionaire a revised report and the revised report shall supersede each prior report.</p> <p>The lender will also require a Debt Service Reserve Fund to be set at the lesser of three tests: the lesser of 10% of the Note, 125% of average annual debt service or maximum annual debt service. This account will be held by Webster, and subject to replenishment annually to the extent it is drawn upon through the imposition of Service Charges.</p> <p>Any moneys collected by the Concessionaire by virtue of the imposition of Service Charges to fund Net Debt Service Charges pursuant to Section 7.1(l) are the property of the City and the Concessionaire shall promptly pay such moneys to, or upon the order of, the City. Such moneys will be collected in the Debt Service Account. This account shall be a Webster</p>

held account, and is not to be comingled with regular operating fund of the City. The lender will require the Borrower to maintain a minimum cash balance in the Debt Service Account in the amount of \$150,000 to be tested annually at the close of the Borrower's fiscal year. This account will be held by Webster, and subject to replenishment annually to the extent it is drawn upon through the imposition of Service Charges.

The City shall receive approval from the Purchaser prior to entering into any supplement or amendment to the Concession Agreement pertaining to the imposition of Service Charges, and prior to issuing any additional Administrative Order Bonds thereunder. The City also agrees that no senior lien on Service Charges will be permitted while the Note is outstanding.

Reporting Requirements:

The Bank requests that the City submit the following information to the Bank for purposes of annual due diligence, and as requested by the Bank:

1. Audited annual financial statements of the City (or unaudited annual financial statements if the audited annual financial statements are not yet available), within 270 days after the end of the fiscal year, beginning with financials for FY2019.
2. Net Assessed Valuation of the City of the top 10 taxpayers of the City, to the extent included in the disclosure of General City information required under Rule 15c2-12, beginning with the information relevant to fiscal year ending 12/31/19.
3. Statement of Debt and compliance with statutory debt limits to the extent included in audited annual financial statements.
4. Adopted budget of the City within 30 days of approval, beginning with the approved budgets for the 2020 fiscal year.
5. Monthly collections report, showing monthly service charge receipts and aggregate year to date service charges received.
6. Annual Certificate demonstrating maintenance of the Minimum Cash Balance.

Any other financial information as the Bank may reasonably request

Conditions Precedent:

The Closing will be conditioned upon: (i) the negotiation, execution and delivery of definitive documentation in form and substance satisfactory to the Purchaser, (ii) delivery to the Purchaser in form and substance satisfactory to the Purchaser of a standard approving opinion of bond counsel regarding validity and legality of, and security for the Notes, an opinion of City's counsel in customary form, and closing certificates of officials of the City as to the issuance of the Notes, (iii) receipt of satisfactory financial information, budgets, projections, etc. as requested by the Purchaser, (iv) receipt of an advisory opinion regarding the mechanism for fund replenishment of a debt service reserve fund and a minimum balance in the debt service fund; and, (v)

such other conditions precedent as are customary for a financing of the type contemplated.

**Representations and
Warranties:**

Usual and customary for transactions of this type including, without limitation, the following: (i) legal existence, qualification and power; (ii) due authorization and no contravention of law, contracts or organizational documents; (iii) governmental and third party approvals and consents; (iv) enforceability; (v) accuracy and completeness of specified financial information; (vi) no material litigation; (vii) no default; (viii) compliance with laws; (ix) no bankruptcy or insolvency proceedings; and (x) such other representations and warranties as are customary for a transaction of this type.

IN WITNESS WHEREOF, and acknowledging acceptance and agreement of the foregoing, the Bank and the City affix their signatures hereto on this 15th day of April, 2020.

WEBSTER PUBLIC FINANCE CORPORATION

By: _____

Name: _____

Title: _____

Xaykham Khamsyvoravong

Delegate for of Christopher Motl

Vice President

Webster Public Finance Corporation

CITY OF ALLENTOWN, LEHIGH COUNTY, PENNSYLVANIA

By: _____

Name: _____

Title: _____

MAYOR

GENERAL CERTIFICATE

Re: CITY OF ALLENTOWN,
Lehigh County, Pennsylvania
\$7,090,000 Principal Amount
Revenue Note, Series of 2020

The undersigned hereby certify that the following are duly elected or appointed officers of the City of Allentown, in Lehigh County, Pennsylvania (the "City"), and have held such positions at all times from April 15, 2020, to this date:

Daryl L. Hendricks	-	President of Council
Ray O'Connell	-	Mayor
Jeff Glazier	-	City Controller
Michael Hanlon	-	City Clerk;

(i) City Ordinance No. 15606 (the "Ordinance"), authorizing the issuance of and securing the above-referenced Note (the "Note") was duly enacted by a majority vote of the Council of the City, at a meeting duly held in accordance with law, and a true and correct copy of such Ordinance is contained in the proceedings of the City filed with and approved by the Pennsylvania Department of Community and Economic Development, a complete copy of which is delivered herewith;

(ii) No official action or deliberations by a quorum of the members of the Council of the City or of any committee thereof have taken place at a meeting not open to the public or at which a reasonable opportunity for public comment was not provided, as required by the Sunshine Act, 65 Pa.C.S. Ch. 7, relating directly or indirectly to the authorization, sale or issuance of the Note, or the purposes for which the Note are being issued;

(iii) Except as described in the Opinion of the City Solicitor, dated the date hereof, delivered in connection with issuance of the Note (the "Solicitor's Opinion"), no litigation or other proceedings are pending, or to our knowledge threatened, in any court or other tribunal of competent jurisdiction, state or federal, in any way: (a) seeking to restrain or enjoin the sale or issuance of the Note; or (b) questioning or contesting the validity of the Note or the security therefor, or any action taken by the City, including the enactment of the Ordinance, or the acceptance or execution of the Proposal (the "Proposal") from Webster Public Finance Corporation (the "Purchaser"), or any action taken by the City, including the enactment of the Ordinance; or (c) questioning or contesting the pledge to the noteholders of any money or other security provided under the Ordinance; or (d) questioning or contesting the official existence or official boundaries of the City; or (e) questioning or contesting title to office of present members of Council and officers of the City; or (f) questioning or contesting the validity of the Concession Agreement (as hereinafter defined); and that no authority or proceedings regarding the authorization, sale or issuance of the Note, the acceptance or execution of said Proposal or the enactment of the Ordinance have been revoked, repealed, amended or rescinded;

(iv) The City has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to this date and the representations and warranties

of the City contained in said Proposal are true, complete and correct, as though made on the date hereof;

(v) The City established the base rates and charges for direct customers of the sewer system that are incorporated into the Concession Lease Agreement, dated as of May 1, 2013, between the City and Lehigh County Authority (the "Concession Agreement") and such rates and charges are subject to adjustment under the terms of the Concession Agreement. The City may direct that Lehigh County Authority add a service charge on direct customers for Administrative Order financing costs. Municipal Customer rates and charges are set pursuant to Municipal Service Agreements and such customers must contribute a portion of financing costs for administrative order projects as set forth in the Municipal Service Agreements. In the event of termination of the Concession Agreement, the City has the right to establish and collect, and the undersigned believe the City would establish and collect, the municipal customers' financing charges and the Service Charges for direct customers under the Concession Agreement sufficient to the pay the debt service on the Note; and

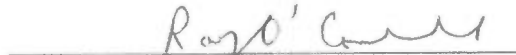
(vi) That subsequent to the date of the latest financial statements of the City, there has been no material adverse change in the financial condition of the City.

The capitalized terms used in this Certificate, which are defined in the Concession Agreement, and not otherwise defined herein, are used in the same manner and with the same meaning as so defined therein.

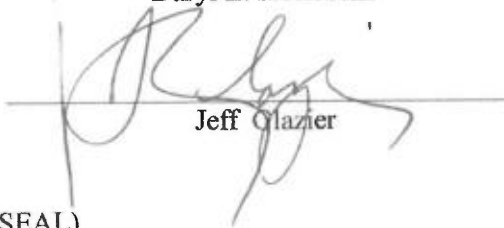
IN WITNESS WHEREOF, we set our hands and the City Clerk affixes the official
seal of the City, this 14th day of May, 2020.



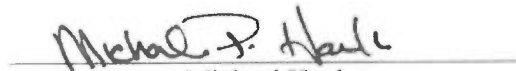
Daryl L. Hendricks



Ray O'Connell



Jeff Glazier



Michael Hanlon

(SEAL)

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

CERTIFICATE OF APPROVAL
LOCAL GOVERNMENT UNIT DEBT ACT

DATE: May 13, 2020
APPROVAL NO: RN-200513-05, E-200513-06
AMOUNT: \$ 7,090,000

Scott W. Longwell
For Secretary of Community and Economic Development

CITY OF ALLENTOWN
LEHIGH COUNTY, PENNSYLVANIA

APPLICATION FOR APPROVAL

In the Matter of the Proposed Incurrence of,
and the Exclusion of, Indebtedness in
Accordance with the Provisions of the
Local Government Unit Debt Act

To: THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
HARRISBURG, PENNSYLVANIA

City of Allentown,
Lehigh County, Pennsylvania

\$7,090,000
Revenue Note, Series of 2020

The undersigned duly authorized officer of the City of Allentown, Lehigh County, Pennsylvania (the "City"), herewith makes application pursuant to Section 8111 of the Local Government Unit Debt Act for approval of the incurring of the above mentioned nonelectoral debt and for the exclusion of such debt pursuant to Section 8025 of the Local Government Unit Debt Act.

The complete transcript of the proceedings which are herewith submitted in support of the "Application for Approval" consists of the following:

1. Certified copy of the Ordinance authorizing, among other things, the issuance of the City's Revenue Note, Series of 2020, in the principal amount of \$7,090,000.

2. Proofs of Publication of said Ordinance:

- (a) Notice of Proposed Enactment; and
- (b) Notice of Final Enactment.

3. A copy of the Purchase Proposal.

4. Debt Statement.

5. Borrowing Base Certificate.

6. Self-liquidating proceedings pursuant to Section 8025 of the Local Government Unit Debt Act.

7. Filing Fee.

IN WITNESS WHEREOF, the Local Government Unit causes this Application to be executed in its name and in its behalf by the Mayor of the Governing Body and its official seal to be affixed hereto and attested by the City Clerk of the Local Government Unit, all as of the 15th day of April, 2020.

CITY OF ALLENTOWN,
Lehigh County, Pennsylvania

By: Rayo' G...
Mayor

ATTEST:

Michelle P. Hardy
City Clerk

(SEAL)

Bill No. 21 - 2020

CITY OF ALLENTOWN,

Lehigh County, Pennsylvania

Ordinance

No. 15606

File of the City Council

No. 21

Session of 2020

Moved by Joshua Siegel

April 15, 2020

AN ORDINANCE

OF COUNCIL OF THE CITY OF ALLENTOWN, LEHIGH COUNTY, PENNSYLVANIA (THE "CITY"), AUTHORIZING AND DIRECTING THE ISSUANCE OF A REVENUE NOTE, SERIES OF 2020, AS PERMITTED BY AND PURSUANT TO THE LOCAL GOVERNMENT UNIT DEBT ACT, 53 PA. C.S. § 8001 *et seq.*, AS AMENDED AND SUPPLEMENTED, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$7,090,000, WITH THE PROCEEDS THEREOF TO BE APPLIED FOR AND TOWARD THE FOLLOWING PROJECTS, EACH A PROJECT AS DEFINED IN THE DEBT ACT, INCLUDING, BUT NOT LIMITED TO, (I) THE CURRENT REFUNDING OF THE CITY'S OUTSTANDING SPECIAL REVENUE NOTE, SERIES OF 2016 (THE "REFUNDED NOTE" AND AS A PROJECT (THE "REFUNDING PROJECT"), (II) FINANCING THE ACQUISITION AND CONSTRUCTION OF CERTAIN IMPROVEMENTS TO THE CITY'S SEWER SYSTEM PURSUANT TO THE TERMS OF A CONCESSION LEASE AGREEMENT, DATED MAY 1, 2013, BETWEEN THE CITY AND THE LEHIGH COUNTY AUTHORITY (THE "CAPITAL PROJECT"), (III) FUNDING CAPITALIZED INTEREST ON THE CAPITAL PROJECT, (IV) FUNDING A DEBT SERVICE RESERVE FUND, AND (V)

PAYING THE COSTS OF ISSUING THE NOTE; DETERMINING THAT SUCH DEBT SHALL BE NONELECTORAL DEBT OF THE CITY; DETERMINING THAT THE NOTE SHALL BE SOLD AT NEGOTIATED SALE; ACCEPTING A PROPOSAL FOR PURCHASE OF THE NOTE, AT NEGOTIATED SALE, AND AWARDING THE NOTE AND SETTING FORTH RELATED PROVISIONS; FIXING THE SUBSTANTIAL FORM, DATE, MATURITY DATE, INTEREST RATES, INTEREST PAYMENT DATES, PLACE OF PAYMENT OF PRINCIPAL AND INTEREST AND PREPAYMENT PROVISIONS OF THE NOTE; AUTHORIZING EXECUTION AND ATTESTATION OF THE NOTE; PROVIDING THAT THE NOTE, WHEN ISSUED, SHALL BE A REVENUE NOTE OF THE CITY; PROVIDING COVENANTS RELATED TO DEBT SERVICE APPLICABLE TO THE NOTE; DESCRIBING THE PROJECTS FOR WHICH THE DEBT OF THE CITY EVIDENCED BY THE REFUNDED NOTE WERE ORIGINALLY INCURRED AND REAFFIRMING THE ESTIMATED USEFUL LIFE OF SAID PROJECTS; DESCRIBING THE CAPITAL PROJECT AND SPECIFYING A REASONABLE ESTIMATE OF THE USEFUL LIFE OF THE CAPITAL PROJECT; CREATING A SINKING FUND IN CONNECTION WITH THE NOTE AS REQUIRED BY SUCH DEBT ACT; APPOINTING A PAYING AGENT, REGISTRAR AND SINKING FUND DEPOSITORY; PROVIDING A COVENANT TO INSURE PROMPT AND FULL PAYMENT OF ALL OBLIGATIONS OF THE NOTE WHEN DUE; RATIFYING PRIOR ADVERTISEMENT AND DIRECTING FURTHER ADVERTISEMENT; AUTHORIZING AND DIRECTING THE PREPARATION, EXECUTION AND FILING OF A TRANSCRIPT OF PROCEEDINGS, INCLUDING A DEBT STATEMENT, A BORROWING BASE CERTIFICATE AND EXCLUSIONARY PROCEEDINGS, AS APPROPRIATE, WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; DECLARING THAT THE DEBT TO BE INCURRED TOGETHER WITH OTHER INDEBTEDNESS OF THE CITY, NOT TO BE IN EXCESS OF ANY LIMITATION IMPOSED BY SUCH DEBT ACT UPON THE INCURRING OF DEBT BY THE CITY; SETTING FORTH CERTAIN COVENANTS RELATING TO THE NON-ARBITRAGE STATUS OF THE NOTE; DESIGNATING THE NOTE AS A QUALIFIED TAX-EXEMPT OBLIGATION UNDER SECTION 265 (B)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; CREATING A CLEARING ACCOUNT AND CERTAIN OTHER FUNDS; SETTING FORTH CERTAIN PROVISIONS FOR THE PREPAYMENT AND RETIREMENT OF THE REFUNDED NOTE; AUTHORIZING THE PAYMENT OF EXPENSES; PROVIDING GUIDELINES FOR PERMITTED INVESTMENTS; AUTHORIZING AND DIRECTING APPROPRIATE OFFICERS OF THE CITY TO DO AND PERFORM CERTAIN SPECIFIED, REQUIRED OR APPROPRIATE ACTS AND THINGS; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INsofar AS THE SAME SHALL BE INCONSISTENT HEREWITH; AND PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE.

WHEREAS, the City of Allentown, in Lehigh County, Pennsylvania (the “City”) is existing under laws of the Commonwealth of Pennsylvania (the “Commonwealth”) and is a Local Government Unit, as defined in the Pennsylvania Local Government Unit Debt Act, 53 Pa.C.S. § 8001 *et seq.*, amended and supplemented (the “Debt Act”), and is governed by its City Council (the “Council”); and

WHEREAS, the City previously entered into a Concession Lease Agreement dated May 1, 2013 (the “Concession Lease Agreement”) with the Lehigh County Authority (the “LCA”) wherein, in order to maintain and operate the sewer systems, water systems and wastewater systems servicing the City in accordance with certain regulatory requirements, the City agreed to issue from time to time certain Administrative Order Bonds (as that term is defined in the Concession Lease Agreement) to fund certain improvements to the City's sewer systems to comply with certain regulatory requirements; and

WHEREAS, pursuant to an ordinance enacted by the Council on July 27, 2016, the City heretofore issued an Administrative Order Bond to Lafayette Ambassador Bank (the “2016 Lender”), designated as its Special Revenue Note, Series of 2016, dated November 28, 2016, in the original principal amount of \$2,500,000 (the “2016 Revenue Note”), which 2016 Revenue Note is currently outstanding in the principal amount of \$2,258,000; and

WHEREAS, the proceeds of the 2016 Revenue Note were used to finance the acquisition and construction of certain improvements to the City's sewer systems to comply with certain regulatory requirements (the “2016 Project”); and

WHEREAS, in connection with the issuance of the 2016 Revenue Note, the City heretofore determined the estimated useful life of the 2016 Project to be at least forty (40) years; and

WHEREAS, Council desires to undertake a project consisting of (i) the current refunding of all of the outstanding 2016 Revenue Note, in order to reduce the total debt service pursuant to Section 8241(b)(1) of the Debt Act (the “Refunding Project”), (ii) the financing of the acquisition and construction of certain improvements to the City's sewer system to comply with certain regulatory requirements in order to fulfill its obligation under the Concession Lease Agreement (the “Capital Project”), (iii) funding capitalized interest of the Capital Project, (iv) funding a debt service reserve fund, and (v) paying the costs of issuance of the City's debt incurred to fund such project, all the foregoing collectively herein are referred to as the “2020 Project”, having an estimated total cost of at least \$7,090,000; and

WHEREAS, Council desires to combine all components of the 2020 Project for purposes of financing and incurrence of debt under the Debt Act; and

WHEREAS, Council has determined to incur nonelectoral debt in the principal amount not to exceed \$7,090,000 by issuance and sale of its Note, hereinafter identified, in accordance with provisions of the Debt Act, for the purpose of providing funds to be used, together with

other moneys available for the purpose, for and toward funding a portion of the costs of the 2020 Project and paying the costs and expenses related to issuance of said Note; and

WHEREAS, Webster Public Finance Corporation (the “**Purchaser**”) has presented to Council a proposal (the “**Proposal**”), for the purchase of said Note; and

WHEREAS, Council desires to accept the Proposal of the Purchaser, to award said Note to the Purchaser and to incur nonelectoral debt, in the amount set forth herein, pursuant to provisions of the Debt Act.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED by Council, as follows:

Section 1. The 2020 Project. The description of the 2020 Project contained in the recitals to this Ordinance hereby is incorporated into this Section by reference as if set out here at length. The City hereby estimates that the Capital Project will be completed by December 31, 2023.

Section 2. Incurrence of Indebtedness. For the purpose of providing funds for and toward the payment of costs, as such term is used in the Debt Act, of the 2020 Project, the incurring of nonelectoral debt by the City in the principal amount not to exceed \$7,090,000 hereby is authorized. Such debt shall be evidenced by the issuance of a revenue note of the City, designated generally as its “Revenue Note, Series of 2020,” in the principal amount not to exceed \$7,090,000 (the “Note”) to fund the costs and expenses of the 2020 Project. The Note will be an obligation of the City payable from payments received by the City from LCA derived from service charges imposed on customers of LCA (“**Service Charges**”) allocable to debt service on the City’s Administrative Order Bonds under Section 4.16(b) of the Concession Lease Agreement.

Section 3. Approval of Negotiated Sale. Council hereby determines that the Note shall be sold at negotiated sale and hereby determines that a negotiated sale of the Note is in the best financial interest of the City.

Section 4. Acceptance of Proposal. Council accepts the Proposal of the Purchaser to purchase the Note; and the Note is awarded and sold to the Purchaser at a private sale at a dollar price of \$7,090,000 (100% of the aggregate principal amount of the Note). The proper officers of the City are authorized and directed to execute and deliver an acceptance of the Proposal to the Purchaser. One counterpart of the Proposal shall be filed with the records of the City.

Section 5. Interest Rates and Payment Installments. The Note shall bear interest from the date of delivery thereof to the date of maturity of the Note (the “**Maturity Date**”) at the tax-exempt, bank-qualified rate of interest equal to 3.326% *per annum*. Principal of and interest on the Note shall be payable in the amounts set forth at Schedule A, attached hereto and incorporated herein by reference, unless prepaid as provided herein. Interest shall be computed on the basis of a three hundred sixty (360) day year consisting of a twelve (12), thirty (30) day months.

Section 6. Appointment of Paying Agent, Registrar and Sinking Fund Depository. The City hereby appoints Webster Bank, N.A. having an office in Conshohocken, Pennsylvania, as paying agent ("**Paying Agent**") and registrar ("**Registrar**") for the Note and sinking fund depository ("**Sinking Fund Depository**") with respect to the Sinking Fund created pursuant to Section 11. The appropriate officers of the City are authorized and directed to contract with Webster Bank, N.A. for its services as Sinking Fund Depository, Paying Agent and Registrar at such charges, if any, as shall be appropriate and reasonable for such services. The City may, by resolution, from time to time appoint a successor Paying Agent, Sinking Fund Depository or Registrar to fill a vacancy or for any other reason.

Section 7. Payment Dates. The Note shall be fully registerable as to principal and interest and shall be dated as of the date of issuance and delivery thereof, anticipated to be on or about April 29, 2020. The principal of the Note shall be payable annually on each December 1, beginning December 1, 2020, through and including the Maturity Date, and interest on the Note shall be payable semi-annually, on June 1 and December 1 of each year commencing on December 1, 2020 (each an "**Interest Payment Date**"), through and including the Maturity Date, all as provided in the form of Note attached hereto as Exhibit B.

The principal of and interest on the Note shall be payable in lawful moneys of the United States of America to the registered owner at the office of the Paying Agent, or such other office from time to time designated by written notice to the then registered owner.

If the date for payment of the principal of or interest on the Note shall be a Saturday, Sunday, legal holiday or on a day on which banking institutions in the municipality where the office of the Paying Agent is located are authorized by law or executive order to close, then the date of such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or on a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the date fixed for such payment.

Section 8. Execution of Note. The Note shall be executed in the name of and on behalf of the City by the manual signatures of the Mayor and the President or Vice President of Council and the official seal of the City shall be affixed thereunto and the manual signature of the City Clerk shall be affixed thereunto in attestation thereof; and said officers are authorized to execute and to attest, as applicable, the Note.

Section 9. Revenue Pledge Covenant. The Note is hereby declared to be a revenue obligation of the City. The Note will be an obligation of the City payable from payments received by the City from the LCA derived from Service Charges imposed on customers of LCA allocable to debt service on the City's Administrative Order Bonds under Section 4.16(b) of the Concession Lease Agreement. The City hereby covenants to and with the Purchaser and its successors or assigns as holder of the Note that the City shall direct LCA to impose Service Charges sufficient to pay the principal and interest on the Note.

The City does hereby irrevocably assign, pledge and grant a security interest to the Purchaser and its successors or assigns as holder of the Note, all right, title and interest of the City in and to the income and revenues to be derived from the payments received by the City from LCA from Service Charges allocable to debt service on the City's Administrative Order Bonds, including the Note, under Section 4.16(b) of the Concession Lease Agreement.

The City, as appropriate, shall include the amount of debt service, for each fiscal year of the City in which sums are payable, in its budget for that fiscal year, shall appropriate such amounts from the Service Charges to the payment of such debt service and duly and punctually shall pay or shall cause to be paid the principal of this Note and the interest thereon at the dates and place and in the manner stated herein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the City has pledged and does pledge payments received by the City from the Authority derived from Service Charges allocable to the debt service on the City's Administrative Order Bonds under Section 4.16(b) of the Lease.

The maximum amounts of the debt service for each fiscal year of the City in which such sums are payable are set forth in Exhibit A, attached hereto and incorporated herein.

Section 10. Prepayments. The principal amount of and interest due on the Note shall be subject to prepayment prior to maturity, at the option of the City, as a whole or, from time to time, in part, on any date after December 1, 2025, upon payment of the principal amount to be redeemed together with accrued interest thereon to the date fixed for prepayment and without any premium or penalty. The principal amount of and interest due on the Note shall be subject to prepayment prior to maturity, at the option of the City, as a whole or, from time to time, in part, on any date after December 1, 2023 and through December 1, 2025, upon payment of the principal amount to be redeemed together with accrued interest thereon to the date fixed for prepayment, together with a 1% prepayment penalty. Any partial prepayment of principal may be credited against such stated installments of principal on the Note as the City may designate in writing to the Purchaser at the time of prepayment; otherwise a partial prepayment shall be applied against the principal installments last, by date, due and payable. Any prepayments may be made by the City upon thirty (30) days written notice to the registered owner of the Note.

Section 11. Creation of Sinking Fund.

(a) **Deposit.** There hereby is established with the Sinking Fund Depository a sinking fund to be known as "City of Allentown, Revenue Note, Series of 2020 Sinking Fund" (the "**Sinking Fund**" or the "**2020 Sinking Fund**"). The City covenants to deposit, and the Treasurer is hereby authorized and directed to deposit (1) on or before each Interest Payment Date, so long

as the Note remains outstanding, amounts sufficient to pay the interest due on such dates on the Note then outstanding, and (2) on or before December 1, 2020, and on or before each December 1st thereafter, through and including the Maturity Date, amounts sufficient to pay the principal of the Note due on each such date.

The City shall maintain a minimum balance of \$150,000 in the Sinking Fund. When applying amounts in the Sinking Fund to payments of principal and interest on the Note, the Paying Agent shall first withdraw amounts on deposit in the Sinking Fund in the order of deposits to such Fund (oldest deposits withdrawn first) necessary to pay in full the principal or interest then due. If any funds shall remain on deposit in the Sinking Fund for a period exceeding thirteen (13) months, such funds may not be invested at a yield that exceeds the yield on the Note pending their application to payment of principal or interest on the Note.

If, on any date, money on deposit in the Sinking Fund is insufficient to pay the debt service due, the Paying Agent shall withdraw from the Debt Service Reserve Fund (see Section 17(b) herein) and transfer to the Sinking Fund an amount sufficient to make such payment.

Should the amounts covenanted to be paid into the Sinking Fund be, at any time, in excess of the net amounts required at such time for the payment of interest on and principal of the Note, including the minimum balance, of that Sinking Fund, whether by reason of funds already on deposit in such Sinking Fund, or by reason of the option deposits as described in subsection (c) below, or for some similar reason, the amounts covenanted to be paid may be reduced to the extent of the excess.

To the extent of any deficiency in the Sinking Fund, the City covenants to increase Service Charges sufficient to enable it to make transfers to the Sinking Fund in amounts sufficient to eliminate such deficiency as soon as possible; provided, however, that such deficiency shall be eliminated within twelve months of the date of such deficiency.

(c) Application of Funds. All sums in the Sinking Fund shall be applied exclusively to the payment of principal and interest covenanted in Section 9 hereof to be paid as the same from time to time become due and payable and the balance of said moneys over and above the sum so required shall remain in the Sinking Fund, to be applied to the reduction of future required deposits; subject, however, to investment or deposit at interest as authorized by law and as permitted by Section 20 hereof. The Sinking Fund shall be kept as a separate account at the Sinking Fund Depository. The Sinking Fund Depository, without further authorization other than as herein contained, shall pay from the moneys in the Sinking Fund, the principal of and interest on the Note as and when due to the registered owner thereof.

(d) Optional Deposits. Notwithstanding the foregoing, in the case of optional prepayment of the Note as permitted by Section 10 hereof, the Treasurer hereby is authorized and directed to deposit from time to time before the optional prepayment date funds which shall be sufficient when they, either alone or together with the interest to be earned thereon, if any, will equal the principal of the Note so prepaid and the interest thereon to the date of prepayment.

Section 12. Cost and Realistic Useful Life. Reasonable cost estimates have been obtained for the 2020 Project with the assistance of professional engineers and other persons qualified by experience. The overall cost of the 2020 Project is at least \$7,090,000.

The estimated useful life of the Capital Project is at least forty (40) years. The useful life of the 2016 Project, as hereinbefore set forth, hereby is reaffirmed. The remaining useful life of the 2016 Project, which was originally funded with the 2016 Revenue Note, which 2016 Revenue Note is now being refunded with a portion of the Note, is presently not less than thirty-six (36) years. Therefore, the principal installments of the Note are in accordance with Section 8142(a)(2) of the Debt Act.

In accordance with Section 8142(b)(1) of the Debt Act, the principal installments of the Note have been fixed so as to amortize the Note on at least an approximately level annual debt service plan during the term of the Note.

Section 13. Advertising. The action of the officers of the City in advertising a summary of this Ordinance, as required by law, is ratified and confirmed. The proper officers of the City or any of them, are authorized and directed to advertise a notice of enactment of this Ordinance in a newspaper of general circulation in the City within 15 days after final enactment. The City Clerk hereby is directed to make a copy of this Ordinance available for inspection by any citizen during normal office hours.

Section 14. Filing with Department of Community and Economic Development. The Mayor, President or Vice President of Council and the City Clerk, which shall include their duly qualified successors in office, if applicable, are authorized and directed to prepare, verify and file with the Department of Community and Economic Development, in accordance with the Debt Act, a transcript of proceedings relating to the issuance of the Note, including, the Debt Statement and Borrowing Base Certificate required by Section 8110 of the Debt Act, and to take other necessary action to authorize, prepare and file all necessary documents with the Department of Community and Economic Development including, if necessary or desirable, any statements required to exclude any portion of the debt evidenced by the Note from the appropriate debt limit as self-liquidating debt or subsidized debt.

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

Section 15. Approval. The appropriate officers of the City are authorized and directed to deliver the Note, upon execution and attestation thereof as provided for herein, to the Purchaser, but only upon receipt of proper payment of the balance due therefor, and only after the Department has certified its approval of the required filing pursuant to Section 8204 of the Debt Act or such approval of the required filing shall be deemed to have occurred, as provided in Section 8206 of the Debt Act.

Section 16. Internal Revenue Code Covenants.

(a) General. The City hereby covenants with the registered owners, from time to time, of the Note that no part of the proceeds of the Note will be used, at any time, directly or indirectly, in a manner which, if such use had been reasonably expected on the date of issuance of the Note, would have caused the Note to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the Regulations thereunder proposed or in effect at the time of such use and applicable to the Note, and that it will comply with the requirements of that section and the Regulations throughout the term of the Note.

(b) Rebate. The City covenants, if it does not satisfy any rebate exception under the Code, that it will rebate to the United States Department of Treasury, at the times and in the manner required by the Code, all investment income derived from investing the proceeds of the Note in an amount which exceeds the amount which would have been derived from the investment of proceeds of the Note at a yield not in excess of the yield of the Note.

(c) Qualified Tax-Exempt Obligation Designation. The City hereby determines for purposes of the Code that the Note shall be and hereby is designated as a "qualified tax exempt obligation" to the extent the Note is acquired by any "financial institution", as defined in Section 265(b)(3) of the Code, and the applicable regulations and rulings thereunder and corresponding provisions of any Federal tax laws from time to time proposed or enacted and at the time applicable or proposed to be applicable.

The City hereby reasonably anticipates that the total amount of qualified tax exempt obligations (other than non 501(c)(3) private activity bonds) which will be issued by it and all subordinate entities during the calendar year 2020 will not exceed \$10,000,000, within the meaning of Section 265(b)(3) of the Code, and the applicable regulations and rulings thereunder and corresponding provisions of any Federal tax laws from time to time proposed or enacted and at the time applicable or proposed to be applicable.

(d) Filing. The City will file with the IRS Form 8038-G and any other forms or information required by the Code to be filed in order to permit the interest on the Note to be excluded from gross income for federal income tax purposes.

Section 17. Clearing Account, Administrative Order Fund and Debt Service Reserve Fund.

(a) Clearing Account. The City hereby creates with the Paying Agent a special fund to be known as the City of Allentown 2020 Clearing Account (the "Clearing Account") which shall be held as a trust fund for the benefit of the City until disbursed in accordance with the provisions hereof. The City shall deliver the net proceeds (including accrued interest, if any) derived from the sale of the Note to the Paying Agent for deposit to the Clearing Account. Upon written directions from the City signed by the Mayor, President or Vice President of Council, the Paying Agent shall (1) pay out of the Clearing Account the costs and expenses of the issuance of the Note, (2) transfer to the 2016 Lender an amount of Note proceeds sufficient to prepay all of

the outstanding 2016 Revenue Note together with accrued interest thereon to the date set for prepayment, (3) transfer the amount to the Debt Service Reserve Fund, as described in subsection (c) below; and (4) deposit the remaining proceeds of the Note, including proceeds allocable to the funding of capitalized interest for the Capital Project, to the Administrative Order Fund, as defined in the Concession Lease Agreement, held by Manufacturers and Traders Trust Company, as escrow agent (M&T), and further drawn, applied and invested, as provided in the Administrative Order Fund Escrow Agreement, among the City, LCA and M&T.

(b) Debt Service Reserve Fund. The City hereby creates a special account to be known as the City of Allentown 2020 Debt Service Reserve Fund (the "**Debt Service Reserve Fund**") to be established in the name of the City with the Purchaser. On the day of closing, the City shall deposit in the Debt Service Reserve Fund the sum of \$639,359.40, initially funded with proceeds of the Note. The foregoing sum to be deposited in the Debt Service Reserve Fund shall be on the condition that, so long as the Note shall be outstanding hereunder, at such time as the balance in the Debt Service Reserve Fund shall equal \$639,359.40, no further deposits shall be required to be made therein unless said balance thereafter shall for any reason be less than \$639,359.40.

The Paying Agent, without further direction from the City, shall apply moneys in the Debt Service Reserve Fund toward payment of principal and interest from time to time becoming payable on Note to the extent that the Sinking Fund at any time shall be deficient for such purpose.

Money in the Debt Service Reserve Fund at any time which shall not be required to maintain the Debt Service Reserve Fund at the amount at the time required shall be transferred to the Sinking Fund.

To the extent of any deficiency in the Debt Service Reserve Fund, the City covenants to increase Service Charges sufficient to enable it make transfers to the Debt Service Reserve Fund in amounts sufficient to eliminate such deficiency as soon as possible; provided, however, that such deficiency shall be eliminated within twelve months of the date of such deficiency.

Moneys (and investments) in the Debt Service Reserve Fund, in such amounts as may be required hereunder, shall be held by the Purchaser, in trust, for benefit of owners of the Note for which such shall be a reserve and shall be and are pledged irrevocably as security for payment of principal of and interest on such Note until disbursed as herein authorized.

Section 18. Prepayment of the 2016 Revenue Note. The City hereby elects to exercise its option to prepay the 2016 Revenue Note, concurrently with the issuance of the Note, at a price of 100% of the principal amount outstanding plus accrued interest thereon to the date fixed for prepayment. The City further directs the payment from proceeds derived from the Note of the principal of the 2016 Revenue Note, together with accrued interest thereon to and including the date of issuance of the Note, which date shall be the date fixed for prepayment.

Section 19. Payment of Expenses. All expenses incurred in connection with issuance of the Note shall be paid out of the proceeds derived from the issuance of the Note and the proper officers and officials are authorized to sign and deliver requests for payment of such expenses.

Section 20. Investment.

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

Section 21. Additional Covenants of the City.

(a) The City covenants that it shall provide the following information to the Purchaser annually, so long as the Note is outstanding (i) beginning with fiscal year ending December 31, 2019, audited annual financial statements of the City (or unaudited annual financial statements if the audited annual financial statement are not yet available), within 270 days after the end of the City's fiscal year, including a statement of debt and compliance with statutory debt limits to the extent included in the City's audited financial statements; (ii) beginning with fiscal year ending December 31, 2020, the City's net assessed valuation of the City's top ten taxpayers to the extent included in the disclosure of the City's general information required under Rule 15c2-12 promulgated by the Securities and Exchange Commission; (iii) approved budgets of City within thirty (30) days of approval beginning with approved budgets for fiscal year ending December 31, 2020; (iv) monthly collection report, showing monthly Service Charges received and aggregate year to date Service Charges received; (v) a certificate dated December 31st of each fiscal year, demonstrating maintenance of the minimum cash balance in the Sinking Fund; and (vi) any other financial information as the Purchaser may reasonably request.

(b) With respect to the Sewer Utility System, as defined in the Concession Lease Agreement, the City shall establish rates and charges at sufficient levels in each fiscal year of the City during which the Note is outstanding to produce Service Charges that shall equal at least 100% of the principal, sinking fund and interest requirements due during such year on all outstanding Administrative Order Bonds, including the Note, and to replenish any draws on the Debt Service Reserve Fund within one fiscal year as described herein.

(c) Per Section 4.16(b) of the Concession Lease Agreement, the Annual Debt Service payable with respect to the repayment of the Administrative Order Bonds, including the Note, will be allocated to the Municipal Customers that are parties to Sewer Service Agreements and to retail customers of the Sewer Utility System.

(d) Not less than 30 days prior to the first day of each Reporting Year the City shall prepare and submit to the Concessionaire a report setting forth for that Reporting Year, the

Annual Debt Service, the Aggregate Municipal Customer Share, the Net Service Payment, the Municipal Customer Share of each Municipal Customer, and the portion of each Municipal Customer payment to be withheld by the City as a period payment of the Municipal Customer Share for the Reporting Year.

(e) If the Annual Debt Service requirements for any Reporting Year are changed during the Reporting Year, the City shall prepare and submit to the Concessionaire a revised report and the revised report shall supersede each prior report.

(f) Any moneys collected by the Concessionaire by virtue of the imposition of Service Charges to fund Net Debt Service Charges pursuant to Section 7.1(l) of the Concession Lease Agreement are the property of the City and the Concessionaire shall promptly pay such moneys to, or upon the order of, the City. Such moneys paid to the City will be deposited in the Sinking Fund.

(g) The City shall obtain approval from the Purchaser prior to entering into any supplement or amendment to the Concession Lease Agreement pertaining to the imposition of Service Charges, and prior to issuing any additional Administrative Order Bonds thereunder. The City also agrees that no senior lien on the Service Charges will be permitted while the Note is outstanding.

The capitalized terms used in this Section 21, which are defined in the Concession Lease Agreement, and not otherwise defined herein, are used in the same manner and with the same meaning as so defined therein.

Section 22. General Authorization. The officers and officials of the City including the Mayor and President of Council and the City Clerk, hereby are authorized and directed to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to effect the execution, issuance, sale and delivery of the Note, all in accordance with this Ordinance.

Section 23. Authorization of Officers. Any authorization granted to, power conferred on, or direction given to the Mayor, the President of Council and the City Clerk shall be deemed to run to the Acting Mayor, Vice President of the Council or Assistant or Acting City Clerk, respectively, as if such latter titles had been expressly included in the text hereof which grants such authorization, confers such power or gives such direction.

Section 24. Form of Note. The form of Note shall be substantially in the form attached hereto as Exhibit B, which form hereby is incorporated herein and, together with such changes as shall be deemed appropriate by the officers of the City executing the same, hereby is approved.

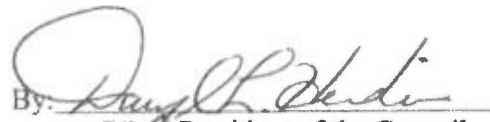
Section 25. Severability. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of the City that such remainder shall be and shall remain in full force and effect.

Section 26. Repealer. All ordinances or parts of ordinances, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.

Section 27. Effective Date. This Ordinance shall become effective in accordance with Section 8003 of the Debt Act.

DULY ENACTED, AND ORDAINED, by the Council of the City, in lawful session duly assembled, this 15th day of April 2020.

CITY OF ALLENTOWN,
Lehigh County, Pennsylvania

By: 
(Vice) President of the Council

ATTEST:


City Clerk

(SEAL)

DULY EXAMINED AND APPROVED this 15 day of April, 2020.



Mayor

EXHIBIT A

Maximum Debt Service Schedule

And

Minimum Principal Installments

BOND DEBT SERVICE

City of Allentown
Administrative Order Revenue Note Series of 2020

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2020	85,000	3.326%	129,042.33	214,042.33	
12/30/2020					214,042.33
06/01/2021			116,493.15	116,493.15	
12/01/2021	405,000	3.326%	116,493.15	521,493.15	
12/30/2021					637,986.30
06/01/2022			109,758.00	109,758.00	
12/01/2022	415,000	3.326%	109,758.00	524,758.00	
12/30/2022					634,516.00
06/01/2023			102,856.55	102,856.55	
12/01/2023	425,000	3.326%	102,856.55	527,856.55	
12/30/2023					630,713.10
06/01/2024			95,788.80	95,788.80	
12/01/2024	440,000	3.326%	95,788.80	535,788.80	
12/30/2024					631,577.60
06/01/2025			88,471.60	88,471.60	
12/01/2025	455,000	3.326%	88,471.60	543,471.60	
12/30/2025					631,943.20
06/01/2026			80,904.95	80,904.95	
12/01/2026	470,000	3.326%	80,904.95	550,904.95	
12/30/2026					631,809.90
06/01/2027			73,088.85	73,088.85	
12/01/2027	490,000	3.326%	73,088.85	563,088.85	
12/30/2027					636,177.70
06/01/2028			64,940.15	64,940.15	
12/01/2028	505,000	3.326%	64,940.15	569,940.15	
12/30/2028					634,880.30
06/01/2029			56,542.00	56,542.00	
12/01/2029	520,000	3.326%	56,542.00	576,542.00	
12/30/2029					633,084.00
06/01/2030			47,894.40	47,894.40	
12/01/2030	540,000	3.326%	47,894.40	587,894.40	
12/30/2030					635,788.80
06/01/2031			38,914.20	38,914.20	
12/01/2031	555,000	3.326%	38,914.20	593,914.20	
12/30/2031					632,828.40
06/01/2032			29,684.55	29,684.55	
12/01/2032	575,000	3.326%	29,684.55	604,684.55	
12/30/2032					634,369.10
06/01/2033			20,122.30	20,122.30	
12/01/2033	595,000	3.326%	20,122.30	615,122.30	
12/30/2033					635,244.60
06/01/2034			10,227.45	10,227.45	
12/01/2034	615,000	3.326%	10,227.45	625,227.45	
12/30/2034					635,454.90
	7,090,000		2,000,416.23	9,090,416.23	9,090,416.23

EXHIBIT B

FORM OF NOTE

\$7,090,000

\$7,090,000

**UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF LEHIGH
CITY OF ALLENTOWN
Revenue Note, Series of 2020**

The **CITY OF ALLENTOWN**, Lehigh County, Pennsylvania (the "City"), a municipality existing under laws of the Commonwealth of Pennsylvania, for value received, acknowledges itself to be indebted to and promises to pay to **WEBSTER PUBLIC FINANCE CORPORATION** (the "Bank"), or registered assigns, on the above stated maturity date, the maximum principal sum of **SEVEN MILLION NINETY THOUSAND AND 00/100 DOLLARS (\$7,090,000.00)**, payable in the stated minimum principal installments set forth in the Payment Record attached hereto and incorporated herein, on December 1 of each year, beginning December 1, 2020, through and including December 1, 2034 (the "Maturity Date"), unless this Note shall have been prepaid, in whole or in part, as herein permitted, and to pay interest at the tax-exempt interest rate set forth below on the unpaid principal balance advanced and outstanding, calculated on the basis of a year of 360 days comprised of twelve (12) thirty (30) day months, with interest payment in semi-annual installments, initially on December 1, 2020, and on each June 1 and December 1 (for convenience, each an "Interest Payment Date") thereafter, from the immediately preceding Interest Payment Date to which has been paid, unless: (a) this Note is registered as of an Interest Payment Date, in which event this Note shall bear interest from such Interest Payment Date; or (b) this Note is registered prior to December 1, 2020, in which event this Note shall bear interest from the Date of Issuance; or (c) as shown by the records of the Paying Agent, interest on this Note shall be in default, in which event this Note shall bear interest from the date on which interest was last paid, until the principal sum thereof is paid.

The Note shall bear interest at the tax-exempt, bank qualified rate of 3.326% per annum, from the date of delivery of this Note to the Maturity Date, at which time, if not previously paid pursuant to the prepayment provisions set forth herein, all outstanding principal, together with all accrued, but unpaid, interest shall be due and payable without demand by the Bank.

Payments of principal hereof, in whole or in part, and of interest hereon shall be made in any coin or currency of the United States of America which, at time of payment, shall be legal tender for payment of public and private debts, at the office of Webster Bank, N.A. (the "**Paying Agent**" which term shall include any duly appointed alternate or successor paying agent), in

Conshohocken, Pennsylvania. So long as Webster Public Finance Corporation shall be the registered owner hereof, payment of any part of the principal of and interest on this Note by or on behalf of the City shall be valid and effective to satisfy and discharge fully the obligations of the City or its Paying Agent, with respect to such payments of principal and interest, without surrender hereof to the Paying Agent for appropriate notation upon the Payment Record attached hereto and made part hereof. So long as the registered owner hereof shall not be Webster Public Finance Corporation, payment of any part of the principal of and interest on this Note shall be made only upon surrender hereof by the registered owner at the office of the Paying Agent (or the office of any successor paying agent) for appropriate notations with respect to such payments and any unrecorded prior payments upon such Payment Record. Notations upon such Payment Record with respect to payments of principal and interest shall satisfy and discharge fully the obligations of the City with respect to such payments of principal and interest, and such notations upon such Payment Record shall be conclusive and binding upon the registered owner hereof. Final payment of principal and interest appertaining hereto shall be made only upon complete surrender hereof to the Paying Agent.

If the date for payment of the principal of or interest on this Note shall be a Saturday, Sunday, legal holiday or on a day on which banking institutions in the municipality where the office of the Paying Agent is located are authorized by law or executive order to close, then the date of such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or on a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the date fixed for such payment.

The principal amount of and interest due on this Note shall be subject to prepayment prior to maturity, at the option of the City, as a whole or, from time to time, in part, on any date after December 1, 2025, upon payment of the principal amount to be redeemed together with accrued interest thereon to the date fixed for prepayment and without any premium or penalty. The principal amount of and interest due on this Note shall be subject to prepayment prior to maturity, at the option of the City, as a whole or, from time to time, in part, on any date after December 1, 2023 through December 1, 2025, upon payment of the principal amount to be redeemed together with accrued interest thereon to the date fixed for prepayment, together with 1% prepayment penalty. Any partial prepayment of principal may be credited against such stated installments of principal on this Note as the City may designate in writing to the registered owner hereof at the time of prepayment; otherwise a partial prepayment shall be applied against the principal installments last, by date, due and payable. The registered owner hereof, by acceptance hereof, agrees that any such prepayment may be made by the City upon thirty (30) days written notice to the registered owner hereof.

This Note is issued in accordance with provisions of the Local Government Unit Debt Act, 53 Pa. C.S. § 8001 *et seq.*, as amended and supplemented (the "Debt Act"), and by virtue of a duly enacted Ordinance (the "Ordinance") of Council. The Debt Act, as such shall have been in effect when this Note was authorized, and the Ordinance shall constitute a contract between the City and the registered owner, from time to time, of this Note. A copy of the Ordinance, duly certified by the City Clerk, is on file at the principal office of the City.

It hereby is certified that: (i) all acts, conditions and things required to be done, to happen or to be performed as conditions precedent to and in issuance of this Note or in creation of the debt of which this Note is evidence have been done, have happened or have been performed in due and regular form and manner, as required by law; and (ii) the debt represented by this Note, together with any other indebtedness of the City, if any, is not in excess of any limitation imposed by the Debt Act upon the incurring of debt by the City.

The Note is payable from payments received by the City from the Lehigh County Authority (the "Authority") derived from service charges imposed on customers of the Authority ("Service Charges") allocable to debt service on the City's Administrative Order Bonds under Section 4.16(b) of the Concession Lease Agreement, dated as of May 1, 2013, between the City and the Authority (the "Lease").

The City has covenanted in the Ordinance with the registered owners, from time to time, of this Note that the City, as appropriate, shall include the amount of debt service, for each fiscal year of the City in which sums are payable, in its budget for that fiscal year, shall appropriate such amounts from the Service Charges to the payment of such debt service and duly and punctually shall pay or shall cause to be paid the principal of this Note and the interest thereon at the dates and place and in the manner stated herein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the City has pledged and does pledge payments received by the City from the Authority derived from Service Charges allocable to the debt service on the City's Administrative Order Bonds under Section 4.16(b) of the Lease.

The City, in the Ordinance, has established a sinking fund with the Paying Agent, as the sinking fund depository, into which funds for the payment of the principal of and the interest on this Note shall be deposited not later than the date fixed for disbursement thereof. The City has covenanted in the Ordinance to make payments out of such sinking fund, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of this Note.

This Note, immediately upon execution and delivery hereof by the City, shall be registered, both as to principal and interest, in the name of the owner, on records of the City to be kept for that purpose by the Paying Agent, such registration to be noted hereon by a duly authorized representative of the Paying Agent. After such registration, no transfer hereof shall be valid unless made by the registered owner hereof in person or by his duly authorized attorney and similarly noted upon said records and hereon. Rights of any registered owner hereof, subsequent to the initial registered owner hereof, shall not exceed rights of the predecessor registered owner hereof.

This Note is issuable only in the form of a fully registered Note, without coupons.

The City has designated, under and for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, this Note as a "qualified tax-exempt obligation", as such phrase is defined in Section 265(b)(3)(B) of such Code.

IN WITNESS WHEREOF, the CITY OF ALLENTOWN, Lehigh County, Pennsylvania, as provided by the Debt Act and in the Ordinance, has caused this Note to be executed in its name by the manual or facsimile signature of the Mayor of the City and the seal to be affixed hereto and the manual or facsimile signature of the City Clerk to be affixed hereto in attestation thereof, and to be delivered as of this ___ day of _____, 2020.

CITY OF ALLENTOWN,
Lehigh County, Pennsylvania

By: _____
Mayor

ATTEST:

City Clerk
(SEAL)

REGISTRATION RECORD

NOTHING TO BE WRITTEN HERE EXCEPT BY A DULY AUTHORIZED
REPRESENTATIVE OF WEBSTER BANK, N.A.
CONSHOHOCKEN, PENNSYLVANIA (THE "PAYING AGENT")

DATE OF REGISTRY	NAME OF REGISTERED OWNER	REGISTERED BY AUTHORIZED REPRESENTATIVE OF THE PAYING AGENT
May __, 2020	Webster Public Finance Corporation 100 Westminster St, Suite 1110 Providence, RI 02903	

PAYMENT RECORD

[illegible]

CERTIFICATE

I, the undersigned, City Clerk of Allentown, in Lehigh County, Pennsylvania (the "City"), certify that: the foregoing is a true and correct copy of an Ordinance which was duly enacted by the Council of the City, at a meeting duly held on April 15, 2020, at which meeting a quorum was present; said Ordinance has been certified and recorded by me, as City Clerk, in the book provided for the purpose of such recording; the total number of members of the Council of the City is seven (7); the vote of the members of the Council of the City, upon enactment of said Ordinance, the yeas and nays having been called, duly was recorded by me, as City Clerk, as follows:

	Yea	Nay	Abstain	Absent
Daryl L. Hendricks	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>
Julio A. Guridy	<u> </u>	<u>✓</u>	<u> </u>	<u> </u>
Candida Affa	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>
Cecilia Ce-Ce Gerlach	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>
Cynthia Mota	<u> </u>	<u>✓</u>	<u> </u>	<u> </u>
Joshua Siegel	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>
Ed Zucal	<u> </u>	<u>✓</u>	<u> </u>	<u> </u>

said Ordinance has been advertised, as required by law, in a newspaper of general circulation in the City; and said Ordinance has not been amended, altered or repealed as of the date of this Certificate.

I further certify that the Council of the City met the advance notice and public comment requirements of the Sunshine Act, 65 Pa.C.S. §701 *et seq.*, by advertising the time and place of said meeting, by posting prominently a notice of said meeting at the principal office of the City or at the public building in which said meeting was held, and by providing a reasonable opportunity for public comment at said meeting, all in accordance with such Act.

IN WITNESS WHEREOF, I set my hand and affix the official seal of the City, this 15 day of April, 2020.

(SEAL)

Michael P. Hanks
City Clerk

Proof of Publication Notice in the *Morning Call*

Under Act No. 587, Approved May 16, 1929 and its amendments

STATE OF PENNSYLVANIA)
COUNTY OF LEHIGH)

SS:

Copy of Notice or Advertisement

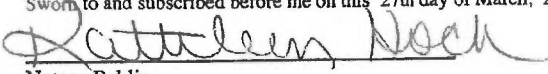
of THE MORNING CALL, LLC. of the County and State aforesaid, being duly sworn, deposes and says that THE MORNING CALL is a newspaper of general circulation as defined by the aforesaid Act, whose place of business is 101 North Sixth Street, City of Allentown, County and State aforesaid, and that the said newspaper was established in 1888 since which date THE MORNING CALL has regularly issued in said County, and that the printed notice or advertisement attached hereto is exactly the same as was printed and published in regular editions and issues of the said THE MORNING CALL on the following dates, viz::

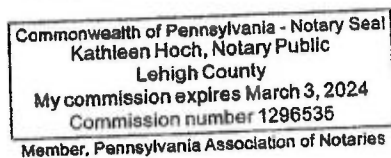
Mar 27, 2020.

Affiant further deposes that he is the designated agent duly authorized by THE MORNING CALL, LLC., a corporation, publisher of said THE MORNING CALL, a newspaper of general circulation, to verify the foregoing statement under oath, and the affiant is not interested in the subject matter of the aforesaid notice or advertisement, and that all allegations in the foregoing statements as to time, place and character of publication are true.


Designated Agent, THE MORNING CALL, LLC.

Sworn to and subscribed before me on this 27th day of March, 2020


Notary Public



PUBLISHER'S RECEIPT FOR ADVERTISING COSTS

THE MORNING CALL, LLC., a Corporation, publisher of THE MORNING CALL, a newspaper of general circulation, hereby acknowledges receipt of the aforesaid notice and publication costs and certifies that the same have been duly paid.

THE MORNING CALL, LLC. a Corporation,
Publishers of THE MORNING CALL
A Newspaper of General Circulation

By: _____

Order # - 6641332

Proof of Publication Notice in the *Morning Call*

Sold To:

ECKERT SEAMANS CHERIN & MELLOTT - CU80022313
213 Market St
Fl 8
Harrisburg, PA 17101-2141

Bill To:

ECKERT SEAMANS CHERIN & MELLOTT - CU80022313
213 Market St
Fl 8
Harrisburg, PA 17101-2141

CITY OF ALLENTOWN,
LEHIGH COUNTY, PENNSYLVANIA

NOTICE

NOTICE IS HEREBY GIVEN that the City Council of the City of Allentown, Lehigh County, Pennsylvania (the "City") will hold a public meeting in Council Chambers at City Hall, 435 Hamilton Street, Allentown, Pennsylvania, on Wednesday, April 1, 2020, at 7:00 p.m., prevailing time, or, in the alternative, on a date not more than thirty (30) days nor less than three (3) days from the date of advertisement of this Notice, for the purpose of, consideration of and acting upon an Ordinance (the "Ordinance"), a summary of which is set forth in the following caption:

"AN ORDINANCE

OF COUNCIL OF THE CITY OF ALLENTOWN, LEHIGH COUNTY, PENNSYLVANIA (THE "CITY"), AUTHORIZING AND DIRECTING THE ISSUANCE OF A REVENUE NOTE, SERIES OF 2020, AS PERMITTED BY AND PURSUANT TO THE LOCAL GOVERNMENT UNIT DEBT ACT, 53 PA. C.S. § 8001 et seq., AS AMENDED AND SUPPLEMENTED, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$7,035,000, WITH THE PROCEEDS THEREOF TO BE APPLIED FOR AND TOWARD THE FOLLOWING PROJECTS, EACH A PROJECT AS DEFINED IN THE DEBT ACT, INCLUDING, BUT NOT LIMITED TO, (I) THE CURRENT REFUNDING OF THE CITY'S OUTSTANDING SPECIAL REVENUE NOTE, SERIES OF 2016 (THE "REFUNDED NOTE" AND AS A PROJECT (THE "REFUNDING PROJECT"), (II) FINANCING THE ACQUISITION AND CONSTRUCTION OF CERTAIN IMPROVEMENTS TO THE CITY'S SEWER SYSTEM PURSUANT TO THE TERMS OF A CONCESSION LEASE AGREEMENT, DATED MAY 1, 2012 BETWEEN THE CITY AND

Proof of Publication Notice in the *Morning Call*

Under Act No. 587, Approved May 16, 1929 and its amendments

STATE OF PENNSYLVANIA)
COUNTY OF LEHIGH)

SS:

Copy of Notice or Advertisement

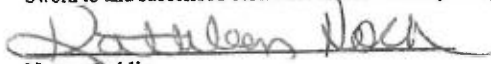
of THE MORNING CALL, LLC. of the County and State aforesaid, being duly sworn, deposes and says that THE MORNING CALL is a newspaper of general circulation as defined by the aforesaid Act, whose place of business is 101 North Sixth Street, City of Allentown, County and State aforesaid, and that the said newspaper was established in 1888 since which date THE MORNING CALL has regularly issued in said County, and that the printed notice or advertisement attached hereto is exactly the same as was printed and published in regular editions and issues of the said THE MORNING CALL on the following dates, viz.:

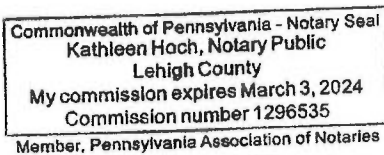
Apr 18, 2020.

Affiant further deposes that he is the designated agent duly authorized by THE MORNING CALL, LLC., a corporation, publisher of said THE MORNING CALL, a newspaper of general circulation, to verify the foregoing statement under oath, and the affiant is not interested in the subject matter of the aforesaid notice or advertisement, and that all allegations in the foregoing statements as to time, place and character of publication are true.


Designated Agent, THE MORNING CALL, LLC.

Sworn to and subscribed before me on this 20th day of April, 2020


Notary Public



PUBLISHER'S RECEIPT FOR ADVERTISING COSTS

THE MORNING CALL, LLC., a Corporation, publisher of THE MORNING CALL, a newspaper of general circulation, hereby acknowledges receipt of the aforesaid notice and publication costs and certifies that the same have been duly paid.

THE MORNING CALL, LLC. a Corporation,
Publishers of THE MORNING CALL
A Newspaper of General Circulation

By: _____

Order # - 6656259

Proof of Publication Notice in the *Morning Call*

Sold To:

Eckert Seamans Cherin&Mellott - CU00373285
213 Market St Fl 8
Harrisburg, PA 17101

Bill To:

Eckert Seamans Cherin&Mellott - CU00373285
213 Market St Fl 8
Harrisburg, PA 17101

**CITY OF ALLENTOWN,
LEHIGH COUNTY, PENNSYLVANIA
NOTICE OF ENACTMENT**

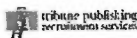
NOTICE IS HEREBY GIVEN that at a public meeting held on Wednesday, April 15, 2020, at 7:00 p.m., prevailing time, the Council of the City of Allentown, Lehigh County, Pennsylvania (the "City"), enacted an Ordinance (the "Ordinance"), authorizing the City to incur debt in the principal amount of \$7,090,000, to be evidenced by the issuance of the City's Revenue Note, Series of 2020 (the "Note"), for the purpose of providing funds to be applied for and toward the 2020 Project, as described in the Ordinance.

The following amendments were made during final enactment of the Ordinance: the principal amount of the Revenue Note, Series of 2020 increased from \$7,035,000 to \$7,090,000; the 3.326% per annum interest rate on the Note was finalized and inserted; a covenant regarding the budgeting and appropriating of Service Charges used to pay the debt service on the Note was added; reference to the Project Account was clarified to mean the existing Administrative Order Fund; the amount of the deposit in the Debt Service Reserve Fund was finalized and inserted; a covenant regarding a certificate as to the maintenance of the minimum balance in the Sinking Fund was added; Exhibit A reflecting the maximum debt service payments on the Note was added; Exhibit B, the form of Note, was updated to reflect the terms of the proposal; and certain clarifications and grammatical changes were made to the text of the Ordinance.

The Note was sold to Webster Public Finance Corporation at a price of \$7,090,000 (the face amount of the Note) being 100.00% of the principal amount of the Note. The Note bears interest at the fixed rate of 3.326% per annum from the date of delivery to December 1, 2034, the final maturity date of the Note.

The final text of the Ordinance as enacted, may be examined or inspected by any citizen of the City within at

scope out

THE MORNING CALL
themorningcall.com

Employment | Real Estate | Automotive | And More...

Place your ad 24 hours a day, 7 days a week. Call 610.820.6565, fax 610.820.6756 or go to themorningcall.com

education

STROUBS AREA SCHOOL DISTRICT 1890 TERM SUBS
Gifted Ed. - Elem.
Special Ed. - Elem.
North Support - Elem.
South Support - Elem.
Tech. Ed. - middle school (sem.1)
Send app. resume, ref. letters to:
Laura Connolly, 123 Linden Street,
Stroudsburg, PA 18360 or
personnel@stsd.org or 610.820.6565

legals, public notices

***Notice of change to Board of Trustees**
2019-2020 Meeting is hereby
The regularly scheduled April 20
meeting of the Board of Trustees of
the Arts Academy Elementary Charter
School will be held virtually due to the
Governor's order requiring that schools
be closed. The meeting will be held
at 6:00 p.m.

personal services

HOME HEALTH AIDE AVAILABLE
EXP. - All duties w/ refs. 347-777-4444

memorials/ cemetery lots

***FAMILY PLOT - Cedar Hill Memorial Park**
\$5000. 265-992-6520

wanted to buy

WANTED FREON R12 - We pay CASH.
R12 R502 R11. Convenient.
Certified professionals. 212-971-9141
RefrigerantFinders.com/ad

Home Repair & Maintenance

THE MORNING CALL
The Morning Call would like to inform you about The Home Improvement Consumer Protection Act, 53 P.S. § 517.1, et seq., effective July 1, 2009. The law applies to contractors who perform at least \$3,000 worth of home improvements a year. Contractors are required to submit an application to the Pennsylvania Attorney General's Office in order to obtain a registration number.

THE REGISTRATION NUMBER MUST APPEAR IN ALL ADVERTISEMENTS CIRCULATED WITHIN THE COMMONWEALTH.
The law defines advertisements as any statement providing home improvement services in a newspaper, periodical, pamphlet, circular, billboard, sign, banner, business card or other printed materials. All contractors currently advertising in The Morning Call should contact their representative to include their registration number in their ads.

The law allows consumers to verify a contractor's registration with Attorney General's Office by visiting the Attorney General's website or by calling the toll-free consumer hotline, 1-800-320-6400. You can learn more about the law and to representatives by visiting the Attorney General's website: <http://www.attorneygeneral.gov/rlc>

EQUAL HOUSING

All Real Estate advertised herein is subject to the federal law known as which makes it illegal to advertise any preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin; or an intention to make any such preference, limitation or discrimination. We will not knowingly accept any advertising for Real Estate which is in violation of the law. All persons are hereby informed that all dealings advertised are available as an equal opportunity basis.

THE MORNING CALL

The most money-saving coupons are in Sunday's paper.

THE MORNING CALL

FREE BARGAIN BOX ADS
If you have merchandise over two pints and unopened property, and all items listed under \$200 or less, we will send you a free 3x5 ad for 14 days. One ad per household every 30 days. No payment fee due.

NO Free Bargain Box Ads must be submitted using The Morning Call Self Service Site.
placeanad.mcall.com
No need for an account.

DIET CARD BINGO/RAFFLE
- Set April 20th & 27th from 10:00am-12:00pm
Shedden Church Eastern 610-342-4425

PATIO SET - Alike patio set & chairs, patio table, lounge chair, patio heater, patio umbrella, etc.
- 610-342-4425

WANTED VERY OLD BEER CANS
- 1930's to 1960's bottles and cans, call 610-342-4425

***MULTIPLIER SPIN! PIANO: DONALD, FAIR - V.G. cond. \$2500. 610-342-4425**

PILATES PRO CHAIR - Exercise right at your home. \$100 OBO. Will deliver! 342-4425

rooms for rent

Daily & Weekly
Color TV & Air Condition.
Royal Hotel, 610-432-4425

health/fitness/beauty

CHAIR LIFT - Stair lift chair, must be assembled. 425-251-1014

NEED REPAIRS? - Check the Business Service Directory.

masonry & concrete

CONCRETE - Repair, resurface, porch, steps, walks, walls. Free est. No job too small. 610-820-6565

Dial Direct 610-820-6565
Want to run your ad for 60 days? Call about our special.

THE MORNING CALL
Subscribe online or call 610-820-6601

BRICK POINTING, WATER PROOFING, CAULKING - Masonry Repairs and Restoration. In business over 40 years. Mastercraft Contractors 610-977-0778

WANT SOME EXTRA CASH? PRICE IT RIGHT - Describe it accurately, and call our classified department to sell your unwanted items today. Extra cash is as simple as that! Call 610-820-6565

A SMALL, INEXPENSIVE - classified ad will help you solve your renting, selling or hiring needs. Call 610-820-6565 to discuss the many advertising packages available to suit your needs.

WANT SOME EXTRA CASH? PRICE IT RIGHT - Describe it accurately, and call our classified department to sell your unwanted items today. Extra cash is as simple as that! Call 610-820-6565

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NOTICE OF FICTITIOUS NAME FILING
Notice is hereby given that an application for registration of a fictitious name has been filed with the Department of Pennsylvania of the Commonwealth of Pennsylvania of Harrisburg, Pennsylvania for the purposes of obtaining the following fictitious name: "Gunder Kitchen & Bathrooms" having a principal place of business at 221 West Market Street, Allentown, PA 18104. The name and address of the entity owning or interested in using business name: Gunder Enterprises, LLC, 221 West Market Street, Allentown, PA 18104.

FITZPATRICK LENTZ & SUBBA, P.C.
Two City Center
445 West Hamilton Street, Suite 500
Allentown, PA 18101
610-432-4425

CITY OF ALLENTOWN, LEHIGH VALLEY, PENNSYLVANIA
NOTICE OF ENACTMENT
NOTICE IS HEREBY GIVEN that a public hearing was held on Wednesday, April 15, 2020, at 7:00 p.m., prevailing time, at the Council of the City of Allentown, Lehigh County, Pennsylvania (the "Ordinance"), authorizing the City to incur debt in the amount of \$2,000,000.00, to be evidenced by the Series of 2020 (the "Note"), for the purpose of providing funds to be used for and toward the 2020 Project, as described in the Ordinance.

The following amendments were made during the public hearing of the Ordinance: the principal amount of the Revenue Note was increased from \$2,000,000.00 to \$2,000,000.00, the 3.25% per annum interest rate on the Note was fixed and interest; a covenant regarding the budgeting and operating of the Service Charges used to pay the debt service on the Note was added; references to the Project Account was clarified to mean the existing Administrative Order, which the amount of the interest on the Revenue Note was fixed and interest; and inserted; a covenant regarding a certificate as to the maintenance of the minimum balance in the Sinking Fund was added; Exhibit A reflecting the maximum debt service payments on the Note was added; Exhibit B, the form of Note, was updated to reflect the terms of the Ordinance and certain clarifications and grammatical changes were made to the text of the Ordinance.

The Note was sold to Webster Public Corporation of a price of \$7,000,000.00 (the face amount of the Note) being 100.00% of the principal amount of the Note. The Note bears interest at the fixed rate of 3.25% per annum from the date of delivery to December 1, 2024, the first maturity date of the Note.

The final text of the Ordinance as enacted, may be examined or inspected by any citizen of the City's website at: <https://www.allentownpa.gov>.

This notice is given in accordance with the requirements of and in compliance with the Local Government Unit Debt Act, 53 P.S. § 517.1, et seq., as amended and supplemented.

CITY OF ALLENTOWN, Lehigh County, Pennsylvania
Allentown City Clerk
610-432-4425

THE MORNING CALL
Subscribe online or call 610-820-6601

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Subscribe online or call 610-820-6601

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CITY OF ALLENTOWN, Lehigh County, Pennsylvania
Allentown City Clerk
610-432-4425

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The City of Allentown, Lehigh County, Pennsylvania
Summary of Terms & Conditions

\$7,090,000 Project Revenue Note, Series 2019
(The "Notes/Obligations/Loan")

The terms and conditions contained herein are subject to satisfactory completion of due diligence, internal credit approval and such other conditions as may be required by Webster Bank, N.A. and the Webster Public Finance Corporation in its sole discretion. This term sheet is confidential and is not to be relied upon by third parties. Webster Bank, N.A. and the Webster Public Finance Corporation are not registered municipal advisors and cannot provide advice in connection with municipal financial products.

I) Transaction

Issuer:	The City of Allentown, Lehigh County, Pennsylvania (the "City").
Lender:	The Webster Public Finance Corporation (WPFC).
Par Amount:	\$7,090,000, tax exempt.
Purpose:	<p>The proceeds to be derived by the City from the Note will be used to refinance all or a portion of the City's 2016 Special Revenue Note and to provide the funds for capital projects (the "Administrative Order Projects") related to remediating the effects of I&I as established pursuant to various Administrative Orders of the Environmental Protection Administration in connection with the sewer system leased by the City to the Lehigh County Authority (the "LCA" or "Authority"), pursuant to the terms of a Concession Lease Agreement between the City and the LCA dated as of May 1, 2013 (the "Concession Agreement"). Proceeds will be deposited in an Administrative Order Escrow Fund for the benefit of the City and the Authority to pay the costs of Administrative Order Projects to be undertaken by the Authority.</p> <p>Proceeds of the Note will be used to fund (1) costs of the Administrative Order Projects; (2) a debt service reserve fund equal to the lesser of 10% of the Note, 125% of average annual debt service or maximum annual debt service; (3) one year of capitalized interest; and, (4) costs and expenses of issuing the Note.</p>
Closing:	Closing will occur by May 14, 2020.
Maturity:	Final maturity will occur on or about December 1, 2034. Average life on the Note is 9 years.
Interest:	Interest will be payable semiannually.
Tax Status:	\$7,090,000 will be designated tax-exempt.
Disclosure:	Please see "Private Placement" herein.

Bank Counsel:	Please see "Other Fees" herein.
Security:	<p>The Note is payable from and secured by a first lien upon all payments received by the City from the Authority derived from service charges imposed on customers of the LCA ("Service Charges") allocable to debt service on the City's Administrative Order Bonds under Section 4.16(b) of the Concession Agreement.</p> <p>The City will covenant in an Ordinance (the "Ordinance") with the holders of the Note to (1) include the amount of debt service of the Note in its budget for each fiscal year, (2) appropriate such amounts from Service Charges for the payment of such debt service, and (3) duly and punctually pay from the sinking fund established under the Ordinance the principal of and interest on the Note(s) on the dates and in the place and manner described in such Note(s). For such budgeting, appropriation and payment, the City pledges payments received or to be received by the City from the Authority derived from Service Charges allocable to debt service on the City's Administrative Order Bonds, including the Note pursuant to Section 4.16(b) of the Concession Agreement.</p> <p>The City shall execute, acknowledge and deliver to the Bank a UCC-1 filing perfecting the lien on Service Charges.</p>
Legal Opinion:	A legal opinion as to the tax-exempt status of the Obligations and the validity and enforceability of the Obligations and other documentation.
Prepayment:	The City shall have the ability to prepay any or all of the par amount of the outstanding obligations at any time after December 1, 2023 with 30 days' written of notice with a 1% prepayment fee, and at any time after December 1, 2025 with 30 days' written of notice with no fee.
Private Placement:	The Obligations are being offered pursuant to private placement. No offering document constituting an "official statement" will be prepared, and the Obligations will be in minimum authorized denominations of \$100,000. The Bank will deliver a certificate to the City and Bond Counsel at Settlement to the effect that the Bank agrees to purchase the Obligations without an official statement and will not reoffer the Obligations for sale or sell the Obligations to more than thirty-five persons each of whom the Bank reasonably believes: (i) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment; and (ii) is not purchasing for more than one account or with a view to distributing the Obligations and shall agree on the foregoing limitations within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended.
Interest Rate:	WPFC's tax-exempt fixed rate will be 3.326%.

Upfront Fees:	None.
Other Fees:	The Bank will charge no fees for this loan. However, the City is responsible for all reasonable costs and expenses relating to the transaction including, but not limited, to Bond Counsel, Bank Counsel, and Municipal Advisor, and any other fees and expenses incidental to the transaction contemplated by this term sheet. Estimated Bank Counsel fees will not exceed \$12,500 and shall be paid at closing.
Covenants:	<p>Usual and customary for transactions of this type, including, without limitation, the following: (i) payment of obligations; (ii) compliance with laws; (iii) maintenance of books and records; (iv) use of proceeds; and (vi) such other customary covenants for a transaction of this type.</p> <p>In addition, the lender shall require rates and charges be established by the City at sufficient levels in each Fiscal Year during which the loan is outstanding to produce Service Charges that shall equal at least 100% of the principal, sinking fund, and interest requirements coming due during such year on all outstanding Bonds, including these notes, and to replenish any deficiencies in the Debt Service Account and the Debt Service Reserve Fund within one fiscal year. Per section 4.16(b) of the Concession Agreement, The Annual Debt Service payable with respect to the repayment of the Administrative Order Bonds will be allocated to the Municipal Customers that are parties to Sewer Service Agreements and to retail customers of the Sewer Utility System. Not less than 30 days prior to the first day of each Reporting Year, the City shall prepare and submit to the Concessionaire a report setting forth for that Reporting Year, the Annual Debt Service, the Aggregate Municipal Customer Share, the Net Debt Service Payment, the Municipal Customer Share of each Municipal Customer and the portion of each Municipal Customer payment to be withheld by the City as a periodic payment of the Municipal Customer Share for the Reporting Year. If the Annual Debt Service requirements for any Reporting Year are changed during the Reporting Year, the City shall prepare and submit to the Concessionaire a revised report and the revised report shall supersede each prior report.</p> <p>The lender will also require a Debt Service Reserve Fund to be set at the lesser of three tests: the lesser of 10% of the Note, 125% of average annual debt service or maximum annual debt service. This account will be held by Webster, and subject to replenishment annually to the extent it is drawn upon through the imposition of Service Charges.</p> <p>Any moneys collected by the Concessionaire by virtue of the imposition of Service Charges to fund Net Debt Service Charges pursuant to Section 7.1(l) are the property of the City and the Concessionaire shall promptly pay such moneys to, or upon the order of, the City. Such moneys will be collected in the Debt Service Account. This account shall be a Webster</p>

held account, and is not to be comingled with regular operating fund of the City. The lender will require the Borrower to maintain a minimum cash balance in the Debt Service Account in the amount of \$150,000 to be tested annually at the close of the Borrower's fiscal year. This account will be held by Webster, and subject to replenishment annually to the extent it is drawn upon through the imposition of Service Charges.

The City shall receive approval from the Purchaser prior to entering into any supplement or amendment to the Concession Agreement pertaining to the imposition of Service Charges, and prior to issuing any additional Administrative Order Bonds thereunder. The City also agrees that no senior lien on Service Charges will be permitted while the Note is outstanding.

Reporting Requirements:

The Bank requests that the City submit the following information to the Bank for purposes of annual due diligence, and as requested by the Bank:

1. Audited annual financial statements of the City (or unaudited annual financial statements if the audited annual financial statements are not yet available), within 270 days after the end of the fiscal year, beginning with financials for FY2019.
2. Net Assessed Valuation of the City of the top 10 taxpayers of the City, to the extent included in the disclosure of General City information required under Rule 15c2-12, beginning with the information relevant to fiscal year ending 12/31/19.
3. Statement of Debt and compliance with statutory debt limits to the extent included in audited annual financial statements.
4. Adopted budget of the City within 30 days of approval, beginning with the approved budgets for the 2020 fiscal year.
5. Monthly collections report, showing monthly service charge receipts and aggregate year to date service charges received.
6. Annual Certificate demonstrating maintenance of the Minimum Cash Balance.

Any other financial information as the Bank may reasonably request

Conditions Precedent:

The Closing will be conditioned upon: (i) the negotiation, execution and delivery of definitive documentation in form and substance satisfactory to the Purchaser, (ii) delivery to the Purchaser in form and substance satisfactory to the Purchaser of a standard approving opinion of bond counsel regarding validity and legality of, and security for the Notes, an opinion of City's counsel in customary form, and closing certificates of officials of the City as to the issuance of the Notes, (iii) receipt of satisfactory financial information, budgets, projections, etc. as requested by the Purchaser, (iv) receipt of an advisory opinion regarding the mechanism for fund replenishment of a debt service reserve fund and a minimum balance in the debt service fund; and, (v)

such other conditions precedent as are customary for a financing of the type contemplated.

**Representations and
Warranties:**

Usual and customary for transactions of this type including, without limitation, the following: (i) legal existence, qualification and power; (ii) due authorization and no contravention of law, contracts or organizational documents; (iii) governmental and third party approvals and consents; (iv) enforceability; (v) accuracy and completeness of specified financial information; (vi) no material litigation; (vii) no default; (viii) compliance with laws; (ix) no bankruptcy or insolvency proceedings; and (x) such other representations and warranties as are customary for a transaction of this type.

IN WITNESS WHEREOF, and acknowledging acceptance and agreement of the foregoing, the Bank and the City affix their signatures hereto on this 15th day of April, 2020.

WEBSTER PUBLIC FINANCE CORPORATION

By: _____

Name: _____

Title: _____

Xaykham Khamsyvoravong

Delegate for of Christopher Motl

Vice President

Webster Public Finance Corporation

CITY OF ALLENTOWN, LEHIGH COUNTY, PENNSYLVANIA

By: _____

Name: _____

Title: _____

MAYOR

**CITY OF ALLENTOWN,
Lehigh County, Pennsylvania**

DEBT STATEMENT

TO: THE DEPARTMENT OF COMMUNITY AND ECONOMIC
DEVELOPMENT OF THE COMMONWEALTH OF PENNSYLVANIA

We, the undersigned, Mayor and Controller, respectively, of the City of Allentown, in Lehigh County, Pennsylvania (the "Local Government Unit"), being duly authorized to prepare and to verify, under oath or affirmation, this Debt Statement of the Local Government Unit, pursuant to and in accordance with Section 8110 of the Local Government Unit Debt Act (the "Debt Act") of the Commonwealth of Pennsylvania, do set forth and certify as follows:

1. This Debt Statement is made as of April 15, 2020, such date being less than 60 days before the filing hereof.

2. The gross indebtedness of the Local Government Unit is as follows:

- a. Electoral debt \$ 0.00
- b. Nonelectoral debt
 - (1) Proposed Revenue Note, Series of 2020 \$ 7,090,000.00¹
 - (2) Federally Taxable General Obligation Bonds, Series of 2019 (Approval No. GOB-18101101, Dated 10/11/18) \$ 12,460,000.00
 - (3) General Obligation Bonds, Series A of 2018 (Approval No. GOB-18101101, Dated 10/11/18) \$ 2,335,000.00
 - (4) Federally Taxable General Obligation Bonds, Series B of 2018 (Approval No. GOB-18101101, Dated 10/11/18) \$ 7,390,000.00

¹ Being issued in connection with refunding all of the Revenue Note, Series of 2016 (RN-16092001), currently outstanding in the principal amount of \$2,258,000, which in each case will no longer be considered outstanding.
{L0823199.3}

- (5) General Obligation Bonds,
Series of 2017 (Approval No.
GOB-16123003, Dated
12/30/16) \$ 6,080,000.00
- (6) Revenue Note, Series of 2016
(Approval No. RN-16092001,
Dated 09/20/16) \$ 0.00²
- (7) General Obligation Bonds,
Series B of 2015 (Approval No.
GOB-15032401, Dated
03/24/15) \$ 8,640,000.00
- (8) General Obligation Bonds,
Series A of 2015 (Approval No.
GOB-15032401, Dated
03/24/15) \$ 14,340,000.00
- (9) General Obligation Note, Series
of 2009 (Approval No. GON-
12938, Dated 04/23/2009) \$ 2,145,000.00
- (10) Federally Taxable General
Obligation Notes, Series B of
2007 (Approval No. GON-
12523, Dated 11/30/07) \$ 2,060,000.00
- (11) Federally Taxable General
Obligation Notes, Series A of
2007 (Approval No. GON-
12523, Dated 11/30/07) \$ 14,773,983.00
- Total nonelectoral debt \$ 77,313,983.00

c. Lease rental debt

Total lease rental debt \$ 0.00

Total gross indebtedness \$ 77,313,983.00

² Gives effect to the refunding.
{L0823199.3}

3. The Local Government Unit claims, in this Debt Statement, exclusions from or against its total gross indebtedness, as such is set forth in paragraph 2, in determining the net debt of the Local Government Unit:

a.	Electoral debt	\$	0.00
b.	Nonelectoral debt	\$	7,090,000.00 ³
c.	Lease rental debt	\$	0.00
	Total debt excluded	\$	<u>7,090,000.00</u>

4. The remaining debt of the Local Government Unit is as follows:

a.	Electoral debt	\$	0.00
b.	Net nonelectoral debt	\$	70,223,983.00
c.	Net lease rental debt	\$	0.00
	Total remaining debt	\$	<u>70,223,983.00</u>

5. The maximum principal amount of nonelectoral debt to be incurred, evidenced by a revenue note to be issued by the Local Government Unit, is \$7,090,000.

6. The entire amount set forth in paragraph 5, i.e. \$7,090,000, will constitute new nonelectoral debt of the Local Government Unit.

7. The aggregate net nonelectoral debt of the Local Government Unit to be outstanding, after the settlement of the debt in the amount set forth in paragraph 5, will be \$70,223,983.00.

8. The aggregate net lease rental debt of the Local Government Unit to be outstanding, after the settlement of the debt in the amount set forth in paragraph 5, will be \$0.

9. The aggregate net nonelectoral debt and net lease rental debt, combined, of the Local Government Unit to be outstanding, after the settlement of the debt in the amount set forth in paragraph 5, will be \$70,223,983.00

10. The borrowing base of the Local Government Unit, as evidenced by a Borrowing Base Certificate attached hereto and made part hereof, is \$115,398,866

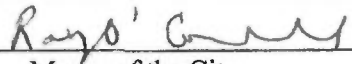
11. The nonelectoral debt limit of the Local Government Unit, computed as provided in the Debt Act, i.e. 250% of the borrowing base of the Local Government Unit as set forth in paragraph 10, is \$288,497,165.

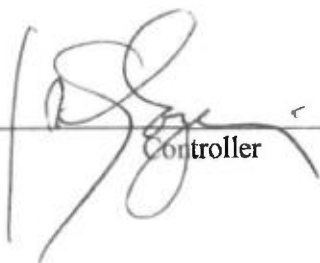
12. The nonelectoral debt plus lease rental debt limit of the Local Government Unit, computed as provided in the Debt Act, i.e. 350% of the borrowing base of the Local Government Unit as set forth in paragraph 10, is \$403,896,031.

³ Self-Liquidating Certificate of Herbert Rowland and Grubic, Inc., Consulting Engineers, pursuant to Section 8025 of the Act is a part of the Application.
{L0823199.3}

IN WITNESS WHEREOF, we, the undersigned, Mayor and Controller of the City, respectively, of the Local Government Unit, affix our signatures to this Debt Statement of the Local Government Unit, this 15th day of April, 2020.

CITY OF ALLENTOWN,
Lehigh County, Pennsylvania

By: 
Mayor of the City

By: 
Controller

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF LEHIGH)

Before me, the undersigned Notary Public, personally appeared Jeffrey Hager and Ray O'Connell, who being duly sworn according to law depose and say that they are the Mayor and Controller, respectively, of the City of Allentown, in Lehigh County, Pennsylvania (the "Local Government Unit"), and that the facts set forth in the foregoing Debt Statement of the Local Government Unit are true and correct.

SWORN TO AND SUBSCRIBED
before me, a Notary Public,
this 17th day of April, 2020.

Jean G. Brosman
Notary Public

My Commission Expires:

(SEAL)

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
Jean G. Brosman, Notary Public
City of Allentown, Lehigh County
My Commission Expires Dec. 15, 2020
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

BORROWING BASE CERTIFICATE
of the
CITY OF ALLENTOWN,
Lehigh County, Pennsylvania

1. This Borrowing Base Certificate of the City of Allentown, in Lehigh County, Pennsylvania (the "Local Government Unit"), has been prepared in accordance with the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "Debt Act").

2. "Total Revenues," as such phrase is defined in the Debt Act, of the Local Government Unit for the three (3) full fiscal years ended next preceding the date hereof, computed according to the definition, are as follows:

a. All money received by the Local Government Unit, from whatever source derived, for each of the three (3) full fiscal years ended next preceding the date of this Borrowing Base Certificate, were as follows:

<u>Fiscal Year</u> <u>Ended 12/31/2017</u>	<u>Fiscal Year</u> <u>Ended 12/31/2018</u>	<u>Fiscal Year</u> <u>Ended 12/31/2019*</u>
<u>\$116,623,318</u>	<u>\$140,889,274</u>	<u>\$ 140,611,975</u>

b. The deductions or exceptions of the Local Government Unit from the amounts set forth in Paragraph 2.a., for each of the three (3) full fiscal years ended next preceding the date of this Borrowing Base Certificate, were as follows:

<u>Deduction or</u> <u>Exception</u>	<u>Fiscal Year</u> <u>Ended 12/31/2017</u>	<u>Fiscal Year</u> <u>Ended 12/31/2018</u>	<u>Fiscal Year</u> <u>Ended 12/31/2019*</u>
(1) Subsidies or reimbursements from the Federal Government or from the Commonwealth measured by the cost of or given or paid on account of a particular project financed by debt.	<u>\$ 8,285,549</u>	<u>\$19,945,141</u>	<u>\$20,258,599</u>
(2) Project revenues, rates, receipts, user charges, special assessments and special levies which are or will be pledged or budgeted for specific self-liquidating debt or for payments under leases, guaranties, subsidy contracts or other forms of agreements which could constitute lease rental debt except that the payments are payable solely from these sources, but that portion thereof that has been returned to or retained by the local government unit shall not be excluded.	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
(3) Interest on moneys in sinking funds, reserves and other funds, which interest is pledged or budgeted for the payment or security of outstanding debt, and interest on bond or note proceeds is similarly pledged.	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
(4) Grants and gift in aid of or measured by the construction or acquisition of specified projects.	<u>\$ 698,555</u>	<u>\$802,464</u>	<u>\$1,937,660</u>
(5) Proceeds from the disposition of capital assets, and other nonrecurring items, including bond or note proceeds not considered income under generally accepted municipal accounting principles.	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u>\$ 8,984,104</u>	<u>\$20,747,605</u>	<u>\$22,196,259</u>

*unaudited.

c. The "Total Revenues" of the Local Government Unit, for each of the three (3) full fiscal years ended next preceding the date of this Borrowing Base Certificate (being, for each such fiscal year, the total amount set forth in Paragraph 2.b., deducted from the amount set forth in Paragraph 2.a.), were as follows:

Fiscal Year	Fiscal Year	Fiscal Year
<u>Ended 12/31/2017</u>	<u>Ended 12/31/2018</u>	<u>Ended 12/31/2019*</u>
<u>\$107,639,214</u>	<u>\$120,141,669</u>	<u>\$118,415,716</u>

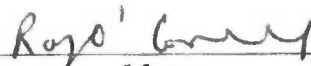
the total of which is \$346,196,599; and

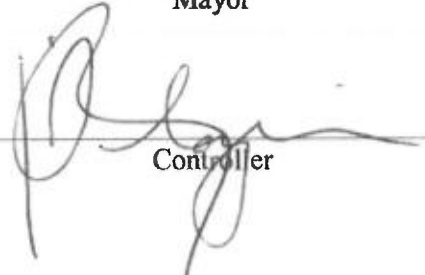
d. The annual arithmetic average of such Total Revenues for the three (3) full fiscal years ended next preceding the date of this Borrowing Base Certificate, as such Total Revenues are set forth in Paragraph 2.c., is \$ 115,398,866.

3. We, the undersigned, further certify that we have made due and proper investigation of and with respect to matters and things involved in this Borrowing Base Certificate.

IN WITNESS WHEREOF, we set our hands this 15th day of April, 2020.

CITY OF ALLENTOWN,
Lehigh County, Pennsylvania

By: 
Mayor

By: 
Controller



Herbert, Rowland & Grubic, Inc.
Engineering & Related Services

369 East Park Drive
Harrisburg, PA 17111
(717) 564-1121
www.hrg-inc.com

April 15, 2020

**REPORT ON
SELF-LIQUIDATING DEBT
OF
CITY OF ALLENTOWN
LEHIGH COUNTY, PENNSYLVANIA**

**\$7,090,000.00 Maximum Aggregate Principal Amount
Revenue Note, Series of 2020**

Prepared By:

HERBERT, ROWLAND & GRUBIC, INC.

HRG Project No. R002057.0438

REPORT OF ENGINEER

In accordance with the requirements of Section 8025(2) of the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82, of the Commonwealth of Pennsylvania, the following report is submitted to the City of Allentown, in Lehigh County, Pennsylvania (the "City"), and the Pennsylvania Department of Community and Economic Development in connection with the \$7,090,000 maximum aggregate principal amount of the City's Revenue Note, Series of 2020, the debt service from which will be paid from payments received by the City from Lehigh County Authority ("LCA") derived from sewer service charges imposed on customers of LCA.

The City previously entered into a Concession Lease Agreement dated May 1, 2013 ("Concession Lease Agreement") with the LCA wherein, in order to maintain and operate the sewer systems and wastewater systems servicing the City in accordance with certain regulatory requirements, the City agreed to issue from time to time certain Administrative Order Bonds (as that term is defined in the Concession Agreement) to fund certain improvements to the City's sewer systems to comply with certain regulatory requirements. The Revenue Note, Series of 2020 is an Administrative Order Bonds as defined by the Concession Agreement. The commitment letter from the Webster Public Finance Corporation, as purchaser of the Note, is attached hereto as Exhibit "A".

In compliance with Section 8025(2), we offer the following information:

1. The entire \$7,090,000 maximum aggregate principal amount of the Revenue Note Series 2020 to be issued by the City will constitute non-electoral debt of the City. The Revenue Note Series 2020 are to be issued by the City to: (i) refund all of the outstanding 2016 Revenue Note, (ii) finance the acquisition and construction of certain improvements to the City's sewer system to comply with certain regulatory requirements in order to fulfill its obligation under the Concession Lease Agreement (the "Capital Project"), (iii) fund capitalized interest of the Capital Project, (iv) fund a debt service reserve fund, and (v) pay the costs of issuance of the City's debt incurred to fund such project, all the foregoing collectively herein are referred to as the "2020 Project". The principal amount of the Note is deemed to be self-liquidating hereunder from payments received by the City from LCA derived from service charges imposed on customers of LCA in accordance with our attached certificate.

(i) The estimated sources and uses of funds for the 2020 Project are set forth in Exhibit "B" attached hereto and made a part hereof.

(ii) The maximum principal amount of the Revenue Note Series of 2020 to be issued by the City is \$7,090,000.00. The estimated principal installments, payment due dates, interest payments and annual debt service payments for each year during the life of the Revenue Note Series of 2020 are set forth in Exhibit "C", attached hereto and made a part hereof.

(iii) It is our opinion that the Administrative Order Fees calculated by the City, combined with the use of available funds, will be sufficient to fund the annual debt service requirements of the Revenue Note Series 2020. Calculations of the annual Administrative Order Fees, as prepared by the City, are set forth in Exhibit "D".

(iv) The 2020 Project is expected to be completed (settled) on or about May 14, 2020.

IN WITNESS WHEREOF, I hereunto set my hand and affix my signature along with the Professional Engineer Seal this 15th day of April 2020.

Herbert, Rowland & Grubic, Inc.



Kevin M. Fox

By: Kevin M. Fox, P.E.
Financial Services Group Manager

(REGISTERED PROFESSIONAL
ENGINEER'S SEAL)

EXHIBIT "A"

Commitment Letter from the Webster Public Finance Corporation,
As Purchaser of the Note, Series 2020

Please see attached page

The City of Allentown, Lehigh County, Pennsylvania
Summary of Terms & Conditions

\$7,090,000 Project Revenue Note, Series 2019
(The "Notes/Obligations/Loan")

The terms and conditions contained herein are subject to satisfactory completion of due diligence, internal credit approval and such other conditions as may be required by Webster Bank, N.A. and the Webster Public Finance Corporation in its sole discretion. This term sheet is confidential and is not to be relied upon by third parties. Webster Bank, N.A. and the Webster Public Finance Corporation are not registered municipal advisors and cannot provide advice in connection with municipal financial products.

I) Transaction

Issuer:	The City of Allentown, Lehigh County, Pennsylvania (the "City").
Lender:	The Webster Public Finance Corporation (WPFC).
Par Amount:	\$7,090,000, tax exempt.
Purpose:	<p>The proceeds to be derived by the City from the Note will be used to refinance all or a portion of the City's 2016 Special Revenue Note and to provide the funds for capital projects (the "Administrative Order Projects") related to remediating the effects of I&I as established pursuant to various Administrative Orders of the Environmental Protection Administration in connection with the sewer system leased by the City to the Lehigh County Authority (the "LCA" or "Authority"), pursuant to the terms of a Concession Lease Agreement between the City and the LCA dated as of May 1, 2013 (the "Concession Agreement"). Proceeds will be deposited in an Administrative Order Escrow Fund for the benefit of the City and the Authority to pay the costs of Administrative Order Projects to be undertaken by the Authority.</p> <p>Proceeds of the Note will be used to fund (1) costs of the Administrative Order Projects; (2) a debt service reserve fund equal to the lesser of 10% of the Note, 125% of average annual debt service or maximum annual debt service; (3) one year of capitalized interest; and, (4) costs and expenses of issuing the Note.</p>
Closing:	Closing will occur by May 14, 2020.
Maturity:	Final maturity will occur on or about December 1, 2034. Average life on the Note is 9 years.
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Tax Status:	\$7,090,000 will be designated tax-exempt.
Disclosure:	Please see "Private Placement" herein.

Bank Counsel:	Please see "Other Fees" herein.
Security:	<p>The Note is payable from and secured by a first lien upon all payments received by the City from the Authority derived from service charges imposed on customers of the LCA ("Service Charges") allocable to debt service on the City's Administrative Order Bonds under Section 4.16(b) of the Concession Agreement.</p> <p>The City will covenant in an Ordinance (the "Ordinance") with the holders of the Note to (1) include the amount of debt service of the Note in its budget for each fiscal year, (2) appropriate such amounts from Service Charges for the payment of such debt service, and (3) duly and punctually pay from the sinking fund established under the Ordinance the principal of and interest on the Note(s) on the dates and in the place and manner described in such Note(s). For such budgeting, appropriation and payment, the City pledges payments received or to be received by the City from the Authority derived from Service Charges allocable to debt service on the City's Administrative Order Bonds, including the Note pursuant to Section 4.16(b) of the Concession Agreement.</p> <p>The City shall execute, acknowledge and deliver to the Bank a UCC-1 filing perfecting the lien on Service Charges.</p>
Legal Opinion:	A legal opinion as to the tax-exempt status of the Obligations and the validity and enforceability of the Obligations and other documentation.
Prepayment:	The City shall have the ability to prepay any or all of the par amount of the outstanding obligations at any time after December 1, 2023 with 30 days' written of notice with a 1% prepayment fee, and at any time after December 1, 2025 with 30 days' written of notice with no fee.
Private Placement:	The Obligations are being offered pursuant to private placement. No offering document constituting an "official statement" will be prepared, and the Obligations will be in minimum authorized denominations of \$100,000. The Bank will deliver a certificate to the City and Bond Counsel at Settlement to the effect that the Bank agrees to purchase the Obligations without an official statement and will not reoffer the Obligations for sale or sell the Obligations to more than thirty-five persons each of whom the Bank reasonably believes: (i) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment; and (ii) is not purchasing for more than one account or with a view to distributing the Obligations and shall agree on the foregoing limitations within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended.
Interest Rate:	WPFC's tax-exempt fixed rate will be 3.326%.

Upfront Fees: None.

Other Fees: The Bank will charge no fees for this loan. However, the City is responsible for all reasonable costs and expenses relating to the transaction including, but not limited, to Bond Counsel, Bank Counsel, and Municipal Advisor, and any other fees and expenses incidental to the transaction contemplated by this term sheet. Estimated Bank Counsel fees will not exceed \$12,500 and shall be paid at closing.

Covenants: Usual and customary for transactions of this type, including, without limitation, the following: (i) payment of obligations; (ii) compliance with laws; (iii) maintenance of books and records; (iv) use of proceeds; and (vi) such other customary covenants for a transaction of this type.

In addition, the lender shall require rates and charges be established by the City at sufficient levels in each Fiscal Year during which the loan is outstanding to produce Service Charges that shall equal at least 100% of the principal, sinking fund, and interest requirements coming due during such year on all outstanding Bonds, including these notes, and to replenish any deficiencies in the Debt Service Account and the Debt Service Reserve Fund within one fiscal year. Per section 4.16(b) of the Concession Agreement, The Annual Debt Service payable with respect to the repayment of the Administrative Order Bonds will be allocated to the Municipal Customers that are parties to Sewer Service Agreements and to retail customers of the Sewer Utility System. Not less than 30 days prior to the first day of each Reporting Year, the City shall prepare and submit to the Concessionaire a report setting forth for that Reporting Year, the Annual Debt Service, the Aggregate Municipal Customer Share, the Net Debt Service Payment, the Municipal Customer Share of each Municipal Customer and the portion of each Municipal Customer payment to be withheld by the City as a periodic payment of the Municipal Customer Share for the Reporting Year. If the Annual Debt Service requirements for any Reporting Year are changed during the Reporting Year, the City shall prepare and submit to the Concessionaire a revised report and the revised report shall supersede each prior report.

The lender will also require a Debt Service Reserve Fund to be set at the lesser of three tests: the lesser of 10% of the Note, 125% of average annual debt service or maximum annual debt service. This account will be held by Webster, and subject to replenishment annually to the extent it is drawn upon through the imposition of Service Charges.

Any moneys collected by the Concessionaire by virtue of the imposition of Service Charges to fund Net Debt Service Charges pursuant to Section 7.1(l) are the property of the City and the Concessionaire shall promptly pay such moneys to, or upon the order of, the City. Such moneys will be collected in the Debt Service Account. This account shall be a Webster

held account, and is not to be comingled with regular operating fund of the City. The lender will require the Borrower to maintain a minimum cash balance in the Debt Service Account in the amount of \$150,000 to be tested annually at the close of the Borrower's fiscal year. This account will be held by Webster, and subject to replenishment annually to the extent it is drawn upon through the imposition of Service Charges.

The City shall receive approval from the Purchaser prior to entering into any supplement or amendment to the Concession Agreement pertaining to the imposition of Service Charges, and prior to issuing any additional Administrative Order Bonds thereunder. The City also agrees that no senior lien on Service Charges will be permitted while the Note is outstanding.

Reporting Requirements: The Bank requests that the City submit the following information to the Bank for purposes of annual due diligence, and as requested by the Bank:

1. Audited annual financial statements of the City (or unaudited annual financial statements if the audited annual financial statements are not yet available), within 270 days after the end of the fiscal year, beginning with financials for FY2019.
2. Net Assessed Valuation of the City of the top 10 taxpayers of the City, to the extent included in the disclosure of General City information required under Rule 15c2-12, beginning with the information relevant to fiscal year ending 12/31/19.
3. Statement of Debt and compliance with statutory debt limits to the extent included in audited annual financial statements.
4. Adopted budget of the City within 30 days of approval, beginning with the approved budgets for the 2020 fiscal year.
5. Monthly collections report, showing monthly service charge receipts and aggregate year to date service charges received.
6. Annual Certificate demonstrating maintenance of the Minimum Cash Balance.

Any other financial information as the Bank may reasonably request

Conditions Precedent: The Closing will be conditioned upon: (i) the negotiation, execution and delivery of definitive documentation in form and substance satisfactory to the Purchaser, (ii) delivery to the Purchaser in form and substance satisfactory to the Purchaser of a standard approving opinion of bond counsel regarding validity and legality of, and security for the Notes, an opinion of City's counsel in customary form, and closing certificates of officials of the City as to the issuance of the Notes, (iii) receipt of satisfactory financial information, budgets, projections, etc. as requested by the Purchaser, (iv) receipt of an advisory opinion regarding the mechanism for fund replenishment of a debt service reserve fund and a minimum balance in the debt service fund; and, (v)

such other conditions precedent as are customary for a financing of the type contemplated.

**Representations and
Warranties:**

Usual and customary for transactions of this type including, without limitation, the following: (i) legal existence, qualification and power; (ii) due authorization and no contravention of law, contracts or organizational documents; (iii) governmental and third party approvals and consents; (iv) enforceability; (v) accuracy and completeness of specified financial information; (vi) no material litigation; (vii) no default; (viii) compliance with laws; (ix) no bankruptcy or insolvency proceedings; and (x) such other representations and warranties as are customary for a transaction of this type.

IN WITNESS WHEREOF, and acknowledging acceptance and agreement of the foregoing, the Bank and the City affix their signatures hereto on this ____ day of April, 2020.

WEBSTER PUBLIC FINANCE CORPORATION

By: _____
Name: Xaykham Khamsyvoravong
Title: Delegate for of Christopher Motl
Vice President
Webster Public Finance Corporation

CITY OF ALLENTOWN, LEHIGH COUNTY, PENNSYLVANIA

By: _____
Name: _____
Title: _____

EXHIBIT "B"

Revenue Note, Series 2020 Estimated Costs

Please see attached page

EXHIBIT "B"

**COST OF THE PROJECT
TO BE FUNDED BY THE REVENUE NOTE SERIES OF 2020**

**City of Allentown
Lehigh County, PA**

Sources of Funds

Par Amount	\$ 7,090,000.00
Other Sources of Funds ^[1]	191,699.00
Total Sources	\$ 7,281,699.00

Uses of Funds

Project Fund Deposit	\$ 4,114,351.00
Refunding Deposit	2,265,362.96
Debt Service Reserve Fund	639,359.40
Capitalized Interest Fund ^[2]	166,490.32
Cost of Issuance	92,500.00
Rounding	3,635.32
Total Uses	\$ 7,281,699.00

Notes:

[1] 2016 Debt Service Reserve Fund.

[2] Pay the interest portion of the scheduled payments on December 2020 and 2021.

Source: NW Financial Group, LLC

EXHIBIT "C"

Principal Installments, Due Dates, Interest Payments, Debt Service Payments

and

Annual Debt Service Payments for the Revenue Note, Series 2020

Please see the following pages¹

¹ Assumes the Revenue Note Series of 2020 are issued on or about May 14, 2020 and bear interest from that date at the rates shown on the attached pages and are payable June 1st and December 1st of each year. Principal payments are payable on December 1st of each year. Both principal and interest payments commencing December 1, 2020, until maturity thereof. The Note is paid off on December 1st of the year shown on the attached schedule, Exhibit "B".

EXHIBIT "C"

**PRINCIPAL INSTALLMENTS, PAYMENT DUE DATES, INTEREST PAYMENTS, DEBT SERVICE PAYMENTS AND
ANNUAL DEBT SERVICE PAYMENTS FOR THE REVENUE NOTE SERIES OF 2020**

**City of Allentown
Lehigh County, PA**

AMORTIZATION SCHEDULE							
Payment Due Date	Annual Debt Service	Debt Service Payment	Principal Maturity	Coupon Rate	Interest Payment	Less Capitalized Interest	Principal Remaining
							\$ 7,090,000.00
12/01/2020	\$ 127,043.41	\$ 127,043.41	\$ 85,000.00	3.326%	\$ 129,042.33	\$ (86,998.92)	7,005,000.00
06/01/2021		116,493.15			116,493.15		
12/01/2021	558,494.90	442,001.75	405,000.00	3.326%	116,493.15	(79,491.40)	6,600,000.00
06/01/2022		109,758.00			109,758.00		
12/01/2022	634,516.00	524,758.00	415,000.00	3.326%	109,758.00		6,185,000.00
06/01/2023		102,856.55			102,856.55		
12/01/2023	630,713.10	527,856.55	425,000.00	3.326%	102,856.55		5,760,000.00
06/01/2024		95,788.80			95,788.80		
12/01/2024	631,577.60	535,788.80	440,000.00	3.326%	95,788.80		5,320,000.00
06/01/2025		88,471.60			88,471.60		
12/01/2025	631,943.20	543,471.60	455,000.00	3.326%	88,471.60		4,865,000.00
06/01/2026		80,904.95			80,904.95		
12/01/2026	631,809.90	550,904.95	470,000.00	3.326%	80,904.95		4,395,000.00
06/01/2027		73,088.85			73,088.85		
12/01/2027	636,177.70	563,088.85	490,000.00	3.326%	73,088.85		3,905,000.00
06/01/2028		64,940.15			64,940.15		
12/01/2028	634,880.30	569,940.15	505,000.00	3.326%	64,940.15		3,400,000.00
06/01/2029		56,542.00			56,542.00		
12/01/2029	633,084.00	576,542.00	520,000.00	3.326%	56,542.00		2,880,000.00
06/01/2030		47,894.40			47,894.40		
12/01/2030	635,788.80	587,894.40	540,000.00	3.326%	47,894.40		2,340,000.00
06/01/2031		38,914.20			38,914.20		
12/01/2031	632,828.40	593,914.20	555,000.00	3.326%	38,914.20		1,785,000.00
06/01/2032		29,684.55			29,684.55		
12/01/2032	634,369.10	604,684.55	575,000.00	3.326%	29,684.55		1,210,000.00
06/01/2033		20,122.30			20,122.30		
12/01/2033	635,244.60	615,122.30	595,000.00	3.326%	20,122.30		615,000.00
06/01/2034		10,227.45			10,227.45		
12/01/2034	635,454.90	625,227.45	615,000.00	3.326%	10,227.45		
	\$ 8,923,925.91	\$ 8,923,925.91	\$ 7,090,000.00		\$ 2,000,416.23	\$ (166,490.32)	

Source: NW Financial Group, LLC

EXHIBIT "D"

Administration Order Fee Calculation

and

Assumptions Related to Exhibit "D"

Please see the following pages

EXHIBIT "D"

Administrator Order Fee Calculation (4)

Line No.	AO Note Series of 2020	WW Treatment Allocation (Million Gallons)	Allocation (%) Total System	Allocation (%) w/o Allentown	12/31/2019				12/31/2020				12/31/2021				12/31/2022				12/31/2023			
					2019				2020 (3)				2021				2022				2023			
1	2016 Note				\$	185,946.70	\$	30,821.70	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2	2020 Note																							
3	2016 Refunding Portion				\$				127,043.41				204,003.50				199,679.70				200,355.90			
4	2020 New Money Portion				\$				86,998.92				433,982.80				434,836.30				430,357.20			
5	Capitalized Interest/DSRF Income (2016&2020)				\$				(86,998.92)				(79,491.40)				-				-			
6	Capitalized Interest/DSRF Income (2016 Refunding Portion)				\$				-				-				-				-			
7	Capitalized Interest/DSRF Income (2020 Refunding Portion)				\$				(86,998.92)				(79,491.40)				-				-			
8	TOTAL ANNUAL DEBT SERVICE TO SYSTEM	40.00	100.0%		\$	185,946.70	\$	157,865.11	\$	558,494.90	\$	634,516.00	\$	630,713.10										
9	2016 NOTE - ALLOCABLE PORTION TO SIGNATORIES					40.93%		40.93%		40.93%		40.93%		40.93%										
10	2019 NOTE - ALLOCABLE PORTION TO SIGNATORIES					20.00%		20.00%		20.00%		20.00%		20.00%										
11	TOTAL ANNUAL SIGNATORY DEBT SERVICE PORTION	20.68	51.7%	100.0%	\$	76,109.64	\$	64,615.59	\$	154,398.73	\$	168,697.94	\$	168,078.89										
12	Coplay Whitehall Sewer Authority	3.76	9.4%	18.18%	\$	13,838.12	\$	11,748.29	\$	28,072.50	\$	30,672.35	\$	30,559.80										
13	Emmaus	1.40	3.5%	6.77%	\$	5,152.49	\$	4,374.36	\$	10,452.53	\$	11,420.56	\$	11,378.65										
14	Lehigh County Authority	10.78	27.0%	52.13%	\$	39,674.17	\$	33,682.60	\$	80,484.44	\$	87,938.29	\$	87,615.59										
15	Salisbury Township	1.99	5.0%	9.62%	\$	7,323.90	\$	6,217.84	\$	14,857.52	\$	16,233.51	\$	16,173.94										
16	South Whitehall Township (1)	2.50	6.3%	12.09%	\$	9,200.88	\$	7,811.36	\$	18,665.22	\$	20,393.85	\$	20,319.02										
17	Lower Macungie Township	0.25	0.6%	1.21%	\$	920.09	\$	781.14	\$	1,866.52	\$	2,039.39	\$	2,031.90										
18	Total Payable by Municipal Signatories				\$	76,109.64	\$	64,615.59	\$	154,398.73	\$	168,697.94	\$	168,078.89										
19	City of Allentown (includes Hanover Township)				\$	109,837.06	\$	93,249.52	\$	404,096.17	\$	465,818.06	\$	462,634.21										
20	Uncollected AO Fee From Prior Year (Assume 1% Under-Collected)(2)		48.3%		\$	-	\$	-	\$	1,098	\$	932	\$	4,052										
21	Total AO Fee to be Collected from City Ratepayers				\$	109,837	\$	93,250	\$	405,195	\$	466,751	\$	466,686										
22	Allentown Ratepayer Total Billable Sewer Flow (Assumes No Change in Annual Sewer Flows)				3,029,401,705				3,029,401,705				3,029,401,705				3,029,401,705				3,029,401,705			
23	AO Fee / Surcharge Rate per 1000 Gallons				\$	0.03626	\$	0.03078	\$	0.13375	\$	0.13407	\$	0.15405										
24	Debt Service to be Collected				\$	185,946.70	\$	157,865.11	\$	558,494.90	\$	634,516.00	\$	630,713.10										
25	Non-Construction Fund Balances																							
26	Debt Service Reserve Fund				\$	639,359.40	\$	639,359.40	\$	639,359.40	\$	639,359.40	\$	639,359.40										
27	Capitalized Interest Fund				\$	166,490.32	\$	79,491.40	\$	-	\$	-	\$	-										
28	AO Service Charges Fund				\$	169,142.00	\$	169,142.00	\$	169,142.00	\$	169,142.00	\$	169,142.00										

Notes:

- (1) Per agreement, South Whitehall Township hold 3.0 MGD of capacity, of which 0.50 million gallons is "grandfathered" from the City, not subject to debt service.
- (2) "Uncollected AO Fee From Prior Year" will include an adjustment for any under-collected / over-collected portion of the City Ratepayer AO Fee from the prior year. The AO Fee will be collected through billings issued within a calendar year, but collections activities will extend an additional 6 months beyond the end of that calendar year. As a result, the adjustment for any amounts under-collected / over-collected will be reflected in the 2nd calendar year that follows the calendar year in which the AO Fee was implemented. Such adjustments will be calculated based on actual amounts billed and collected, which may fluctuate from that calendar year. These fluctuations may occur due to collections experience (customer delinquencies) as well as increases/decreases in actual flows during the billing year vs. the prior year flows on which the fee is calculated.
- (3) The 2020 Budgeted AO Service Charges is \$185,643
- (4) Prepared and provided by City of Allentown.

Administrator Order Fee Calculation (4)

[illegible]

EXHIBIT "D"

Administrator Order Fee Calculation ⁽⁴⁾

Line	No.	AO Note Series of 2020	12/31/2032	12/31/2033	12/31/2034
			2032	2033	2034
1		2016 Note	\$ -	\$ -	\$ -
2		2020 Note			
3		2016 Refunding Portion	203,958.20	202,805.10	201,485.70
4		2020 New Money Portion	430,410.90	432,439.50	433,969.20
5		Capitalized Interest/DSRF Income (2016&2020)	-	-	(639,359.40)
6		Capitalized Interest/DSRF Income (2016 Refunding Portion)	-	-	(194,627.01)
7		Capitalized Interest/DSRF Income (2020 Refunding Portion)	-	-	(414,329.01)
8		TOTAL ANNUAL DEBT SERVICE TO SYSTEM	\$ 634,369.10	\$ 635,244.60	\$ (3,904.50)
9		2016 NOTE - ALLOCABLE PORTION TO SIGNATORIES	40.93%	40.93%	40.93%
10		2019 NOTE - ALLOCABLE PORTION TO SIGNATORIES	20.00%	20.00%	20.00%
11		TOTAL ANNUAL SIGNATORY DEBT SERVICE PORTION	\$ 169,564.09	\$ 169,497.83	\$ 6,735.36
12		Coplay Whitehall Sewer Authority	\$ 30,829.83	\$ 30,817.79	\$ 1,224.61
13		Ermaus	\$ 11,479.19	\$ 11,474.71	\$ 455.97
14		Lehigh County Authority	\$ 88,389.79	\$ 88,355.25	\$ 3,510.99
15		Salisbury Township	\$ 16,316.85	\$ 16,310.48	\$ 648.13
16		South Whitehall Township (1)	\$ 20,498.56	\$ 20,490.55	\$ 814.24
17		Lower Macungie Township	\$ 2,049.86	\$ 2,049.06	\$ 81.42
18		Total Payable by Municipal Signatories	\$ 169,564.09	\$ 169,497.83	\$ 6,735.36
19		City of Allentown (includes Hanover Township)	\$ 464,805.01	\$ 465,746.77	\$ (10,639.86)
20		Uncollected AO Fee From Prior Year (Assume 1% Under-Collect	\$ 4,714	\$ 4,691	\$ 4,695
21		Total AO Fee to be Collection from City Ratepayers	\$ 469,519	\$ 470,438	\$ (5,945)
22		Allentown Ratepayer Total Billable Sewer Flow (Assumes No Change in Annual Sewer Flows)	3,029,401,705	3,029,401,705	3,029,401,705
23		AO Fee / Surcharge Rate per 1000 Gallons	\$ 0.15499	\$ 0.15529	\$ (0.00196)
24		Debt Service to be Collected	\$ 634,369.10	\$ 635,244.60	\$ (3,904.50)
25		Non-Construction Fund Balances			
26		Debt Service Reserve Fund	\$ 639,359.40	\$ 639,359.40	\$ 639,359.40
27		Capitalized Interest Fund	\$ -	\$ -	\$ -
28		AO Service Charges Fund	\$ 169,142.00	\$ 169,142.00	\$ 169,142.00

ASSUMPTIONS

Supporting the Amounts Presented in Exhibit "D"

Project Costs:

The projections presented in Exhibit "D" assume that the total cost of the Project funded by the Revenue Note Series of 2020 does not exceed \$7,090,000 as presented in Exhibit B.

Administration Order Fee Calculation Prepared by City of Allentown

LCA, as concessionaire of the System, will be responsible for implementing the Administrative Order Fee, billing and collecting all amounts owed by municipal customers, as well as retail customers, and remitting funds collected from the Administrative Order Fee to the City to be used as payment toward the annual principal and interest payments associated with the Administrative Order Bonds. City of Allentown has prepared the calculation of the Administrative Order Fee for each year of the collection period, which is Exhibit "D" of this report. The calculated Administrative Order Fee in each year of the collection period is shown on Line 23 of Exhibit "D". The Administration Order Fee is in addition to the sewer fees paid by customers that include consumption/usage fee, fixed charges/meter fee and capital recovery fee.

In the calculation, the annual debt service associated with the Administrative Order Bonds was allocated to each municipal customer based on the level of annual wastewater treatment plant capacity assigned to each customer, pursuant to their respective Sewer Service Agreements. The percentage of the annual debt service requirement for the Administrative Order Bonds allocated to each municipality, and the capacity assigned to each municipal customer, is also shown in Exhibit "D". It is anticipated that the municipalities, except the City of Allentown, will be assessed a fixed charge per quarter, based on their allocated share of the debt service costs.

The Administrative Order cost share for the City is anticipated to be received from individual city customers by establishing a rate per 1,000 gallons of billed flow. The Administrative Order Fees were calculated by LCA by dividing the amount of Administrative Order Bond debt service allocated to the City of Allentown customers by an estimate of the annual billable flows attributable to the City.

The calculation assumes that 1.0 percent of the Administrative Order Fees billed to City of Allentown customers will be uncollectable. The City adjusts for any amounts under-collected / over-collected will be reflected in the 2nd calendar year that follows the calendar year in which the Administrative Order Fee was implemented.

Gross Revenues:

The estimated net revenues have been computed from the City's best estimate of the gross revenues to be obtained from the rentals, rates, and charges and by deducting from such gross revenues in each year the total estimated cost of operation and maintenance of the Project. The rentals, rates, and charges will be established by ordinance or from the payments under bulk service or other contracts with other local government units or authorities for the use of the Project.

Revenues have been estimated and projected based on the City Division revenues as shown in the LCA's 2020 Budget report dated October 19, 2019, pages 43 to 55 and the following assumptions:

- The City will maintain its existing customer base of at least 33,360 residential and commercial customers during the term of the Revenue Note Series of 2020.
- The seven signatures (including Hanover Township) are maintained and pay for their respective shares of the debt service and operation and maintenance costs.
- The City shall establish rates and charges at sufficient levels in each fiscal year of the City during which the Note is outstanding to produce Service Charges that shall equal at least 100% of the principal, sinking fund and interest requirements due during such year on all outstanding Administrative Order Bonds, including the Note, and to replenish any draws on the Debt Service Reserve Fund within one fiscal year as described herein. The City shall direct LCA to impose Service Charges sufficient to pay the principal and interest on the Note.
- The City will comply with all requirements imposed by the terms of the Revenue Note Series of 2020.

Operations and Maintenance Costs:

Operating expenses for the Sewer System have been estimated and projected based on the City Division expenses as shown in LCA's 2020 Budget report dated October 19, 2019, pages 43 to 55. Although additional users may be added to the Sewer System during the term of the Revenue Note Series 2020, the costs related to serving additional users have not been included in the projection. However, the user fee to be collected from new users will be sufficient to pay the additional costs of operation, maintenance and administration related to the additional user(s).

The impact of general operational and administration expense increases due to will likely require future rate increases.

The cost of future capital additions, major maintenance and extraordinary repairs has been assumed to be paid from surplus revenues, additional borrowings or other available funds as specified in the Concession Lease Agreement.

Other Debt Service:

No other debts sewer debt service exists besides the 2016 Revenue Note that is being refunded and the 2020 Revenue Note; both of which are part of the "2020 Project".

Limitations of Assumptions:

To the extent that any of the above assumptions are not fully realized, it will adversely impact the amounts set forth in Exhibit "D".

Disclosure:

Herbert, Rowland & Grubic, Inc. (HRG) is required to make disclosures stating the limitations of the work contained within the document and its use. In accordance with the Securities Exchange Act of 1934, the following disclosure statements are incorporated into this report:

This report was prepared solely for the benefit of and use by the City of Allentown (City) for the discrete purposes set forth herein. The City did not request HRG to provide, and HRG does not offer to provide, nor did or will it provide, any services constituting the services of a "municipal advisor" as defined by the Securities Exchange Act of 1934, as amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act (Pub. L. 111-203, H. R. 4173) and regulations promulgated thereunder, or any successor statute or provisions thereto. Accordingly, HRG is not a municipal advisor registered with the U.S. Securities and Exchange Commission.

In the performance of its services on behalf of the City, HRG is (a) not recommending any action on behalf of the City to municipal financial products or the issuance of municipal securities; (b) is not acting as a municipal advisor to the City, and does not owe a fiduciary duty to the City pursuant to Section 15B of the Securities Exchange Act of 1934, as amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act, with respect to the information and material prepared in connection with this scope of work; and (c) acting for its own interests. The City shall engage a registered municipal advisor and shall discuss any information and material prepared in connection with this report with any and all internal and external registered municipal advisors and other financial advisors and experts whom the City deems appropriate before acting on this information and material.

The City acknowledges that: (a) it shall retain, and has retained, the services of an independent registered municipal advisor, who, during the past two years, was not associated with HRG, and (b) HRG does not provide opinions on or advocates for using a financial product (issuing debt) or the choice of financial products employed.

In the performance of its services on behalf of the City, HRG did not intend to create, and hereby did not create, any right on the part of any third party to rely upon this document. Use of this document should not, and does not, absolve the third party from using due diligence in verifying the report's contents.

HRG's effort in the preparation of this report is consistent with (i) the degree of care and skill ordinarily exercised by members of the same profession currently practicing under same or similar circumstances and (ii) the time and budget available for its work in its endeavor to ensure that the data contained in the report is accurate as of the date of its preparation. This analysis was based on estimates, assumptions and other information developed by HRG from its independent research effort, general knowledge of the industry, and information provided by, and consultations with, the City, LCA and their respective representatives and consultants. HRG assumes no responsibility or liability for inaccuracies in reporting and data provided by the City, LCA, and their respective agents and representatives, or any third-party data source used in preparing or presenting this study.

HRG did not independently verify the accuracy of the information provided by the City, LCA and others in creating this report; however, HRG's opinion is based upon the supposition that such

sources are reliable and the information obtained therefrom is appropriate for the analysis undertaken and the conclusions reached. While we believe such sources are reliable and the information obtained to be accurate and appropriate for the analysis undertaken, and the conclusions reached herein, as is often the case, there may be differences between actual and projected results, some of the estimates used in this report will not be realized, and unanticipated events and circumstances may occur. To the extent the information provided to HRG by the City, LCA and others is not accurate, or not inclusive of all details, the conclusions and recommendations contained in this report may vary, and are subject to change. Moreover, there are likely to be differences between the data and results projected in this report and actual results achieved, and those differences may be material. Accordingly, HRG assumed and assumes no responsibility for inaccuracies in reporting by the City, LCA or any third-party data source used in preparing such opinion.

Additionally, HRG relied on assumptions, forecasts, data and statistics provided by the City, LCA, as well as their consultants, and published industry references. Forward-looking statements included in this report, which may be identified by the use of words like "anticipate", "believe", "estimate", "expect", "intend", "may", "plan", "project", "will", "should", "seek", and similar expressions, refer to HRG's views and assumptions with respect to future events as of the date of this document, and are subject to future economic conditions, results, and other risks and uncertainties. Actual and future results and trends could differ materially from those set forth in such statements due to various factors, including, without limitation, those mentioned in this document. These factors are beyond HRG's ability to control or predict. Accordingly, HRG makes no warranty or representation that any of the projected values or results contained in this report will actually be achieved.

HRG's findings represent its professional judgment. HRG makes any warranty, expressed or implied, with respect to any information or methods disclosed in this report. No recipient of the report shall have any claim against HRG for any liability for direct, indirect, consequential, or special loss or damage arising out of its receipt and use of this document whether arising in contract, warranty (express or implied), tort or otherwise, and irrespective of fault, negligence and strict liability.

Any changes made to this report, or any use of this document not specifically identified or intended by HRG, shall be at the sole risk of the party making such changes or adopting such use.

This report is qualified in its entirety by, and should be considered in light of, these limitations, conditions and considerations.

\$7,090,000
CITY OF ALLENTOWN
LEHIGH COUNTY, PENNSYLVANIA
REVENUE NOTE, SERIES OF 2020

CONSULTANT ENGINEER'S CERTIFICATE PURSUANT TO SECTION 8025(2)

This certificate is being delivered in connection with the issuance by the City of Allentown, Lehigh County, Pennsylvania (the "City") of its Revenue Note, Series of 2020 (the "Note") and in accordance with Section 8025(2) of the Local Government Unit Debt Act, 53 Pa. C.S. § 8001 *et seq.*, as amended and supplemented. The Note is being issued pursuant to an Ordinance (the "Ordinance") enacted by the City Council of the City on April 15, 2020, for the purpose of undertaking the (i) current refunding of all of the City's outstanding Revenue Note, Series of 2016, in order to reduce the total debt service pursuant to Section 8241(b)(1) of the Debt Act (the "Refunding Project"), (ii) the financing of the acquisition and construction of certain improvements to the City's sewer system to comply with certain regulatory requirements in order to fulfill its obligation under the Lease (hereinafter defined) (the "Capital Project"), (iii) funding capitalized interest of the Capital Project, (iv) funding a debt service reserve fund, and (v) paying the costs of issuance of the Note.

The undersigned, Kevin M. Fox, P.E., a Registered Professional Engineer of Herbert, Rowland and Grubic, Inc. located in the Harrisburg, Pennsylvania, does hereby certify that that the estimated payments received by the City from Lehigh County Authority (the "Authority") derived from service charges imposed on customers of the Authority ("Service Charges") allocable to debt service on the City's Administrative Order Bonds under Section 4.16(b) of the Concession Lease Agreement, dated as of May 1, 2013, between the City and the Authority (the "Lease") will be sufficient to pay, when due, the debt service on the Note as presented in my report included with this certificate titled 'Report On Self-Liquidating Debt of City of Allentown, Lehigh County, Pennsylvania' dated April 15, 2020.

The commitment letter from the Webster Public Finance Corporation, as purchaser of the Note, is attached hereto as Exhibit "A". The debt service payable on the Note is set forth in Exhibit "C" attached hereto and made a part hereof. Attached hereto as Exhibit "D" is a computation showing, in reasonable detail, that the estimated payments received by the City from the Authority derived from Service Charges allocable to debt service on the City's Administrative Order Bonds under Section 4.16(b) of the Lease, will be sufficient during the life of the Note to pay the debt service on the Note.

Dated this 15th day of April, 2020.



Herbert, Rowland & Grubic, Inc.

Kevin M. Fox

By: Kevin M. Fox, P.E.
Financial Services Group Manager

(REGISTERED PROFESSIONAL
ENGINEER'S SEAL)

\$7,090,000
CITY OF ALLENTOWN
LEHIGH COUNTY, PENNSYLVANIA
REVENUE NOTE, SERIES OF 2020

CERTIFICATE PURSUANT TO SECTION 8025(1)

The undersigned, (Vice) President of City Council of the City of Allentown, Lehigh County, Pennsylvania (the "City"), and City Clerk, hereby certify as follows:


(a) Amount of Debt. Pursuant to the provisions of an ordinance (the "Ordinance") of the City enacted on April 15, 2020, the City has authorized the issuance of its \$7,090,000 Revenue Note, Series of 2020 (the "Note").


(b) Project for Which the Debt was Incurred. The Note is being issued for the purpose of undertaking the (i) current refunding of all of the City's outstanding Revenue Note, Series of 2016, in order to reduce the total debt service pursuant to Section 8241(b)(1) of the Debt Act (the "Refunding Project"), (ii) the financing of the acquisition and construction of certain improvements to the City's sewer system to comply with certain regulatory requirements in order to fulfill its obligation under the Lease (hereinafter defined) (the "Capital Project"), (iii) funding capitalized interest of the Capital Project, (iv) funding a debt service reserve fund, and (v) paying the costs of issuance of the Note.

(c) Nature of Revenues From Which Note is to be Paid. Pursuant to the Ordinance, the Note is a revenue obligation of the City. The Note will be an obligation of the City payable from payments received by the City from Lehigh County Authority ("LCA") derived from service charges imposed on customers of LCA ("Service Charges") allocable to debt service on the City's Administrative Order Bonds under Section 4.16(b) of the Concession Lease Agreement. The City hereby covenants to and with the Purchaser and its successors or assigns as holder of the Note that the City shall direct LCA to impose Service Charges sufficient to pay the principal and interest on the Note. The City has assigned and pledged to the Purchaser (as defined in the Ordinance) and its successors or assigns as holder of the Note, all right, title and interest of the City in and to the income and revenues to be derived from the payments received by the City from LCA from Service Charges allocable to debt service on the City's Administrative Order Bonds, including the Note, under Section 4.16(b) of the Concession Lease Agreement.

Dated this 15th day of April, 2020.

CITY OF ALLENTOWN,
Lehigh County, Pennsylvania

By: 
(Vice) President of the Council

By: 
City Clerk

(SEAL)

ECKERT
SEAMANS
ATTORNEYS AT LAW

Eckert Seamans Cherin & Mellott, LLC
213 Market Street
8th Floor
Harrisburg, PA 17101

TEL: 717 237 6000
FAX: 717 237 6019

April 15, 2020

City of Allentown
435 Hamilton Street
Allentown, PA 18101-1699

Department of Community and Economic Development
Office of Chief Counsel
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225

Re: City of Allentown, Lehigh County, Pennsylvania, \$7,090,000 Revenue Note, Series of 2020

Ladies and Gentlemen:

We are serving as bond counsel to the City of Allentown, Lehigh County, Pennsylvania (the "City"), in connection with the issuance of its \$7,090,900 Revenue Note, Series of 2020 (the "Note"). The Note is being issued pursuant to an Ordinance (the "Ordinance") enacted by City Council on April 15, 2020, for the purpose of (i) refunding all of the City's outstanding Revenue Note, Series of 2016, in order to reduce the total debt service pursuant to Section 8241(b)(1) of the Debt Act (the "Refunding Project"), (ii) financing the acquisition and construction of certain improvements to the City's sewer system to comply with certain regulatory requirements in order to fulfill its obligations under the Lease (hereinafter defined) (the "Capital Project"), (iii) funding capitalized interest of the Capital Project, (iv) funding a debt service reserve fund, and (v) paying the costs of issuance of the Note.

We are of the opinion, pursuant to Section 8025(3) of the Local Government Unit Debt Act, 53 Pa. C.S. § 8001 *et seq.*, as amended and supplemented, that the holders of the Note have no claim upon the taxing power or tax revenues of the City, but only claims upon the income and revenues to be derived from payments received by the City from Lehigh County Authority (the "Authority") derived from service charges imposed on customers of the Authority ("Service Charges") allocable to debt service on the City's Administrative Order Bonds under Section 4.16(b) of the Concession Lease Agreement, dated as of May 1, 2013, between the City and the Authority.

Very truly yours,



ECKERT SEAMANS CHERIN & MELLOTT, LLC

\$7,090,000

\$7,090,000

**UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF LEHIGH
CITY OF ALLENTOWN
Revenue Note, Series of 2020**

The **CITY OF ALLENTOWN**, Lehigh County, Pennsylvania (the "City"), a municipality existing under laws of the Commonwealth of Pennsylvania, for value received, acknowledges itself to be indebted to and promises to pay to **WEBSTER PUBLIC FINANCE CORPORATION** (the "Bank"), or registered assigns, on the above stated maturity date, the maximum principal sum of **SEVEN MILLION NINETY THOUSAND AND 00/100 DOLLARS (\$7,090,000.00)**, payable in the stated minimum principal installments set forth in the Payment Record attached hereto and incorporated herein, on December 1 of each year, beginning December 1, 2020, through and including December 1, 2034 (the "Maturity Date"), unless this Note shall have been prepaid, in whole or in part, as herein permitted, and to pay interest at the tax-exempt interest rate set forth below on the unpaid principal balance advanced and outstanding, calculated on the basis of a year of 360 days comprised of twelve (12) thirty (30) day months, with interest payment in semi-annual installments, initially on December 1, 2020, and on each June 1 and December 1 (for convenience, each an "Interest Payment Date") thereafter, from the immediately preceding Interest Payment Date to which has been paid, unless: (a) this Note is registered as of an Interest Payment Date, in which event this Note shall bear interest from such Interest Payment Date; or (b) this Note is registered prior to December 1, 2020, in which event this Note shall bear interest from the Date of Issuance; or (c) as shown by the records of the Paying Agent, interest on this Note shall be in default, in which event this Note shall bear interest from the date on which interest was last paid, until the principal sum thereof is paid.

The Note shall bear interest at the tax-exempt, bank qualified rate of 3.326% per annum, from the date of delivery of this Note to the Maturity Date, at which time, if not previously paid pursuant to the prepayment provisions set forth herein, all outstanding principal, together with all accrued, but unpaid, interest shall be due and payable without demand by the Bank.

Payments of principal hereof, in whole or in part, and of interest hereon shall be made in any coin or currency of the United States of America which, at time of payment, shall be legal tender for payment of public and private debts, at the office of Webster Bank, N.A. (the "**Paying Agent**" which term shall include any duly appointed alternate or successor paying agent), in Conshohocken, Pennsylvania. So long as Webster Public Finance Corporation shall be the registered owner hereof, payment of any part of the principal of and interest on this Note by or on behalf of the City shall be valid and effective to satisfy and discharge fully the obligations of the City or its Paying Agent, with respect to such payments of principal and interest, without surrender hereof to the Paying Agent for appropriate notation upon the Payment Record attached hereto and made part hereof. So long as the registered owner hereof shall not be Webster Public Finance Corporation, payment of any part of the principal of and interest on this Note shall be made only upon surrender hereof by the registered owner at the office of the Paying Agent (or the office of

any successor paying agent) for appropriate notations with respect to such payments and any unrecorded prior payments upon such Payment Record. Notations upon such Payment Record with respect to payments of principal and interest shall satisfy and discharge fully the obligations of the City with respect to such payments of principal and interest, and such notations upon such Payment Record shall be conclusive and binding upon the registered owner hereof. Final payment of principal and interest appertaining hereto shall be made only upon complete surrender hereof to the Paying Agent.

If the date for payment of the principal of or interest on this Note shall be a Saturday, Sunday, legal holiday or on a day on which banking institutions in the municipality where the office of the Paying Agent is located are authorized by law or executive order to close, then the date of such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or on a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the date fixed for such payment.

The principal amount of and interest due on this Note shall be subject to prepayment prior to maturity, at the option of the City, as a whole or, from time to time, in part, on any date after December 1, 2025, upon payment of the principal amount to be redeemed together with accrued interest thereon to the date fixed for prepayment and without any premium or penalty. The principal amount of and interest due on this Note shall be subject to prepayment prior to maturity, at the option of the City, as a whole or, from time to time, in part, on any date after December 1, 2023 through December 1, 2025, upon payment of the principal amount to be redeemed together with accrued interest thereon to the date fixed for prepayment, together with 1% prepayment penalty. Any partial prepayment of principal may be credited against such stated installments of principal on this Note as the City may designate in writing to the registered owner hereof at the time of prepayment; otherwise a partial prepayment shall be applied against the principal installments last, by date, due and payable. The registered owner hereof, by acceptance hereof, agrees that any such prepayment may be made by the City upon thirty (30) days written notice to the registered owner hereof.

This Note is issued in accordance with provisions of the Local Government Unit Debt Act, 53 Pa. C.S. § 8001 *et seq.*, as amended and supplemented (the "Debt Act"), and by virtue of a duly enacted Ordinance (the "Ordinance") of Council. The Debt Act, as such shall have been in effect when this Note was authorized, and the Ordinance shall constitute a contract between the City and the registered owner, from time to time, of this Note. A copy of the Ordinance, duly certified by the City Clerk, is on file at the principal office of the City.

It hereby is certified that: (i) all acts, conditions and things required to be done, to happen or to be performed as conditions precedent to and in issuance of this Note or in creation of the debt of which this Note is evidence have been done, have happened or have been performed in due and regular form and manner, as required by law; and (ii) the debt represented by this Note, together with any other indebtedness of the City, if any, is not in excess of any limitation imposed by the Debt Act upon the incurring of debt by the City.

The Note is payable from payments received by the City from the Lehigh County Authority (the "Authority") derived from service charges imposed on customers of the Authority ("Service Charges") allocable to debt service on the City's Administrative Order Bonds under Section 4.16(b) of the Concession Lease Agreement, dated as of May 1, 2013, between the City and the Authority (the "Lease").

The City has covenanted in the Ordinance with the registered owners, from time to time, of this Note that the City, as appropriate, shall include the amount of debt service, for each fiscal year of the City in which sums are payable, in its budget for that fiscal year, shall appropriate such amounts from the Service Charges to the payment of such debt service and duly and punctually shall pay or shall cause to be paid the principal of this Note and the interest thereon at the dates and place and in the manner stated herein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the City has pledged and does pledge payments received by the City from the Authority derived from Service Charges allocable to the debt service on the City's Administrative Order Bonds under Section 4.16(b) of the Lease.

The City, in the Ordinance, has established a sinking fund with the Paying Agent, as the sinking fund depository, into which funds for the payment of the principal of and the interest on this Note shall be deposited not later than the date fixed for disbursement thereof. The City has covenanted in the Ordinance to make payments out of such sinking fund, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of this Note.

This Note, immediately upon execution and delivery hereof by the City, shall be registered, both as to principal and interest, in the name of the owner, on records of the City to be kept for that purpose by the Paying Agent, such registration to be noted hereon by a duly authorized representative of the Paying Agent. After such registration, no transfer hereof shall be valid unless made by the registered owner hereof in person or by his duly authorized attorney and similarly noted upon said records and hereon. Rights of any registered owner hereof, subsequent to the initial registered owner hereof, shall not exceed rights of the predecessor registered owner hereof.

This Note is issuable only in the form of a fully registered Note, without coupons.

The City has designated, or is deemed to have designated, under and for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, this Note as a "qualified tax-exempt obligation", as such phrase is defined in Section 265(b)(3)(B) of such Code.

IN WITNESS WHEREOF, the City has caused this Note to be executed in its name by the manual or facsimile signature of the Mayor and the City Controller and the seal to be affixed hereto and the manual or facsimile signature of the City Clerk of the Issuer to be affixed hereto in attestation thereof, all as of May 14, 2020.

CITY OF ALLENTOWN,
Lehigh County, Pennsylvania

By: Royo' Conner
Mayor

By: [Signature]
Controller

ATTEST:

Michael P. Halan
City Clerk

(SEAL)

REGISTRATION RECORD

NOTHING TO BE WRITTEN HERE EXCEPT BY A DULY AUTHORIZED
REPRESENTATIVE OF WEBSTER BANK, N.A.
CONSHOHOCKEN, PENNSYLVANIA (THE "PAYING AGENT")

[illegible]

PAYMENT RECORD

[illegible]

LENDER CERTIFICATE

**CITY OF ALLENTOWN,
Lehigh County, Pennsylvania
\$7,090,000 Principal Amount
Revenue Note, Series of 2020
Dated: May 14, 2020**

The undersigned, a duly authorized officer of Webster Public Finance Corporation (the "Lender"), do hereby certify as follows with regard to the above-described Revenue Note (the "Note") issued and delivered this date by the City of Allentown, in Lehigh County, Pennsylvania (the "Borrower") to the Lender under and pursuant to Ordinance No. 15606 (the "Note Ordinance") of the Borrower enacted by its Council on April 15, 2020:

1. a. The Lender expects to hold the Note for its own loan portfolio, and not in the capacity as a bond house, broker or similar person or organization acting in the capacity of underwriter or wholesaler. The Lender has no present intention to resell the Note.

b. The Note is being purchased for a price of \$7,090,000.00 (100% of the face amount of the Note).

2. The Lender has full power and authority to carry on its business as now conducted, deliver this Certificate and make the representations and certifications contained herein.

3. The Lender is a lender that regularly extends credit by purchasing debt obligations of state and local governments such as the Note; has knowledge and experience in financial and business matters that make it capable of evaluating the Borrower, the Note and the risks associated with the purchase of the Note; has the ability to bear the economic risk of extending the credit evidenced by the Note; and is a Lender engaged in the primary business of extending credit and purchasing loans. The Lender is not acting as a broker, dealer, municipal securities underwriter, municipal advisor or fiduciary in connection with its purchase of the Note.

4. The Lender has conducted its own investigation of the financial condition of the Borrower, the purpose for which the Note are being executed and delivered and of the security for the payment of the principal of and interest on the Note, and has obtained such information regarding the Note and the Borrower and its operations, financial condition and financial prospects as the Lender deems necessary to make an informed investment decision with respect to the purchase of the Note.

5. The Lender is purchasing the Note for its own loan account and without any present intention of distributing or selling any interest therein or portion thereof, provided that the Lender retains the right at any time to dispose of the Note or any interest therein or portion thereof,

but agrees that any such sale, transfer or distribution by the Lender shall be made in accordance with applicable law.

6. The Lender acknowledges that the Note (a) has not been registered under the Securities Act of 1933, as amended, and not been registered or otherwise qualified for sale under the securities laws of any state, (b) will not be listed on any securities exchange and (c) there is no established market for the Note and that none is likely to develop. The Lender understands and acknowledges that (i) its purchase of the Note is not intended to be subject to the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended and (ii) in connection with its purchase of the Note, the Borrower has not prepared or caused to be prepared, any official statement, private placement memorandum or other offering document.

7. The Lender is acting solely for its own loan account and not as a fiduciary for the Borrower or in the capacity of broker, dealer, placement agent, municipal securities underwriter, municipal advisor or fiduciary. It has not provided, and will not provide, financial, legal (including securities law), tax, accounting or other advice to or on behalf of the Borrower (including to any financial advisor or any placement agent engaged by the Borrower) with respect to the structuring, issuance, sale or delivery of the Note. The Lender has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to the Borrower with respect to the transactions relating to the structuring, issuance, sale or delivery of the Note and the discussions, undertakings and procedures leading thereto. Each of the Borrower, its financial advisor or its placement agent has sought and shall seek and obtain financial, legal (including securities law), tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters and compliance with legal requirements applicable to such parties) with respect to the Note from its own financial, legal, tax and other advisors (and not from the undersigned or its affiliates) to the extent that the Borrower, its financial advisor or its placement agent desires, should or needs to obtain such advice. The undersigned expresses no view regarding the legal sufficiency of its representations for purposes of compliance with any legal requirements applicable to any other party, including but not limited to the Borrower's financial advisor or placement agent, or the correctness of any legal interpretation made by counsel to any other party, including but not limited to counsel to the Borrower's financial advisor or placement agent, with respect to any such matters. The transactions between the Borrower and the Lender are arm's length, commercial transactions in which the Lender is acting and has acted solely as a principal and for its own interest and the Lender has not made recommendations to the Borrower with respect to the transactions relating to the Note.

DATED this 14th day of May, 2020.

WEBSTER PUBLIC FINANCE CORPORATION

By: _____

Name: Xaykham Khamdyvoravong

Title: Delegate for Christopher Motl
Vice President

[SIGNATURE PAGE TO LENDER CERTIFICATE]

May 14, 2020

CERTIFICATE OF PAYING AGENT

**CITY OF ALLENTOWN,
Lehigh County, Pennsylvania
\$7,090,000 Principal Amount
Revenue Note, Series of 2020
Dated: May 14, 2020**

The undersigned financial institution, in its capacity as paying agent and registrar (the "Paying Agent"), hereby certifies that one or more of its authorized officers or representatives have examined the above-referenced note (the "Note"), of the City of Allentown, Lehigh County, Pennsylvania (the "City").

The single Note in the denomination set forth above has been examined as to execution, imprinting of seal, principal amount, maturity date and interest rate specified in the text of the Note.

The signatures of the officers of the City on the Note were compared against their respective signatures appearing upon the General Certificate delivered by the City in connection with settlement for the Note, and were found to correspond thereto. The seal imprinted on the Note was examined and appeared to be that of the City.

We acknowledge that we have received a copy of Ordinance No. 15606 (the "Ordinance"), of the Council of the City authorizing the Note and that we accept the duties and responsibilities of Paying Agent and Sinking Fund Depository as set forth therein and under the Pennsylvania Local Government Unit Debt Act.

We further certify that the Note initially delivered as of this date has been duly registered in accordance with requirements of the Ordinance, and that the Note so delivered has been registered in the name of Webster Public Finance Corporation, as holder.

Duly executed on the date first appearing hereon.

WEBSTER BANK, N.A.

By: 

Name: Xaykham Khamdyvoravong

Title: Delegate for Christopher Motl
Vice President

[SIGNATURE PAGE TO CERTIFICATE OF PAYING AGENT]

{L0879093.4}

May 14, 2020

CERTIFICATE AS TO IRS FORM 8038-G CALCULATIONS

**CITY OF ALLENTOWN,
Lehigh County, Pennsylvania
\$7,090,000 Principal Amount
Revenue Note, Series of 2020
Dated: May 14, 2020**

The undersigned firm (the "Financial Advisor"), acting as the independent municipal advisor to the above-named issuer (the "Issuer") with respect to the above-described revenue note (the "Note"), hereby certifies the following to enable the Issuer to complete and file Internal Revenue Service Form 8038-G following the issuance of the Note:

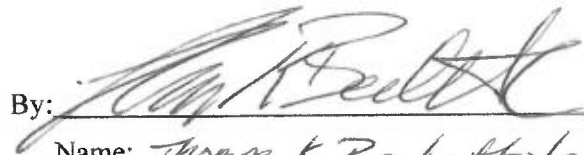
1. The "yield" on the Note, in accordance with Section 148 of the Internal Revenue Code of 1986, and related regulations (the "Code"), is 3.3258%;
2. The weighted average maturity of the Note is 8.487 years from the date hereof.
3. The remaining weighted average maturity of the note being refunded upon issuance of the Note is 8.5559 years from the date hereof.

The Financial Advisor acknowledges that the Issuer also will rely upon this Certificate in rendering a Tax Compliance Certificate with respect to the Note and for purposes of compliance with the rebate requirements of Section 148(f) of the Code, and that Eckert Seamans Cherin & Mellott, LLC, as bond counsel with respect to the Note, will rely upon this Certificate in rendering its opinion with respect to the tax-exempt status of the Note for federal income tax purposes (irrespective of whether such reliance is expressly noted in its opinion).

IN WITNESS WHEREOF, the Financial Advisor has caused this Certificate as to Yield to be duly executed and delivered on its behalf by its duly authorized officer or other duly authorized representative on the date first appearing hereon.

NW FINANCIAL GROUP, LLC.

By:



Name: *Thomas K. Beckett Jr.*

Title: *Senior Vice President.*

May 14, 2020

**CITY OF ALLENTOWN,
Lehigh County, Pennsylvania
\$7,090,000 Principal Amount
Revenue Note, Series of 2020
Dated: May 14, 2020**

TAX COMPLIANCE CERTIFICATE

We, the undersigned, in our capacities as Mayor and Controller of the City of Allentown, Lehigh County, Pennsylvania (the "City"), are officers of the City charged with the responsibility of issuing its \$7,090,000, principal amount, Revenue Note, Series of 2020, dated May 14, 2020 (the "Note"). Together with the members of the City Council, after consultation with Counsel, we have reviewed and are familiar with the Ordinance authorizing the Note, enacted by the City Council on April 15, 2020 (the "Ordinance"), and the closing documents related to the issuance and sale of the Note.

This certification is being furnished pursuant to Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") and Treasury Regulations promulgated thereunder (the "Regulations"). Words and phrases used herein which are defined in the Regulations and the Code have the same meaning as defined in the Regulations and the Code, wherever applicable. Other words and phrases used herein, to the extent not specifically defined in the Code, the Regulations or herein, shall have the same meaning as defined and used in the Ordinance. We certify and reasonably expect that the following will occur with respect to the proceeds of the Note:

(1) **Authority of Signer.** Together with other officials of the Issuer, we are charged with the responsibility of issuing the Note.

(2) **Purpose of this Certificate.** This Certificate is executed for the purpose of setting forth the facts and estimates upon which the Issuer bases its reasonable expectations that the Note is not an "arbitrage bond" under Section 103(b)(2) and Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable regulations promulgated thereunder (the "Regulations").

(3) **The Loan Proposal.** The Issuer received from Webster Public Finance Corporation (the "Lender") a loan proposal (the "Proposal") to purchase the Note as negotiated by the Issuer's independent municipal advisor, NW Financial Advisors, LLC (the "Financial Advisor"). The Proposal is on file with the City Clerk of the Issuer and details the terms of the Note. The Proposal is incorporated as part hereof as if the same were set forth herein fully.

(4) **Purpose of the Note.** The Note is being issued to provide the funds, together with other available funds of the City, for and toward the Capital Project (defined below), the funding of a debt service reserve fund, the Refunding Project (defined below) and to pay the related costs and expenses (collectively, the "Project").

(5) **The Capital Project.** The Capital Project includes financing the acquisition and construction of certain improvements to the City's sewer system to comply with certain regulatory requirements in order to fulfill its obligations under the Concession Lease Agreement (the "Concession Agreement"), dated May 1, 2013, between the Issuer and the Lehigh County Authority (the "Capital Project"), and funding capitalized interest of the Capital Project.

To date, the Issuer has entered into contracts for design and construction of the Capital Project which obligate the Issuer to expend the sum which is an amount not less than 5% of the net sale proceeds of the Note (or the portion of the Note which has been issued to fund costs of the Capital Project).

The Issuer expects to proceed with due diligence to complete the Capital Project and to expend net proceeds of the Note for payment of costs of the Capital Project. The Issuer expects that at least 85 percent of the net sale proceeds of the Note (or of the portion of the Note which has been issued to fund costs of the Capital Project) by the end of the 3-year period that begins on the date of issuance of the Note, which is the date of this Certificate.

(6) **The Refunding Project.** A portion of the net proceeds of sale of the Note will be used to refund and retire the Issuer's outstanding Special Revenue Note, Series of 2016 (the "Refunding Project"), issued on November 28, 2016 (the "Refunded Note"). The Refunded Note was used to finance the acquisition and construction of certain improvements to the City's sewer systems to comply with certain regulatory requirements and to fund a debt service reserve fund for the Refunded Note. There are no advanced and unexpended proceeds of the Refunded Note, except the prior debt service reserve fund held with respect to the Refunded Note.

(7) **The Note.** (a) The Note was issued on this date to the Lender, in the principal amount of \$7,090,000, bearing interest at a fixed rate of 3.326%, per annum, as set forth and discussed in the Ordinance of the Issuer, enacted on April 15, 2020 (the "Ordinance"), authorizing and securing the Note. All proceeds of the Note were advanced by the Lender this date and, hence, the Note was "issued" on this date, pursuant to the Regulations.

(b) The Note was not and will not be re-offered for sale to the public. The Lender agreed to purchase the Note for 100% of the principal amount advanced.

(c) The principal amount, interest rate, and interest and principal payment dates with respect to the Note are set forth in the Ordinance and in the Note.

(8) **Issue Price.** The Note is being delivered on the date hereof to the Lender pursuant to the Proposal. In accordance with Section 1.148-1(f) of the Regulations, the Issuer has determined to select the following rule or rules to determine the issue price of Note:

Private Placement (Treas. Reg. §1.148-1(f)(2)): The Note was sold in a private placement to the Lender. The issue price of the Note is the purchase price of the Note because the Lender is not an Underwriter, nor a Related Party to an Underwriter, as such term and phrase are defined in Section 1.148-1(f) of the Regulations.

(9) **Sale Proceeds and Investment thereof.** A portion of the proceeds of the Note will be used to redeem the Refunded Note within 90 days of the issue date of the Note. Therefore, the Refunding Project constitutes a current refunding under the Regulations.

(a) A portion of the proceeds of the Note which will be used to retire the Refunded Note on May 14, 2020, which is also the issue date of the Note.

(b) Proceeds of the Note in the amount of \$447,660.40, together with funds available in the prior Debt Service Reserve Fund held with respect to the Refunded Note, will be deposited into the Debt Service Reserve Fund created under the Ordinance.

(c) Proceeds of the Note in the estimated amount of \$170,844.15 will be deposited to the Sinking Fund and applied to pay capitalized interest on the Capital Project within one year after the date of issuance of the Note.

(d) Proceeds of the Note in the estimated amount of \$98,875.00 will be applied to pay costs and expenses of issuance of the Note within thirty (30) days following the issue date of the Note.

(e) All remaining proceeds of the Note will be deposited into a capital project fund or construction fund created for the Capital Project and applied to payment of costs of the Capital Project as work on the Capital Project progresses (including payment of interest on the Note during the period of construction and for up to one year after completion of construction, *i.e.*, capitalized interest).

Pending the expenditure of the net sale proceeds of the Note to be used to pay costs of the Capital Project, the Issuer may invest such proceeds in obligations which have a "yield" materially higher than the variable rate "yield" on the Note for a temporary period of up to 3 years. The Issuer further expects that all investment earnings on the net sale proceeds of the Note (and earnings on such earnings) will be needed for, and will be applied to pay costs of the Capital Projects.

(10) **Replacement Proceeds.** (a) There are no amounts that must be treated as replacement proceeds of the Note, *i.e.*, there are no amounts having a sufficiently direct nexus to the Note or the Project being financed with the sale proceeds of the Note to conclude that such amounts would have been used for the Project if the proceeds of the Note were not so used or so to be used.

b. No portion of the proceeds of the Note will be used as a substitute for other funds which were otherwise to be used to pay the costs of the Project and which have been or will be used to acquire directly or indirectly securities, obligations, annuity contracts or other investment-type property producing a yield in excess of the yield on the Note.

c. The Issuer will (or will direct the Paying Agent to) deposit money into the Sinking Fund created under the Ordinance (the "Sinking Fund") from the Service Charges, as defined in the Concession Agreement, on or before the dates when principal and interest is due on the Note. Pursuant the terms of the Note, the Issuer will maintain a minimum balance of \$150,000

in the Sinking Fund. When applying amounts in the Sinking Fund to payments of principal and interest on the Note, the Paying Agent shall first withdraw amounts on deposit in the Sinking Fund in the order of deposits to such Fund (oldest deposits withdrawn first) necessary to pay in full the principal or interest then due. Otherwise, the Issuer does not anticipate deposits will be made into the Sinking Fund other than as and when required to make current payments of principal of and interest on the Note. Amounts will be deposited into the Sinking Fund primarily to achieve a proper matching of revenues with principal and interest payments on the Note within each bond year and the Sinking Fund will be depleted at least once each year except for a reasonable carryover amount, if any, that will not exceed the greater of: (1) the earnings on such fund for the immediately preceding bond year or (2) one-twelfth (1/12) of the principal and interest payments on the Note for the immediately preceding bond year. Amounts in the Sinking Fund may be invested at an unrestricted yield for a period not exceeding thirteen (13) months from the date of the first deposit of such amounts, the allowable temporary period for a bona fide debt service fund. In the event the Issuer deposits money into a sinking fund that is not required to make current payments on the Note which has not been expended within such thirteen month period, such money will not be invested at a yield greater than the yield on the Note, as applicable and appropriate, without an opinion of nationally recognized bond counsel that such investment will not cause the Note to become arbitrage bonds.

d. The Debt Service Reserve Fund created under the Ordinance (the "Debt Service Reserve Fund") will constitute a reasonably required reserve fund within the meaning of the Regulations: Money in the Debt Service Reserve Fund shall be used only for the purpose of paying the principal of or interest on the Note as the same shall become due when and to the extent money in the Sinking Fund is insufficient to make such payments. The Debt Service Reserve Fund will be funded as of the date of issuance of the Note with proceeds of the Note in the amount of \$447,660.40, together with funds from the existing debt service reserve fund held with respect to the 2016 Note in the amounts shown in the Summary of Settlement. The amount to be held in the Debt Service Reserve Fund will be not greater than maximum annual debt service on the Note, or 125% of average annual debt service on the Note, and not more than 10% of the sale proceeds of the Note is being deposited to the Debt Service Reserve Fund.

e. Funds in the Debt Service Reserve Fund may be invested by the Issuer during the term of the Note without restriction as to yield. Amounts therein in excess of the maximum annual principal and interest requirements on the Note shall be restricted to a yield not more than the yield on the Note. Earnings in the Debt Service Reserve Fund, to the extent not required to maintain the value of the Debt Service Reserve Fund at the amount then required, will be periodically transferred in accordance with the requirements of the Ordinance to the Sinking Fund and used to pay current principal or interest requirements on the Note.

f. There is no pledged fund other than the Sinking Fund and the Debt Service Reserve Fund, i.e., the Issuer has not directly or indirectly pledged any other amount to pay principal of or interest on the Note. The Issuer has not entered into any agreement to maintain any fund or account, other than the Sinking Fund and the Debt Service Reserve Fund, at a particular level for the direct or indirect benefit of the holders of the Note. The Note is limited, special obligation of the Issuer for which the Issuer has pledged only the Service Charges, as further

described in the Ordinance. The Note is not secured by the full faith, credit and taxing power of the Issuer.

g. The Note have a weighted average maturity that does not exceed 120% of the average reasonably expected life of the assets being acquired or constructed as part of the Project. .

h. The term of the Note is not longer than reasonably necessary for the governmental purposes of the Note.

i. The Issuer does not reasonably expect to sell, encumber or otherwise dispose of any property comprising such System, as defined in the Concession Agreement, except such parts or portions thereof that may be disposed of due to normal wear, obsolescence or depreciation, prior to the final maturity date of the Note.

(11) **No Overissuance.** The sale proceeds of the Note, together with anticipated investment earnings thereon and other available funds, if any, will not exceed the amount necessary to complete the Project.

(12) **No Escrow Restructuring.** The proceeds of the Note are not being used in connection with a transaction involving an escrow restructuring; *i.e.*, the proceeds of the Note are not being used to replace any amounts previously set aside in a refunding escrow fund to pay debt service on the Refunded Note.

(13) **No Transferred Proceeds.** Except for the existing debt service reserve fund with respect to the Refunded Note, all proceeds and investment proceeds of the Refunded Note have been expended for the purpose for which the Refunded Note were issued. The existing debt service reserve fund will be applied on the date of issue of the Note towards the refunded of the Refunded Note, there are no amounts which will become transferred proceeds of the Note as of the date when the Refunded Note is redeemed and paid with proceeds of the Note.

(14) **No Arbitrage Investment.** (a) Other than as described herein, the Issuer will not invest any proceeds of the Note or amounts held for payment of the Note at a yield that is greater than the yield on the Note by more than one-eighth of one percentage point (0.125%), unless investment thereof is in obligations constituting tax-exempt bonds as described in Section 103 of the Code. As used herein, "yield" shall have the meaning given thereto in the Regulations.

(b) The Issuer has covenanted in the Ordinance to comply with the Code and applicable Regulations to preserve the Federal income tax exemption of the interest payable on the Note.

(15) **No "Same Issue" Obligations.** There are no tax-exempt obligations of the Issuer which (a) are issued at substantially the same time as the Note, (b) are sold pursuant to a common plan of financing together with the Note, and (c) will be paid out of substantially the same source of funds or will have substantially the same claim to be paid out of substantially the same source of funds as the Note.

(16) **No Abusive Arbitrage Devices.** No abusive device, within the meaning of Section 1.148-10 of the Regulations, is being used in connection with the Note; *i.e.*, no action is being taken in connection with the Note (a) enabling the Issuer to exploit the difference between tax exempt and taxable interest rates to obtain a material financial advantage and (b) overburdening the tax-exempt bond market. The Issuer is not issuing more bonds/notes than necessary to accomplish the Project, is not issuing bonds/notes earlier than necessary, and is not allowing bonds/notes to remain outstanding longer than necessary to accomplish the purposes for which the Note is being issued.

(17) **No Hedge Bonds.** The Note is being issued to provide for payment of the costs of the Project and not to hedge against future increases in interest rates. The Issuer reasonably expects that 85% of the spendable proceeds of the Note will be used to carry out the governmental purposes for which the Note is being issued within the 3-year period beginning on the date of this Certificate, and not more than 50% of the proceeds of the Note (or of the portion of the Note issued to fund a capital project) are being, or will be, invested in investments having a substantially guaranteed yield for 4 years or more.

A portion of the Note is part of a refunding of original bonds issued to finance capital projects of the Issuer. At the time of issuance of the Refunded Note, the Issuer reasonably expected that 85% of the spendable proceeds of the issue would be used to carry out the governmental purpose of the issue within 3 years and the Issuer did not invest more than 50 percent of the proceeds of such original bond issue in non-purpose investments having a substantially guaranteed yield for 4 years or more. Therefore, such portion of the Note is not a "hedge bond."

(18) **Arbitrage Rebate Compliance.** The Issuer has covenanted in the Ordinance to comply with provisions of the Code, and applicable regulations promulgated thereunder, to preserve the Federal income tax exemption of the interest on the Note. The Issuer acknowledges the requirements of the Code relating to arbitrage rebate, which are contained in Section 148(f) of the Code, and makes the following representations with respect to arbitrage rebate (capitalized terms and phrases used in this Section but not defined herein shall have the meanings given thereto in the Regulations):

(a) The Issuer shall maintain accurate records of all investments and expenditures of Gross Proceeds of the Issue.

(b) The Issuer shall not enter into any arrangement for the investment of the proceeds of the Issue, or take any other action, for the purpose of avoiding arbitrage rebate payments with respect to the Issue, if such arrangement or action involves the use of an artifice or device or the purchase of an investment at other than fair market value.

(c) The Issuer acknowledges that if any rebatable arbitrage results from investment or reinvestment of the Gross Proceeds of the Issue, as determined in accordance with Section 148(f) of the Code and the Regulations, the Issuer has the obligation to pay, and shall pay, the Rebate Amount to the United States in accordance with Section 148 of the Code and the Regulations, except and to the extent that the Issue is qualified for exemption from the rebate requirement pursuant to any exemption provided in Section 148(f) of the Code

(19) **Arbitrage Rebate Exception.** Based upon a reasonable investigation of the facts and the expectations of the Issuer as of the date hereof, the Issuer believes that the Note will qualify for the exception to the arbitrage rebate requirements checked or marked with an "X" below, but if for any reason the Note fails to qualify for any of the exceptions listed below (whether or not checked or marked with an "X"), the Issuer will make payments of arbitrage rebate with respect to the Note in accordance with the Code and the Regulations:

☐ ***Small Issuer (\$5 million or less) Rebate Exemption.*** The Issuer is a governmental unit with general taxing powers; the Note is not a "private activity bond;" ninety-five percent (95%) or more of the net proceeds of the Note are to be used for governmental purposes of the Issuer; and the aggregate face amount of all "tax-exempt obligations" (including any tax-exempt financing, whether evidenced by bonds, notes, tax anticipation notes, leases or other forms of instrument, other than "private activity bonds") issued or to be issued during the current calendar year by the Issuer, any entity that issues bonds on behalf of the Issuer and any entity which is a "subordinate entity" of the Issuer is not expected to exceed \$5,000,000, excluding bonds issued or to be issued for the current (not advance) refunding of prior bonds, but only to the extent the amount of the refunding bonds does not (or will not) exceed the outstanding amount of the bonds refunded.

☐ ***Small Issuer (\$15 million or less) Rebate Exemption for Public School Construction.*** The Issuer is a governmental unit with general taxing powers; the Note is not a "private activity bond;" ninety-five percent (95%) or more of the net proceeds of the Note are to be used for governmental purposes of the Issuer; and the aggregate face amount of all "tax-exempt obligations" (including any tax-exempt financing, whether evidenced by bonds, notes, tax anticipation notes, leases or other forms of instrument, other than "private activity bonds") issued or to be issued during the current calendar year by the Issuer, any entity that issues bonds on behalf of the Issuer and any entity which is a "subordinate entity" of the Issuer is not expected to exceed \$5,000,000, except by the lesser of \$10,000,000 or so much of the aggregate face amount of the Note as are attributable to financing construction expenditures with respect to public school facilities and excluding bonds issued or to be issued for the current (not advance) refunding of prior bonds, but only to the extent the amount of the refunding bonds does not (or will not) exceed the outstanding amount of the bonds refunded. The Issuer acknowledges that the term "construction expenditures" as used herein and in Section 148(f)(4)(C)(iv) of the Code and the applicable Regulations includes expenditures for construction, rehabilitation or reconstruction of buildings and other inherently permanent structures and improvements to land, including paved parking areas, wiring in a building, plumbing, heating and air conditioning systems, installed elevators and sewage lines, and expenditures for "constructed personal property" or "specially developed computer software" (as those phrases are defined in the Regulations), but not acquisition expenditures, such as expenditures for the acquisition of land or other interests in real property or for the acquisition of machinery that is not a structural component of a building, trucks, busses, automobiles, office equipment or furnishings.

☒ ***Six-month Spending Exception. (Refunded Project Proceeds).*** The Issuer expects that proceeds of the Note allocable to the Refunding Project and any earnings thereon (except amounts deposited to a “bona fide debt service fund”) will be expended for the governmental purposes thereof within the 6-month period beginning on the date hereof.

☐ ***18-Month Spending Exception.*** (This exception is not applicable to any proceeds of the Note used for refunding purposes). The Issuer expects that the proceeds of the Note allocable to the Capital Projects and earnings thereon (other than amounts deposited to a “bona fide debt service fund”) will be expended for the governmental purposes of the Note within an 18-month period beginning on the date hereof, and, further, expects that the following percentages of such proceeds will be expended by the last day of each of the following periods (each as measured from the date hereof):

<u>Required Expenditure</u>	<u>Period</u>
15%	6 months;
60%	12 months; and
100%	18 months.

☒ ***2-Year Construction Spending Exception. (Capital Project Proceeds)*** This exception may apply to the Note (or where an election to treat part of the Note as a separate construction issue has been made, to the Construction Portion, as defined below) because the amount equal to the issue price of the Note or such Construction Portion, as applicable, increased by the earnings on such amount and earnings on such earnings, but reduced by the issuance costs financed by the Note or such Construction Portion, as applicable (the “Available Construction Proceeds”), is expected to be expended for the governmental purposes of the Note within 2 years beginning on the date hereof, and, furthermore, the Issuer expects that the following percentages of such Available Construction Proceeds will be expended by the last day of each of the following periods (each as measured from the date hereof):

<u>Required Expenditure</u>	<u>Period</u>
10%	6 months;
45%	12 months;
75%	18 months; and
100%	2 years.

For purposes of this exception, it is understood that Notes are, or if applicable, the Construction Portion is, a “construction issue” only if at least are, 75% of the Available Construction Proceeds thereof are to be used for construction expenditures, which include includes expenditures for construction, rehabilitation or reconstruction of buildings and other inherently permanent structures and improvements to land, including paved parking areas, wiring in a building, plumbing, heating and air conditioning systems, installed elevators and sewage

lines, and expenditures for “constructed personal property” or “specially developed computer software” (as those phrases are defined in the Regulations), but not acquisition expenditures, such as expenditures for the acquisition of land or other interests in real property or for the acquisition of machinery that is not a structural component of a building, trucks, busses, automobiles, office equipment or furnishings. (Where the Issuer has made an election to treat a portion of the Note as a separate “construction issue,” the remainder of the Note must either qualify for another rebate exception, or the Issuer must pay rebate with respect thereto.)

- ☐ **No Exception.** At the present time, the Issuer does not anticipate that any exception will apply to the Note, and the Issuer will be obligated to make arbitrage rebate payments in the amounts and at the times required by the Regulations, with the first such rebate payment due and payable not more than 60 days following the fifth (5th) anniversary of the date of issuance of the Note, unless the Issuer elects to treat any earlier date as the first rebate calculation and payment date.

(20) **Qualified Tax-Exempt Designation.** The Issuer certifies that: (a) the reasonably anticipated aggregate face amount of all tax-exempt obligations, including the Note, heretofore issued and to be issued by the Issuer and all subordinate entities during calendar year 2020 will not exceed \$10,000,000, and (b) it hereby designates the Note (to the extent it is not “deemed designated” under Section 265(b)(3)(D)(ii) of the Internal Revenue Code of 1986, as amended (the “Code”)) as “qualified tax-exempt obligations,” as defined in Section 265(b)(3)(B) of the Code, for the purposes and effect contemplated by Section 265 of the Code.

(21) **Use of Proceeds.** The City does not expect to and shall not perform any act, enter into any agreement, or use or permit more than 5% of the proceeds of the Note or more than 5% of the Sewer System, as defined in the Concession Agreement (determined on the basis of the amount of Net Sale Proceeds allocated to each portion thereof) to be used in any manner, or for any trade or business unrelated to the exempt purposes of the City (as defined in Section 513(a) of the Code) (a “**Private Use**”) unless the City receives an Opinion of Counsel with respect to such act, agreement or use.

An arrangement with any person or organization (other than a state or local governmental unit or another 501(c)(3) organization) which provides for such person or organization to manage, operate, or provide services with respect to the Sewer System, as defined in the Concession Agreement (a “**Service Contract**”) can give rise to Private Use. The guidelines set forth in Revenue Procedure 2017-13 and Revenue Procedure 97-13, as modified by Revenue Procedure 2001-39 (the “**Guidelines**”) describe situations where a Service Contract will be treated as not giving rise to Private Use. The City has not entered into, does not expect to enter into and will not enter into any Service Contracts that do not satisfy the requirements of the Guidelines, as applicable. The City will apply Revenue Procedure 2017-13 to any Service Contract that is entered into on or after January 17, 2017, and may apply Revenue Procedure 2017-13 to any Service Contract that was entered into prior to January 17, 2017. In addition, the City may apply Revenue Procedure 97-13, as modified by Revenue Procedure 2001-39, to a Service Contract that is entered into before August 18, 2017, which is not materially modified or extended on or after August 18,

2017, other than pursuant to a renewal option as defined in Treasury Regulation Section 1.141-1(b).

No proceeds of the Note will be used to fund working capital expenditures.

(22) **No Artifice or Device.** The Note is not and will not be part of a transaction or series of transactions that attempts to circumvent the requirements of Section 148 of the Code and the Regulations (a) enabling the Issuer to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (b) increasing the burden on the market for tax-exempt obligations.


(23) **No Disqualification.** The Issuer is not aware of any notice or proposed notice of disqualification in the Internal Revenue Bulletin or otherwise that its Tax Compliance Certificate cannot be relied upon.

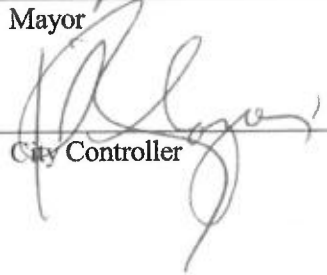
(24) **Incorporation of Other Documents.** The other documents and instruments delivered upon settlement for the Note or otherwise on file with the Issuer with regard to the financing of the Project are incorporated herein by reference.

To the best of the knowledge and belief of the undersigned, there are no other facts, estimates or circumstances that would materially change the above set forth expectations, and such expectations are reasonable.

IN WITNESS WHEREOF, we have set our hand as of this 14th day of May, 2020.

CITY OF ALLENTOWN,
Lehigh County, Pennsylvania

By: 
Mayor

By: 
City Controller



Office of the City Solicitor

City Solicitor

Matthew J. Kloiber

Associate City Solicitor

Frances A. Fruhwirth

Assistant City Solicitor

Jorge M. Pereira

Adam S. Rosenthal

**CITY OF ALLENTOWN,
Lehigh County, Pennsylvania
\$7,090,000 Principal Amount
Revenue Note, Series of 2020
Dated: May 14, 2020**

May 14, 2020

WEBSTER PUBLIC FINANCE CORPORATION
Providence, Rhode Island

ECKERT SEAMANS CHERIN & MELLOTT, LLC,
Harrisburg, Pennsylvania

OPINION OF SOLICITOR

I am the duly appointed and acting Solicitor to the City of Allentown, in Lehigh County, Pennsylvania (the "City"), a political subdivision of the Commonwealth of Pennsylvania (the "Commonwealth"), and am familiar with the day-to-day affairs of the City. I have served as counsel to the City in the course of the authorization, issuance, sale and delivery of the City's Revenue Note, Series of 2020, dated this date, in the principal amount of \$7,090,000 (the "Note"). The Council of the City, by its Ordinance duly enacted on April 15, 2020 (the "Ordinance"), has authorized and secured the Note. I am delivering this correspondence in satisfaction of the condition set forth in the Purchase Proposal of Webster Public Finance Corporation (the "Purchaser"), approved and accepted by the City on April 15, 2020 (the "Purchase Agreement"). The capitalized terms used in this Opinion, which are defined in the hereinafter defined Concession Agreement, and not otherwise defined herein, are used in the same manner and with the same meaning as so defined therein.

The proceeds of the Note are to be used to refund the City's outstanding Revenue Note, Series of 2016, to finance the acquisition and construction of certain improvements to the City's sewer system to comply with certain regulatory requirements in order to fulfill its obligation under the Concession Agreement, to fund capitalized interest, to fund a debt service reserve fund, and (v) to pay the costs of issuance of the City's Note, all the foregoing collectively herein are referred to as the "2020 Project", as contemplated by the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82, of the Commonwealth.

After due investigation of matters, documents and things involved, we state that we are of the opinion that:

1. The City is a validly existing political subdivision (City) of the Commonwealth.

2. The Note and the Purchase Agreement have been duly authorized, executed and delivered by the City and, assuming, as to the Purchase Agreement, the due authorization, execution and delivery of the same by the Purchaser, each constitutes the valid, legal and binding agreements or covenants of the City enforceable in accordance with their respective terms, by the other party thereto, as applicable, or the intended beneficiaries thereof, except as such enforceability may be limited by: (a) the availability or unavailability of equitable remedies, including, but not limited to, specific performance and injunctive relief; or (b) the effect of bankruptcy, insolvency, reorganization, moratorium, or other similar laws or equitable principles affecting creditors' rights and remedies.

3. The Ordinance of the City was enacted lawfully and currently is in full force and effect.

4. The Note and other documents delivered by the City this date in connection with the issuance of the Note were properly executed by authorized officers and representatives of the City, and are valid and enforceable against the City.

5. The following are the duly elected incumbents of the designated offices of the City, duly elected or appointed to such office in accordance with the provisions of law:

Daryl L. Hendricks -	President, City Council
Ray O'Connell-	Mayor
Jeff Glazier-	City Controller
Michael Hanlon-	City Clerk

6. The Note is payable from payments received by the City from Lehigh County Authority ("LCA") derived from service charges imposed on customers of LCA ("Service Charges") allocable to debt service on the City's Administrative Order Bonds under Section 4.16(b) of the Concession Lease Agreement, dated as of May 1, 2013, between the City and LCA (the "Concession Agreement"). The City established the base rates and charges for direct customers of the sewer system that are incorporated into the Concession Agreement and such rates and charges are subject to adjustment under the terms of the Concession Agreement. The City may direct that LCA add a service charge on direct customers for Administrative Order financing costs. Municipal Customer rates and charges are set pursuant to Municipal Service Agreements and such customers must contribute a portion of financing costs for administrative order projects as set forth in the Municipal Service Agreements.

7. Except as described in the succeeding paragraph, no litigation of any nature has been concluded or is now pending, or to my knowledge is threatened, in any court: (1) seeking to restrain or enjoin or restraining or enjoining the issuance of the Note; or (2) questioning or

contesting the validity of proceedings or authority of the City relating to the Note; or (3) questioning or contesting the official existence or official boundaries of the City; (4) questioning or contesting the title to office of present officers and members of the Council of the City; or (5) questioning or contesting the validity of the Concession Agreement; and that no such authority or proceedings for the authorization or security for the Note have been revoked, repealed or rescinded.

At this time, there are on-going negotiations between the City and LCA regarding the Concession Agreement, however, such negotiations do not contemplate any changes to the Concession Agreement that would result in the breach or violation of any covenant made by the City in the Ordinance. Further, in the event that the Concession Agreement is terminated by either the City or LCA prior to the final maturity of the Note, the City has the legal right to establish and collect the municipal customers' financing charges and the Service Charges for direct customers under the Concession Agreement sufficient to pay the debt service on the Note.

8. To the best of my knowledge, the City is not in breach of or default under any law or administrative regulation of the Commonwealth or the United States relative to these proceedings; the execution and delivery of the Note, the Ordinance, and the Purchase Agreement, and compliance with the provisions of each, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, note, resolution or other instrument to which the City is party or is otherwise subject; all representations, warranties and covenants of the City contained in the Purchase Agreement remain true and correct; and the City has not authorized nor incurred any other debt since the execution of the Purchase Agreement.

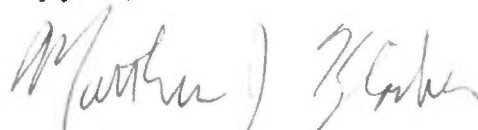
9. The City has advertised, posted and provided a reasonable opportunity for public comment at all meetings at which action was taken with respect to such Ordinance referred to in paragraph 3 hereof and the Note, in accordance with the Sunshine Act, 65 Pa.C.S. Ch. 7.

I am a member of the Bar of the Commonwealth of Pennsylvania and do not purport to be an expert as to the laws of any jurisdiction other than Pennsylvania and the United States of America. The opinions expressed in this letter are therefore limited to the laws of the Commonwealth of Pennsylvania and the United States of America, and no opinion is expressed with regard to the laws of any other state or jurisdiction.

I assume no responsibility for updating this opinion to take into account any event, action, interpretation or change of law occurring subsequent to the date hereof that may affect the validity of any of the opinions expressed herein. This opinion is furnished by me solely for the benefit of the addressees for use in connection with the transactions contemplated by the Purchase Agreement and it may not be furnished or quoted to, or relied upon by, any other person, without prior written consent.

Very truly yours,

By:



Matthew J. Kloiber, Esquire
City Solicitor

CITY OF ALLENTOWN
Lehigh County, Pennsylvania
\$7,090,000 Stated Principal Amount
Revenue Note, Series of 2020

May 14, 2020

Webster Public Finance Corporation
Providence, Rhode Island

Ladies and Gentlemen:

We have acted as Bond Counsel to you in connection with the issuance by the City of Allentown, in Lehigh County, Pennsylvania (the "Issuer" or "City") of its \$7,090,000 Revenue Note, Series of 2020 (the "Note"). The Note has been issued, and is secured, pursuant to an Ordinance No. 15606 enacted by the Council of the Issuer on April 15, 2020 (the "Ordinance"). The Note is being issued pursuant to the Ordinance for the purpose of (i) refunding all of the City's outstanding Revenue Note, Series of 2016, in order to reduce the total debt service pursuant to Section 8241(b)(1) of the Debt Act (the "Refunding Project"), (ii) financing the acquisition and construction of certain improvements to the City's sewer system to comply with certain regulatory requirements in order to fulfill its obligations under the Lease (hereinafter defined) (the "Capital Project"), (iii) funding capitalized interest of the Capital Project, (iv) funding a debt service reserve fund, and (v) paying the costs of issuance of the Note, as contemplated by the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "Act"), of the Commonwealth of Pennsylvania (the "Commonwealth"). The capitalized terms used in this Opinion, which are defined in the hereinafter defined Lease, and not otherwise defined herein, are used in the same manner and with the same meaning as so defined therein.

As Bond Counsel, we have examined: (a) the relevant provisions of the Constitution of the Commonwealth of Pennsylvania; (b) the Act; (c) the relevant provisions of the Third Class City Code and the Issuer's Home Rule Charter; (d) the Ordinance and the Debt Statement of the Issuer filed with the Pennsylvania Department of Community and Economic Development ("Department"); (e) the proceedings of the Council with respect to the authorization, issuance and sale of the Note; (f) a Certificate of Approval issued by the Department in respect of the proceedings authorizing the issuance of the Note; and (g) certain statements, certifications, affidavits and other documents and matters of law which we have considered relevant, including, without limitation, a certificate dated the date hereof ("Tax Compliance Certificate") of officials of the Issuer having responsibility for issuing the Note, given pursuant to the Internal Revenue

Code of 1986, as amended, and the regulations promulgated thereunder ("Code"), an opinion of the Solicitor to the Issuer as to various matters, and the other documents, certifications and instruments listed in the Closing Agenda filed with the Paying Agent (hereinafter defined) on the date of original delivery of the Note. We have also examined the fully executed Note, or a true copy thereof.

The Note is payable from payments received by the City from the Lehigh County Authority (the "Authority") derived from service charges imposed on customers of the Authority ("Service Charges") allocable to debt service on the City's Administrative Order Bonds under Section 4.16(b) of the Concession Lease Agreement, dated as of May 1, 2013, between the City and the Authority (the "Lease").

The Issuer has designated or is deemed to have designated the Note as a "qualified tax-exempt obligation" as defined in and for the purposes of Section 265(b)(3) of the Code.

In rendering the opinion set forth below, we have relied upon the genuineness, accuracy and completeness of all documents, records, certifications and other instruments we have examined, including, without limitation, the authenticity of all signatures appearing thereon. We have also relied, in the opinion set forth below, upon the opinion of the Solicitor of the Issuer as to all matters of fact and law set forth therein.

Except with respect to paragraph 6 below, our opinion is given only with respect to the internal laws of the Commonwealth as enacted and construed on the date hereof.

Based on the foregoing, we are of the opinion that:

1. The Issuer is authorized under the provisions of the Constitution and the laws of the Commonwealth to issue the Note.
2. The Issuer has established, in accordance with the Debt Act, a sinking fund for the Note (the "Sinking Fund") with Webster Bank, N.A., as paying agent, registrar and sinking fund depository ("Paying Agent"), and has covenanted in the Ordinance to deposit in the Sinking Fund amounts sufficient to pay the principal of and interest on the Note as the same becomes due and payable and to apply the amounts so deposited to the payment of such principal and interest.
3. The Issuer has effectively covenanted to include the amount of debt service, for each fiscal year of the City in which sums are payable, in its budget for that fiscal year, shall appropriate such amounts from the Service Charges to the payment of such debt service and duly and punctually shall pay or shall cause to be paid the principal of this Note and the interest thereon at the dates and place and in the manner stated herein, according to the

true intent and meaning thereof; and, for such budgeting, appropriation and payment, the City has pledged and does pledge payments received by the City from the Authority derived from Service Charges allocable to the debt service on the City's Administrative Order Bonds under Section 4.16(b) of the Lease.

4. The Note has been duly authorized, executed, issued and delivered by the Issuer, has been duly authenticated, and is the legal, valid and binding general obligation of the Issuer, enforceable in accordance with the terms thereof, except to the extent that enforcement thereof may be affected by bankruptcy, insolvency, reorganization, moratorium or other similar laws or legal or equitable principles affecting the enforcement of creditors' rights.
5. Under the laws of the Commonwealth as enacted and construed on the date hereof, interest on the Note is exempt from Pennsylvania personal income tax and Pennsylvania corporate net income tax, and the Note is exempt from personal property taxes in the Commonwealth; however, under the laws of the Commonwealth as enacted and construed on the date hereof, any profits, gains or income derived from the sale, exchange or other disposition of the Note will be subject to Commonwealth taxes and local taxes within the Commonwealth.
6. Under existing statutes, regulations, rulings and court decisions, interest on the Note will not be includible in gross income of the holders thereof for federal income tax purposes, assuming continuing compliance by the Issuer with the requirements of the Code. Interest on the Note will not be a specific preference item for purposes of computing the federal alternative minimum tax on individuals.

In rendering this opinion, we have assumed compliance by the Issuer with the covenants contained in the Ordinance and its representations in the Tax Compliance Certificate relating to actions to be taken by the Issuer after the issuance of the Note necessary to effect or maintain the exclusion from gross income of the interest on the Note for federal income tax purposes. These covenants and representations relate to, inter alia, the use and investment of proceeds of the Note, and the rebate to the United States Department of Treasury of specified arbitrage earnings, if any. Failure to comply with such covenants could result in the interest on the Note becoming includible in gross income for federal income tax purposes from the date of issuance of the Note.

We express no opinion as to any matter not set forth in the numbered paragraphs herein. This opinion is rendered on the basis of federal law and the laws of the Commonwealth as enacted and construed on the date hereof. This opinion is given as of the date hereof and we assume no obligation to supplement this opinion to reflect changes in law that may hereafter occur or changes in facts or circumstances that may hereafter come to our attention.

We call your attention to the fact that the holders of the Note have no claim upon the taxing power or tax revenues of the City, but only claims upon the income and revenues to be derived from payments received by the City from the Authority derived from Service Charges imposed on customers of the Authority allocable to debt service on the City's Administrative Order Bonds under Section 4.16(b) of the Lease. Neither the credit nor the taxing power of the Commonwealth or any political subdivision thereof is pledged for the payment of the principal of, premium, if any, or interest on the Note; nor shall the Note be or be deemed to be an obligation of the Commonwealth or any political subdivision thereof, nor shall the Commonwealth or any political subdivision thereof be liable for the payment of principal of, premium, if any, or interest on the Note.

This opinion is furnished to you solely in connection with the issuance of the Note on the date hereof and may not be relied upon by any other person, firm or entity or for any other purpose without the prior written consent in each instance of a member of the undersigned law firm. This opinion may not be quoted, distributed or disclosed to any person, firm or entity, or otherwise (except for those persons, firms or entities represented at closing for issuance of the Note and your directors, officers and counsel), without the prior written consent in each instance of a member of the undersigned law firm.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Eckert Seamans Cherin & Mellott, LLC".

ECKERT SEAMANS CHERIN & MELLOTT, LLC

May 14, 2020

Webster Public Finance Corporation
100 Westminster St, Suite 1110
Providence, RI 02903

Re: City of Allentown, Lehigh County, Pennsylvania, \$7,090,000 Revenue Note, Series of 2020

Ladies and Gentlemen:

We are serving as bond counsel to the City of Allentown, Lehigh County, Pennsylvania (the "City"), in connection with the issuance of its \$7,090,000 Revenue Note, Series of 2020 (the "Note"). The Note is being issued pursuant to an Ordinance (the "Ordinance") enacted by City Council on April 15, 2020, for the purpose of (i) refunding all of the City's outstanding Revenue Note, Series of 2016, in order to reduce the total debt service pursuant to Section 8241(b)(1) of the Debt Act (the "Refunding Project"), (ii) financing the acquisition and construction of certain improvements to the City's sewer system to comply with certain regulatory requirements in order to fulfill its obligations under the Lease (hereinafter defined) (the "Capital Project"), (iii) funding capitalized interest on the Capital Project, (iv) funding a debt service reserve fund, and (v) paying the costs of issuance of the Note.

Pursuant to the conditions set forth in the proposal for the purchase of the Note, we provide the following qualified, advisory opinion with respect to the replenishment of the minimum balances in the Sinking Fund and the Debt Service Reserve Fund, as such funds are established under the Ordinance, with respect to the Note.

The source of payment for all debt service payments on the Note is the collected service charges collected by the Lehigh County Authority (the "Authority") and remitted to the City pursuant to Section 7.1(l) of the Concession Lease Agreement between the Authority and the City (the "Concession Agreement"). The City advises the Authority of the amount of the service charge needed to pay the Net Debt Service Payment for each year.

The City is required to issue the Note to fund "Project Costs" of an Administrative Order Project. Project Costs include "financing charges (including issuance costs of the Administrative Order Bonds), interest prior to and during construction and for such period after completion of construction as the City shall determine . . . and such other costs, expenses, and funding as may be necessary or incident to the construction [or] financing of . . . the Administrative Order Projects . . ." Subject to the qualifications contained in this letter, we are of the opinion that this provides for the borrowing or funding a debt service reserve fund, capitalized interest, and an initial minimum balance in the debt service fund as part of an Administrative Order Project

Section 7.1 (l) of the Concession Agreement provides that "there shall be imposed upon all users . . . a Service Charge in any calendar year to fund the Net Debt Service Payment for that calendar year, . . ." Net Debt Service Payment means Annual Debt Service Requirements after deducting the amount of Aggregate Municipal Customer Share [*these would be payments required to be made by municipal*

customers under separate agreements with the City]. Annual Debt Service is the “amount of principal of and interest on Administrative Order Bonds payable in that Reporting Year.”

The Ordinance sets forth the requirements for replenishing any withdrawal from the Debt Service Reserve Fund or Sinking Fund needed to maintain the respective minimum balances required therein. When the amounts in these funds equal the remaining debt service payments on the Note, the Ordinance provides that these amounts will be withdrawn and applied to those payments without further replenishment. This will assure that the amounts would only be used to pay principal or interest and that customers would not be over-billed.

We recognize that the definition of “Annual Debt Service” does not expressly contemplate the replenishment of these funds. However, if such replenishment is required by the lender as a condition of the extension of credit, subject to the qualifications contained in this letter, we are of the opinion that they are sufficient in the nature of interest charges as the failure to fund them would result in default of the Note. If they are required by the terms of the Note to be paid within a certain year, they are in the nature of additional interest due in that Reporting Year. In addition, any amounts charged to fund replenishments will be used solely to pay interest or principal on the Note.

We have discussed these provisions with the drafter of the Concession Agreement and he agrees with this view. Of course, we cannot be certain that this view could not be challenged by the Authority or municipal service customers. If a court were to conclude that replenishments should not be included in current service charges for a given year and amounts available for debt service fall below the amounts necessary, there is no reasonable question that they City is entitled to have the Authority impose services charges needed to pay the stated interest and principal payments as due.

The capitalized terms used in this advisory opinion, which are defined in the Concession Agreement, and not otherwise defined herein, are used in the same manner and with the same meaning as so defined therein. We express no opinion as to any matter not set forth herein. This advisory opinion is given as of the date hereof and we assume no obligation to supplement this advisory opinion to reflect changes in law that may hereafter occur or changes in facts or circumstances that may hereafter come to our attention.

This advisory opinion is furnished to you solely in connection with the issuance of the Note on the date hereof and may not be relied upon by any other person, firm or entity or for any other purpose without the prior written consent in each instance of a member of the undersigned law firm. This advisory opinion may not be quoted, distributed or disclosed to any person, firm or entity, or otherwise (except for those persons, firms or entities represented at closing for issuance of the Note and your directors, officers and counsel), without the prior written consent in each instance of a member of the undersigned law firm.

Very truly yours,



ECKERT SEAMANS CHERIN & MELLOTT, LLC

Form **8038-G****Information Return for Tax-Exempt Governmental Bonds**

(Rev. September 2018)

► Under Internal Revenue Code section 149(e)

► See separate instructions.

OMB No. 1545-0720

Department of the Treasury
Internal Revenue Service**Caution:** If the issue price is under \$100,000, use Form 8038-GC.
► Go to www.irs.gov/F8038G for instructions and the latest information.

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name City of Allentown (Lehigh County, Pennsylvania)		2 Issuer's employer identification number (EIN) 23-6003116	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) None		3b Telephone number of other person shown on 3a	
4 Number and street (or P.O. box if mail is not delivered to street address) 435 Hamilton Street	Room/suite	5 Report number (For IRS Use Only) 3	
6 City, town, or post office, state, and ZIP code Allentown, PA 18101		7 Date of issue May 14, 2020	
8 Name of issue Revenue Note, Series of 2020		9 CUSIP number N/A	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) Matthew J. Kloiber, Esquire, City Solicitor		10b Telephone number of officer or other employee shown on 10a 610-439-5999	

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11	Education	11		
12	Health and hospital	12		
13	Transportation	13		
14	Public safety	14		
15	Environment (including sewage bonds)	15		
16	Housing	16		
17	Utilities	17		
18	Other. Describe ► capital project and refunding of Special Revenue Note, Series of 2016	18	7,090,000	00
19a	If bonds are TANs or RANs, check only box 19a			
b	If bonds are BANs, check only box 19b			
20	If bonds are in the form of a lease or installment sale, check box			

Part III Description of Bonds. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	12/01/2034	\$ 7,090,000	\$ 7,090,000	8.487 years	3.3258 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest	22	0	
23	Issue price of entire issue (enter amount from line 21, column (b))	23	7,090,000	00
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	98,875	00
25	Proceeds used for credit enhancement	25	0	
26	Proceeds allocated to reasonably required reserve or replacement fund	26	447,660	40
27	Proceeds used to refund prior tax-exempt bonds. Complete Part V	27	2,145,217	77
28	Proceeds used to refund prior taxable bonds. Complete Part V	28	0	
29	Total (add lines 24 through 28)	29	2,691,753	17
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	4,398,246	83

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31	Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	8.5559	years
32	Enter the remaining weighted average maturity of the taxable bonds to be refunded	N/A	years
33	Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)	05/14/2020	
34	Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)	11/28/2016	

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 63773S


Form **8038-G** (Rev. 9-2018)

Part VI Miscellaneous

- | | | | |
|------------|--|---|----|
| 35 | | 0 | 00 |
| 36a | | 0 | 00 |
| 37 | | 0 | 00 |
- 35** Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)
- 36a** Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions
- b** Enter the final maturity date of the GIC ► (MM/DD/YYYY) _____
- c** Enter the name of the GIC provider ► _____
- 37** Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units
- 38a** If this issue is a loan made from the proceeds of another tax-exempt issue, check box ► ☐ and enter the following information:
- b** Enter the date of the master pool bond ► (MM/DD/YYYY) _____ 00
- c** Enter the EIN of the issuer of the master pool bond ► _____
- d** Enter the name of the issuer of the master pool bond ► _____
- 39** If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ► ☒
- 40** If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ► ☐
- 41a** If the issuer has identified a hedge, check here ► ☐ and enter the following information:
- b** Name of hedge provider ► _____
- c** Type of hedge ► _____
- d** Term of hedge ► _____
- 42** If the issuer has superintegrated the hedge, check box ► ☐
- 43** If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ► ☐
- 44** If the issuer has established written procedures to monitor the requirements of section 148, check box ► ☐
- 45a** If some portion of the proceeds was used to reimburse expenditures, check here ► ☐ and enter the amount of reimbursement ► _____
- b** Enter the date the official intent was adopted ► (MM/DD/YYYY) _____

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

Signature of issuer's authorized representative 

Date

Ray O'Connell, Mayor

Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name
David O. Twaddell, Esquire

Preparer's signature

Date

Check ☐ if
self-employed

PTIN
P01595328

Firm's name ► Eckert Seamans Cherin & Mellott LLC

Firm's EIN ► 25-1056909

Firm's address ► 213 Market Street, 8th Floor, Harrisburg, PA 17101

Phone no. 717-237-6074

May 14, 2020

RECEIPT AND CERTIFICATE AS TO REDEMPTION OF 2016 NOTE

**CITY OF ALLENTOWN,
Lehigh County, Pennsylvania
\$7,090,000 Principal Amount
Revenue Note, Series of 2020
Dated: May 14, 2020**

Fulton Bank, N.A., in its capacity as lender and holder of the Revenue Note, Series of 2016 (the "Refunded Note"), of the above-named issuer (the "City"), does hereby acknowledge receipt from the City of \$2,145,217.77, which sum is sufficient to pay, and will be held and applied by the undersigned solely to prepay, the principal and accrued interest on the outstanding Refunded Note on May 14, 2020.

IN WITNESS WHEREOF, the undersigned has caused this Receipt and Certificate as to Redemption of 2016 Note to be executed on its behalf by a duly authorized officer all as of the date set forth above.

FULTON BANK, N.A.

By: Ronald J. Donchez
Name:
Title: RONALD J. DONCHEZ
SENIOR VICE PRESIDENT

SUMMARY OF SETTLEMENT¹

**CITY OF ALLENTOWN,
Lehigh County, Pennsylvania
\$7,090,000 Principal Amount
Revenue Note, Series of 2020
Dated: May 14, 2020**

Sources of Funds

Note Proceeds:

Revenue Note, Series of 2020	\$ 7,090,000.00
Existing Funds	\$ 150,000.00
2016 Note Debt Service Reserve Fund	\$ 191,699.00
TOTAL SOURCES OF FUNDS	\$ 7,431,699.00

Uses of Funds

Issuance Costs:

NW Financial Group, LLC. – Financial Advisor fee and expenses	\$ 30,375.00
Eckert Seamans Cherin & Mellott, LLC – Bond Counsel fee & Expenses	\$ 51,000.00
Herbert Rowland & Grubic, Inc. – engineer report fee	\$ 5,000.00
McCarter & English – Webster Public Finance Corporation Counsel fee	\$ 12,500.00
Total Issuance Costs	\$ 98,875.00

DEPOSIT TO PROJECT FUND \$ 4,227,402.68²

DEPOSIT TO DEBT SERVICE RESERVE FUND \$ 639,359.40³

REDEMPTION OF 2016 NOTE ON THIS DATE

Principal	\$2,138,245.30	
Accrued Interest	\$ 6,972.47	\$ 2,145,217.77 ⁴

DEPOSIT TO 2020 NOTE SINKING FUND

– Required Minimum Balance	\$ 150,000.00 ⁵
– Capitalized Interest	\$ 170,844.15 ⁶

TOTAL USES **\$ 7,431,699.00**

¹ See attached Memorandum from City's Financial Advisor for a recitation of all relevant wire instructions.

² Wire transfer from Webster Bank, N.A. to Manufacturers and Traders Trust Company, as holder of the administrative order fund.

³ Wire transfer from existing Debt Service Reserve Fund in the amount of \$191,699, with remaining balance comprised of internal wire transfer of note proceeds, all to the Debt Service Reserve Fund held by Webster Bank, N.A.

⁴ Wire transfer from Webster Bank, N.A. to Fulton Bank, National Association, as holder of 2016 Note.

⁵ Fulton Bank will wire funds from Lease A/O Service Charges Fund to Sinking Fund held by Webster Bank, N.A.

⁶ Internal wire transfer to Sinking Fund held by Webster Bank, N.A.

AUTHORIZATION FOR PAYMENT

**CITY OF ALLENTOWN,
Lehigh County, Pennsylvania
\$7,090,000 Principal Amount
Revenue Note, Series of 2020
Dated: May 14, 2020**

Webster Bank, N.A. is hereby authorized to pay all Issuance Costs and to make all transfers and deposits, as described in the Summary of Settlement above, from the proceeds of the City's Revenue Note, Series of 2020.

CITY OF ALLENTOWN,
Lehigh County, Pennsylvania

By: 
Ray O'Connell, Mayor

By: 
Jeff Glazier, Controller



NW FINANCIAL GROUP, LLC

Exceeding Expectations

PENNSYLVANIA

OFFICE

886 Vaughn Road

Pottstown, PA 19465

Tel (610) 326-4900

Fax (610) 326-4902

MEMORANDUM

To: The AO Working Group

From: Tom Beckett, NW Financial Group, LLC

Date: May 14, 2020

Re: CITY OF ALLENTOWN,
Lehigh County, Pennsylvania
\$7,090,000 Principal Amount
Revenue Note, Series of 2020

Following is a list of activities and the time frame in which they must occur in order to ensure a smooth and successful closing of the above-referenced transaction. Please contact Tom Beckett at (610) 733-7030 if you have any questions.

The following activities must occur on as soon as possible in the morning on **May 14, 2020**:

1. **Repayment of 2016 Bonds**

Webster Public Finance Corporation ("WPFC") will wire transfer **\$2,145,217.77** to Fulton Bank to repay the 2016 Bonds in the principal amount of \$2,138,245.30 and \$6,972.47 of interest to May 14, 2020.

Wire Instructions:	Bank Name :	Fulton Bank
	Bank ABA:	031301422
	Beneficiary #:	
	Beneficiary Name:	Fulton Bank
	OBI Reference:	For Further Credit to Loan #53302930101
		City of Allentown

2. **Project Fund**

Webster Bank will wire **\$4,227,402.68** to M&T Bank representing 2020 Project Costs

Wire Instructions:	Bank Name :	M&T Bank
	Bank ABA:	031100092
	Account #:	
	Account Name:	CITY OF ALLENTOWN ADMIN ORDER FDESC

3. **Costs of Issuance**

WPFC will pay **\$98,875.00** to the parties on the attached settlement sheet representing Costs of Issuance of the Note.

4. **Borrower Funds**

Fulton Bank will transfer by Fedwire the Borrower's existing Debt Service Reserve Fund (Account # XXXX-) and Lease A/O Service Charges Fund (Account #) in the amount of \$341,699.00 representing the following:

Debt Service Reserve Fund (Account #)	\$191,699.00
Lease A/O Service Charges Fund (Account #)	\$150,000.00

Wire Instructions:	Bank Name :	Webster Bank
	Bank ABA:	211170101
	Credit:	City of Allentown
		Lease/A.O. Serv Chrg
	Account #:	

5. **2020 Debt Service Reserve Fund**

Account #: 0023135431

WPFC will establish the 2020 Debt Service Reserve Fund in the amount of **\$639,359.40** from the following sources:

Debt Service Reserve Fund from Fulton Bank	\$191,699.00
WPFC deposit of Series 2020 proceeds	\$447,660.40

6. **2020 Note Sinking Fund (Service Charges and Capitalized Interest Funds)**

Account #:

WPFC will establish the 2020 Note Sinking Fund in the amount of **\$320,844.15** consisting of

Capitalized Interest on a portion of the 2020 Notes	\$170,844.15
Required Minimum Balance	\$150,000.00

**CITY OF ALLENTOWN,
Lehigh County, Pennsylvania
\$7,090,000 Principal Amount
Revenue Note, Series of 2020
Dated: May 14, 2020**

1. NW Financial Group, LLC. – Financial Advisor fee and expenses	\$ 30,375.00
2. Eckert Seamans Cherin & Mellott, LLC – Bond Counsel fee & Expenses	\$ 51,000.00
3. Herbert Rowland & Grubic, Inc. – engineer report fee	\$ 5,000.00
4. McCarter & English – Webster Public Finance Corporation Counsel fee	<u>\$ 12,500.00</u>
 Total Issuance Costs	 \$ 98,875.00

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER(Optional)

Susan Longnaker-7172376094

B. E-MAIL CONTACT AT FILER(optional)

slongnaker@eckertseamans.com

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

Susan Longnaker
Eckert Seamans, 213 Market St., 8th Floor
Harrisburg PA 17101

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide the exact ,full Debtor name.Do not omit,modify or abbreviate any part of Debtor's name.

1a. ORGANIZATION'S NAME

CITY OF ALLENTOWN

OR

1b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

1c. MAILING ADDRESS

435 Hamilton Street

CITY

Allentown

STATE

PA

POSTAL CODE

18101

COUNTRY

United States

2. DEBTOR'S NAME: Provide the exact , full Debtor name. Do not omit , modify, or abbreviate any part of the Debtor's name.

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

2c. MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME

WEBSTER PUBLIC FINANCE CORPORATION

OR

3b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

3c. MAILING ADDRESS

100 Westminster St, Suite 1110

CITY

Providence

STATE

RI

POSTAL CODE

02903

COUNTRY

United States

4. COLLATERAL: This financing statement covers the following collateral:

All right, title and interest of the City of Allentown, Lehigh County, Pennsylvania (hereinafter referred to as the "Debtor") in and to the income and revenues to be derived from the payments received by the Debtor from Lehigh County Authority from Service Charges, as defined in the hereinafter defined Lease, allocable to debt service on the Debtor's Administrative Order Bonds, including the Revenue Note, Series of 2020, under Section 4.16(b) of the Concession Lease Agreement, dated as of May 1, 2013, between the Debtor and the Lehigh County Authority (the "Lease"), pledged pursuant to Ordinance No. 15606, enacted by the Debtor on April 22, 2020 (the "Ordinance"), securing the Debtor's Revenue Note, Series of 2020, held by Webster Public Finance Corporation (hereinafter referred to as the "Secured Party"), as lender, its successors and its assigns. An executed version of the Ordinance

5. Check only if applicable and check only one box: Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and Instructions) ☐ being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:

☐ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box:

☐ Agricultural Lien ☐ Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailee/Bailor ☐ Licensee/Licenser

8. OPTIONAL FILER REFERENCE DATA:

312705.00002

International Association of Commercial Administrators(IACA)

FILING OFFICE COPY — UCC FINANCING STATEMENT (Form UCC1) (Rev. 07/19/12)

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS

9. NAME OF FIRST DEBTOR: Same as line 1a or 1b on Financing Statement; if line 1b was left blank because Individual Debtor name did not fit, check here	
9a. ORGANIZATION'S NAME	
OR	
9b. INDIVIDUAL'S SURNAME	
FIRST PERSONAL NAME	
ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY	

ADDITIONAL DEBTOR'S NAME: Provide only one Debtor name (a or b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

a. ORGANIZATION'S NAME				
OR				
b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

ADDITIONAL SECURED PARTY'S NAME or ASSIGNOR SECURED PARTY'S NAME: Provide only one name (a or b)

a. ORGANIZATION'S NAME				
OR				
b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

12. ADDITIONAL SPACE FOR ITEM 4 (Collateral)

is on file at a corporate trust office of the Secured Party, where the same may be inspected. Should the Lease be terminated while the Note is outstanding and the Debtor succeeds to ownership and operation of the leased sewer system, the Debtor pledges all right, title and interest in and to a like-amount of revenues from the sewer system.

13. <input type="checkbox"/> This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS (if applicable)	14. This FINANCING STATEMENT: <input type="checkbox"/> covers timber to be cut <input type="checkbox"/> covers as-extracted collateral <input type="checkbox"/> is filed as a fixture filing
15. Name and address of a RECORD OWNER of real estate described in item 16 (if Debtor does not have a record interest):	16. Description of real estate:

17. MISCELLANEOUS:

**NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD
SUBMITTED VIA ELECTRONIC MUNICIPAL MARKET ACCESS**

**REPORTABLE EVENT NOTIFICATION
(INCURRENCE OF A FINANCIAL OBLIGATION)**

**CITY OF ALLENTOWN
(Lehigh County, Pennsylvania)
CUSIP BASE #: 018340**

Notice Date: May 18, 2020

The City of Allentown, Lehigh County, Pennsylvania (the "City") is providing this notice pursuant to SEC Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (the "Rule") and its existing continuing disclosure undertakings.

On May 14, 2020, the City incurred a "financial obligation" (as that term is defined in the Rule) through a tax-exempt Revenue Note, Series of 2020, in the principal amount of \$7,090,000 (the "Loan") from Webster Public Finance Corporation (the "Bank"). While the Loan was issued by the City, it is not secured by the City's full faith, credit and taxing power. Rather, the Loan is a limited obligation of the City secured only by a specific stream of revenue made available to the City under the Concession Lease Agreement, dated as of May 1, 2013, between the City and the Lehigh County Authority, as further described in the City's Ordinance, enacted on April 15, 2020 (the "Ordinance"). The Ordinance, setting forth the terms of the Loan, the principal amortization schedule and the Form of the Note, is attached hereto.

This information is only accurate as of the Notice Date. The City makes no commitment to provide any notice (advance or otherwise) of any amendment, modification, redemption, cancellation, or other event or circumstance with respect to the filing other than as may be otherwise required pursuant to its existing continuing disclosure undertakings.

Bill No. 21 - 2020

CITY OF ALLENTOWN,

Lehigh County, Pennsylvania

Ordinance

No. 15606

File of the City Council

No. 21

Session of 2020

Moved by Joshua Siegel

April 15, 2020

AN ORDINANCE

OF COUNCIL OF THE CITY OF ALLENTOWN, LEHIGH COUNTY, PENNSYLVANIA (THE "CITY"), AUTHORIZING AND DIRECTING THE ISSUANCE OF A REVENUE NOTE, SERIES OF 2020, AS PERMITTED BY AND PURSUANT TO THE LOCAL GOVERNMENT UNIT DEBT ACT, 53 PA. C.S. § 8001 *et seq.*, AS AMENDED AND SUPPLEMENTED, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$7,090,000, WITH THE PROCEEDS THEREOF TO BE APPLIED FOR AND TOWARD THE FOLLOWING PROJECTS, EACH A PROJECT AS DEFINED IN THE DEBT ACT, INCLUDING, BUT NOT LIMITED TO, (I) THE CURRENT REFUNDING OF THE CITY'S OUTSTANDING SPECIAL REVENUE NOTE, SERIES OF 2016 (THE "REFUNDED NOTE" AND AS A PROJECT (THE "REFUNDING PROJECT"), (II) FINANCING THE ACQUISITION AND CONSTRUCTION OF CERTAIN IMPROVEMENTS TO THE CITY'S SEWER SYSTEM PURSUANT TO THE TERMS OF A CONCESSION LEASE AGREEMENT, DATED MAY 1, 2013, BETWEEN THE CITY AND THE LEHIGH COUNTY AUTHORITY (THE "CAPITAL PROJECT"), (III) FUNDING CAPITALIZED INTEREST ON THE CAPITAL PROJECT, (IV) FUNDING A DEBT SERVICE RESERVE FUND, AND (V)

REMAINDER OF ORDINANCE NOT INCLUDED IN TRANSCRIPT

(SEE ITEM 3 IN TRANSCRIPT FOR FULL ORDINANCE)

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[Click here for information on the MSRB response to COVID-19](#)[Home > Market Activity - Continuing Disclosure > Details](#)

Continuing Disclosure Details

Filing Type: EVENT FILING (CUSIP-9 Based)[View Document\(s\)](#)**Rule 15c2-12 Disclosure**

Financial Obligation - Incurrence or Agreement: City of Allentown - 2020 Note

Event Notice and Ordinance Debt Obligation as of 05/18/2020

Posted Date: 05/18/2020

Associated CUSIPs: 852

Issuer's Contact Information

Company: City of Allentown

Name: Luisa Follweiler

Address: 435 Hamilton Street

City, State, Zip: Allentown, PA 18101

Phone Number: 6104377500 ext.

2224

Email:

luisa.follweiler@allentownpa.gov

[Submitter's Contact Information](#)[View Issuer Homepage](#)[Associated Securities](#)[Modification History](#)Display resultsSearch within list:

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Issue Description *	Dated Date	Maturity Dates	Issuer Name
<no issue name>	10/01/1999	2000 to 2019	ALLENTOWN PA
<no issue name>	11/01/1997	1998 to 2012	ALLENTOWN PA
<no issue name>	10/15/1996	1997 to 2016	ALLENTOWN PA
<no issue name>	10/15/1992	2003 to 2012	ALLENTOWN PA
<no issue name>	09/01/2000	2001 to 2020	ALLENTOWN (CITY OF) LEHIGH COUNTY, PENNSYLVANIA
<no issue name>	10/15/2001	2016 to 2020	ALLENTOWN (CITY OF) LEHIGH COUNTY, PENNSYLVANIA
<no issue name>	04/01/2004	10/01/2017	ALLENTOWN (CITY OF) LEHIGH COUNTY, PENNSYLVANIA
<no issue name>	07/01/2008	2008 to 2018	ALLENTOWN (CITY OF) LEHIGH COUNTY, PENNSYLVANIA
<no issue name>	04/07/2011	2011 to 2036	ALLENTOWN (CITY OF) LEHIGH COUNTY, PENNSYLVANIA
<no issue name>	11/01/1997	1998 to 2012	ALLENTOWN PA SWR REV GTD

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