

**RESOLUTION R-2020-119
LUZERNE COUNTY COUNCIL**

AUTHORIZING THE ISSUANCE OF A TAX AND REVENUE ANTICIPATION NOTE, SERIES OF 2021 IN THE PRINCIPAL AMOUNT NOT TO EXCEED SIXTEEN MILLION DOLLARS (\$16,000,000); PROVIDING FOR THE DATED DATE, INTEREST RATE, MATURITY DATE, PAYMENT AND PLACE OF PAYMENT IN RESPECT OF THE NOTE; ACCEPTING THE PROPOSAL ATTACHED HERETO AS EXHIBIT "C" FROM THE FINANCIAL INSTITUTION OR ENTITY NAMED THEREIN FOR THE PURCHASE OF THE NOTE; AUTHORIZING THE PROPER OFFICERS OF THE COUNTY TO EXECUTE AND DELIVER THE NOTE AND CERTAIN OTHER DOCUMENTS AND CERTIFICATES IN CONNECTION THEREWITH; AUTHORIZING AND DIRECTING THE PREPARATION, CERTIFICATION AND FILING OF THE NECESSARY DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT OF THE COMMONWEALTH OF PENNSYLVANIA; SETTING FORTH A FORM OF THE NOTE.

WHEREAS, the County of Luzerne, Pennsylvania (the "County"), anticipates receiving taxes and other revenues during the fiscal year ending December 31, 2021, which taxes and other revenues are currently uncollected; and

WHEREAS, the County has estimated, on a monthly basis, its expected taxes, revenues and expenditures for the fiscal year ending December 31, 2021, and has determined that during a portion of such fiscal year it will experience a "cumulative cash flow deficit" as such phrase is defined in the regulations promulgated under Sections 103 and 148 of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the County has determined to borrow monies for the purpose of funding, in part, such cumulative cash flow deficit by issuing a note to be repaid from the anticipated taxes and revenues, all in accordance with the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, Act 53 Pa.C.S., Chapters 80-82, as reenacted and amended (the "Debt Act"); and

WHEREAS, the County has received an acceptable proposal for the purchase of its Tax and Revenue Anticipation Note as hereinafter described; and

WHEREAS, as required by Section 8126 of the Debt Act, officials of the County have heretofore made an estimate of the taxes and revenues to be received during such fiscal year ending December 31, 2021 (the "Estimate"), and, by their execution of a certificate with respect thereto dated this date and attached hereto as **Exhibit "A"** (the "Certificate"), have certified to such Estimate.

NOW, THEREFORE, BE IT RESOLVED by the Council of the County of Luzerne, Pennsylvania (the "Council"), in lawful session duly assembled, as follows:

Section 1. For the reasons and purposes recited above, the County hereby exercises its power and authority to borrow money and authorizes the issuance and sale of its Tax and Revenue Anticipation Note, Series of 2021, in the principal amount not to exceed Sixteen Million Dollars (\$16,000,000) substantially in the form attached hereto as **Exhibit “B”** (the “Note”) in anticipation of the receipt of current taxes and revenues to be received during the fiscal year ending December 31, 2021 as provided in the Certificate, such Note to be issued, sold and delivered as hereinafter provided.

Section 2. The Chair or Vice-Chair of the Council of the County or the County Manager, attested by the Clerk the Council of the County, is hereby authorized and directed, in the name and on behalf of the County, to prepare and file with the Department of Community and Economic Development of the Commonwealth of Pennsylvania a certified copy of this Resolution, a Certificate setting forth the Estimate and a true copy of the accepted Proposal (as hereinafter defined) for the purchase of the Note, all as set forth in and required by Section 8128 of the Debt Act. The Chair or Vice-Chair of the Council of the County or the County Manager, attested by the Clerk of County Council, is also hereby authorized and directed, in the name and on behalf of the County, to prepare and verify a certificate, in accordance with Sections 103 and 148 of the Code and the regulations applicable thereto, setting forth the anticipated use of the proceeds, to prepare and deliver to the Purchaser of the Note the Certificate required by Section 8127 of the Debt Act relating to the total amount of the County's tax and revenue anticipation notes outstanding on the date of delivery of the Note, and to take any and all other action, and to execute and deliver any and all other documents and instruments, as may be necessary, proper or desirable to effect the issuance and sale of the Note as contemplated herein. The certification made on the date of adoption of this Resolution by the aforementioned officials of the County, relating to the Estimate, is hereby ratified and approved.

Section 3. The Note shall be designated “County of Luzerne, Pennsylvania, Tax and Revenue Anticipation Note, Series of 2021,” shall be issued as a physical certificate in registered form, without coupons, shall be in the principal amount not to exceed Sixteen Million Dollars (\$16,000,000), shall be dated the date of issuance, shall bear interest at the fixed rate of interest set forth in the Proposal, from the date of delivery until maturity, shall mature on June 30, 2021 and be pre-payable prior to maturity, have such mandatory sinking fund redemption provisions, be payable as to principal and interest at the place and in the manner, and to the extent as set forth in the Proposal attached as **Exhibit “C”** hereto.

Section 4. The Note shall be executed by the Chair or Vice-Chair of Council of the County or the County Manager, shall have the corporate seal of the County affixed thereto, and shall be duly attested by the Clerk of Council of the County. The Chair or Vice-Chair of Council of the County or the County Manager is further authorized and directed to deliver the Note to the Purchaser hereinafter named upon the terms and conditions hereinafter provided in the Proposal and the Note, and to execute and deliver such other documents and instruments, attested to by the Clerk of Council of the County, and to take such other action as may be necessary or appropriate to effect the issuance and sale of the Note in accordance with this Resolution, the Debt Act, the Proposal and the Note, and as required by Bond Counsel (as defined below).

Section 5. The Note, when issued, together with any other tax and revenue anticipation notes issued by the County during fiscal year 2021, will be a general obligation of the County

secured by a pledge of, security interest in, and a lien and charge on, the taxes and other revenues to be received by the County during the period when the Note is outstanding; and the Chair or Vice-Chair of Council of the County is hereby authorized and directed to prepare and file, or to have filed by Bond Counsel, such financing statements as may be necessary to fully perfect such pledge, security interest, lien and charge pursuant to the Pennsylvania Uniform Commercial Code and Section 8125 of the Debt Act.

Section 6. The County hereby covenants that it will not make any use of the proceeds of the Note or do or suffer any other action which, if such use or action had been reasonably expected on the date of issuance of the Note, would cause the Note to be an “arbitrage note” or “private activity note” as such terms are defined in Section 148 or Section 141 of the Code and the regulations applicable thereto and further covenants that it will comply with Section 148 and Section 141 of the Code, and with any regulations applicable thereto, throughout the term of the Note, including without limitation, any requirements relating to a rebate of certain excess earnings pursuant to Section 148(f) of the Code of any regulations applicable thereto now existing or promulgated hereafter. In connection therewith, the Chair or Vice-Chair of Council of the County or the County Manager, attested by the Clerk of Council of the County, is hereby authorized and directed to execute and to deliver, in the name and on behalf of the County, any and all documents or other instruments which Saul Ewing Arnstein & Lehr LLP, as Bond Counsel (“Bond Counsel”), may reasonably request to provide its opinion that the Note is not an “arbitrage note” or “private activity note” within the meaning of Section 148 and Section 141 of the Code and the regulations applicable thereto.

Section 7. The formal proposal (the “Proposal”) of the lender identified therein (the “Purchaser”), presented to the Council and attached hereto as Exhibit “C,” is hereby accepted and the Note is hereby awarded to the Purchaser at a private sale for the aggregate purchase price as provided in the Proposal. The terms of the Proposal are incorporated herein by reference with the same effect as if set forth in full at this place. The Chair or Vice-Chair of Council of the County or the County Manager, attested by the Clerk of Council of the County, is hereby authorized and directed to, accept the Proposal, in the name of and on behalf of the County, by executing the County's acceptance on an original copy of the Proposal, to deliver a fully executed and completed copy of the same to the Purchaser and to file the original with the records of the County. The Chair or Vice-Chair of Council of the County or the County Manager is hereby authorized to deliver the Note to the Purchaser upon receipt of the full principal amount of the purchase price for such Note and in compliance with all conditions precedent to such delivery as required by the Debt Act, this Resolution, the Proposal and the Note; and such Chair or Vice-Chair of Council of the County, attested by the Clerk of Council of the County, is hereby authorized and directed to prepare, verify and deliver to the Purchaser concurrently with the delivery of the Note, the Certificate required by Section 8127 of the Debt Act, a copy of which certificate shall be retained with the records of the County until the Note has been paid in full.

Section 8. The Form of the Note shall be substantially as set forth and attached hereto as Exhibit “B,” which form is hereby incorporated by reference and adopted as if fully recited at length herein and said form is hereby approved by this Council, with such changes, insertions and variations as are necessary or appropriate to reflect the final terms, including, but not limited to,

series designation, interest rate, principal amount and sinking fund provisions, of the Note as specified to the County in the Proposal and such other changes as the Chair or Vice-Chair of Council of the County or the County Manager may approve upon advice of the Solicitor of the County, such approval to be evidenced by such officer's execution and delivery of the Note.

Section 9. The proper officers of the County are hereby authorized to establish a sinking fund for the Note with the Purchaser, if necessary. The County Director of Budget and Finance or other proper officer of the County is hereby authorized and directed to make deposits into the sinking fund to be held for the payment of principal and interest on the Note as provided in the Note.

Deposit by the County into the sinking fund of the amount of good funds necessary to pay the Note in full shall satisfy in full the obligation of the County to pay principal and interest with respect to the Note.

Section 10. The proper officers of the County are hereby authorized, jointly and severally, to do any and all things necessary to effectuate the issuance, execution, delivery and sale of the Note, including the execution and delivery of any and all additional documents, representations, declarations, note purchase agreements, loan agreements, reimbursement agreements, security agreements, intercreditor agreements, sinking fund agreements, pledge agreements, escrow agreements, assignments, financing statements, tax and other certificates, authorizations, contracts, agreements, insurance binders and other papers as may be necessary to effectuate any of the foregoing or as may be required by Bond Counsel, and such execution and delivery shall be conclusive evidence of the authorization and approval thereof by the County.

Section 11. Saul Ewing Arnstein & Lehr LLP is hereby appointed Bond Counsel in connection with the issuance and sale of the Note.

Section 12. The County Manager and the County Director of Budget and Finance or any other proper official of the County is hereby authorized and directed to pay at, or subsequent to, the closing for the issuance of the Note, all costs and expense of the issuance incurred by or on behalf of the County or required to be paid by the County, all in accordance with the provisions of the Proposal. All such 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 County Manager and the County Director of Budget and Finance is authorized to approve requests for payment of such expenses and to direct the Purchaser to pay such expenses directly from the proceeds of the Note.

Section 13. This Resolution shall become effective on the earliest possible date in accordance with the terms of the County Charter and shall further be deemed part of the Note and incorporated therein by reference and enforceable by the holder of the Note.

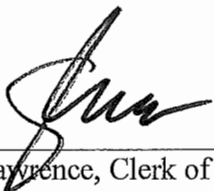
DULY ADOPTED, this 8th day of December, 2020, by the Council of the County of Luzerne, Pennsylvania, in lawful regular session duly assembled.

ROLL CALL VOTE (11-0)

YES: Griffith, Haas, Houck, McDermott, McGinley, Perry, Radle, Saidman, Schnee, SA Urban and Vough

LUZERNE COUNTY COUNCIL

By:  _____
Tim McGinley, Chair

Attest:  _____
Sharon Lawrence, Clerk of Council

LUZERNE COUNTY MANAGER

By:  _____
C. David Pedri, Esquire, County Manager

CERTIFICATE

COUNTY OF LUZERNE, PENNSYLVANIA
\$16,000,000 Tax and Revenue Anticipation Note,
Series of 2021

CERTIFICATE AS TO TAXES AND REVENUES TO BE COLLECTED

Pursuant to Sections 8122 and 8126 of the Local Government Unit Debt Act, the undersigned officers of the County of Luzerne, Pennsylvania (the "County") DO HEREBY CERTIFY as follows in connection with the authorization by the County of its Tax and Revenue Anticipation Note, Series of 2021, in a principal amount of \$16,000,000 (the "Note"):

Section 1. This Certificate is given as of a date not more than thirty (30) days prior to the authorization, by resolution, by the Council of the County of the issuance and sale of the Note.

Section 2. The Note will be outstanding for a period ending no later than June 30, 2021.

Section 3. The undersigned have carefully estimated that the aggregate amount of moneys to be received by the County from taxes presently levied and assessed, or anticipated to be levied and assessed, and other revenues to be received (including subsidies and reimbursements) during the 2021 fiscal year during the period when the Note will be outstanding is not less than \$125,424,250 as shown in Column (C) of the attached Cash Flow Calculation Worksheet.

Section 4. In making the foregoing estimate, the undersigned have considered the past and anticipated collection experience of the County and current and projected economic conditions.

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IN WITNESS WHEREOF, the undersigned have set their hands as of December 8, 2020.

COUNTY OF LUZERNE, PENNSYLVANIA

By: _____
Tim McGinley, Chair

By: _____
Sharon Lawrence,
Clerk of County Council

EXHIBIT "A"

County of Luzerne, Pennsylvania
 Cumulative Cash Flow Deficit Calculation for Fiscal Year Ending December 31, 2021

A	B	C	D	E	F
Month	Opening Balance	Estimated Receipts	Estimated Disbursements	Month Surplus/(Deficit)	Cumulative Surplus/(Deficit)
January	3,000,000	1,006,500	10,467,750	-9,461,250	-6,461,250
February	-6,461,250	1,656,500	11,122,250	-9,465,750	-15,927,000
March	-15,927,000	33,101,500	13,232,750	19,868,750	3,941,750
April	3,941,750	61,323,750	10,444,750	50,879,000	54,820,750
May	54,820,750	14,603,500	18,522,250	-3,918,750	50,902,000
June	50,902,000	13,732,500	17,082,750	-3,350,250	47,551,750
Total	3,000,000	125,424,250	80,872,500		

Highest 2021 Projected Deficit		(\$15,927,000)
Less: Working Capital Reserve		
Expenditures through 11/30/2020	130,850,000	
	5%	(6,542,500)
Maximum Allowable 2021 TAN		<u>(\$22,469,500)</u>

EXHIBIT "B"

R-1

\$16,000,000

COUNTY OF LUZERNE, PENNSYLVANIA
TAX AND REVENUE ANTICIPATION NOTE,
SERIES OF 2021

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE</u>
___%	June 30, 2021	January 4, 2021

REGISTERED OWNER: MANUFACTURERS AND TRADERS TRUST COMPANY

PRINCIPAL SUM: SIXTEEN MILLION DOLLARS

The County of Luzerne, Pennsylvania (the "County"), for value received, hereby promises to pay to the Registered Owner hereof on the Maturity Date set forth above, the principal sum of SIXTEEN MILLION DOLLARS (\$16,000,000), together with interest on said sum computed at the annual rate of _____ one-thousandths of one percent (___%) (on a 30/360 day basis) payable on the Maturity Date, subject to the further provisions of this Note specified below and the "Commitment Letter" issued by the Registered Owner (collectively, the "Commitment"), a copy of which is attached hereto as Exhibit A, the terms and conditions of which are incorporated herein in their entirety as if fully set forth herein. Both the principal of and interest on this Note shall be payable in lawful money of the United States of America directly to the Registered Owner hereof by wire transfer in immediately available funds to an account designated by the Registered Owner.

This Note is the Tax and Revenue Anticipation Note, Series of 2021, in the aggregate principal amount of \$16,000,000 (the "Note"), authorized and issued in accordance with the provisions of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, as amended (the "Act"), and pursuant to a Resolution adopted by the County on December 8, 2020 (the "Resolution") and filed, together with other required documents, with the Pennsylvania Department of Community and Economic Development. Reference is hereby made to the Act and the Resolution for a statement of the rights and limitations of rights of the Registered Owner of the Note under the Act, to all of which the Registered Owner hereof by acceptance of this Note assents. The Registered Owner's rights and remedies with respect to any event of default and the enforcement of the County's obligations, warranties, representations or undertakings as specified in this Note or the Resolution shall be governed by the provisions of the Act and the rights and remedies of a secured creditor under Pennsylvania Uniform Commercial Code Article 9, including the rights of mandamus and injunction as provided for in the Act.

B-1

This Note is issued under and in accordance with the Act, for the purpose of providing funds for current expenses payable in the current fiscal year in anticipation of the receipt of taxes and other revenues by the County from the date of original delivery of the Note to the stated Maturity Date hereof.

It is the intention of the County that the interest payable upon this Note will not be includable in gross income of the holder hereof for purposes of federal income taxation under the United States Internal Revenue Code of 1986, as amended (the "Code"). The County hereby covenants that it will not do anything that would endanger the tax-exempt status of the interest referred to herein. The County covenants that it will not make any investment or other use of any portion of the "proceeds" of this Note (within the meaning of Sections 103 and 141 through 150 of the Code or any applicable regulations thereunder) which would cause the Note to be an "arbitrage bond" as such term is defined in Section 148 of the Code or which would otherwise cause the interest on this Note to be includable in gross income of the holder hereof for purposes of federal income taxation under the Code. The County covenants to comply with the requirements of Sections 103 and 141 through 150 of the Code, and all applicable regulations promulgated with respect thereto, including, but not limited to, the requirements regarding the use or investment of the proceeds of the Note and the rebate requirements in Section 148(f) of the Code.

Under the laws of the Commonwealth of Pennsylvania, the interest on the Note shall at all times be free from taxation within the Commonwealth of Pennsylvania, but this exemption shall not extend to gift, estate, succession or inheritance taxes or any other taxes not levied or assessed directly on this Note or the interest thereon. Profits, gains or income derived from the sale, exchange or other disposition of this Note are subject to state and local taxation.

The Note is not subject to prepayment in accordance with the terms of the Commitment.

The Note is secured under the Resolution by the pledge of, security interest in and a lien and charge on the taxes and other revenues of the County specified in the Resolution to be received during the period when the Note is outstanding, together with all proceeds thereof. Such pledge, security interest, lien and charge have been perfected and are enforceable in the manner provided by the Act.

Certain events shall be deemed an Event of Default. Events of Defaults and Remedies are defined and described in the Act and incorporated herein by reference.

This Note may be exchanged, and its transfer may be effected, only by the Registered Owner hereof in person or by his/her/its duly authorized custodian in writing. Upon such exchange and registration of such transfer, the County shall immediately issue a new registered note of the same series, maturity and interest rate and for the same aggregate principal amount as the note to be exchanged and deliver the same to the new Registered Owner per his/her/its delivery instructions.

Whenever the due date for payment of interest on or principal of this Note shall be a Saturday, a Sunday, a legal holiday or a day on which banking institutions in the Commonwealth of Pennsylvania are authorized or required by law to close, then payment of such interest, principal

or redemption price need not be made on such date, but may be made on the next succeeding day which is not a Saturday, a Sunday, a legal holiday or a day upon which such banking institutions are authorized or required by law to close, with the same force and effect as if made on the due date for payment of principal, interest or redemption price and no interest shall accrue on the amount due for any period after such due date.

It is hereby certified that all actions required by the Act to be taken to render this Note valid and obligatory have been duly taken pursuant to the Act, that all acts, conditions and things required by the laws of the Commonwealth of Pennsylvania to exist, to have happened or to have been performed precedent to and in the authorization and issuance of this Note exist, have happened and have been performed in regular and due form and manner and as required by law; and that all existing indebtedness of the County is within every limitation prescribed by the Constitution and the statutes of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the County has caused this Note to be executed by the Chair of Council of the County, its seal to be hereunto affixed and the same to be attested by the Clerk of Council of the County.

(SEAL)

COUNTY OF LUZERNE, PENNSYLVANIA

By: _____
Chair

Attest: _____
Clerk

[Signature Page – 2021 Note]

ASSIGNMENT FOR TRANSFER

FOR VALUE RECEIVED, the undersigned, hereby sells, assigns and transfers unto _____ (Tax Identification or Social Security No. _____) the within note and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within note on the books kept for registration thereof, with full power or substitution in the premises.

Date:

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a signature guarantor institution that is a participant in a nationally recognized signature guarantor program.

NOTICE: The signature to this assignment must correspond with the name of the registered owner of the within note as it appears on the face hereof in every particular, without alteration or enlargement or any change whatever, and the Social Security number or federal employer identification must be supplied.

EXHIBIT "C"

PROPOSAL



Luzerne County, Pennsylvania
Summary of Terms & Conditions
\$16,000,000 Tax and Revenue Anticipation Note
(The "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.

Original Submission Date: November 24, 2020.

Borrower: Luzerne County, Pennsylvania.

Purchaser: Webster Public Finance Corporation.

Paying Agent: Webster Bank, N.A.

Par Amount: Up to \$16,000,000.

Closing: Settlement will occur on or around January 4, 2021.

Final Maturity: June 30, 2021.

Purpose: Proceeds of the Loan will be used for cash flow purposes in anticipation of tax revenue.

Tax Status: The Loan will be exempt from Federal and State Income Tax.

Bank Qualification: The Loan will not be designated Bank Qualified under IRS Section 265(b)(3) as amended.

Amortization: Principal and interest shall be due at Final Maturity.

Security: The Loan shall be secured by the pledge of, security interest in and a lien and charge on the taxes and other revenues of the County specified in the Resolution and shall be treated as a general obligation of the County all in accordance with Section 8125 of the Local Government Unit Debt Act.

Note Counsel Opinion: A Legal Opinion will be provided stating (i) that the County is duly organized and existing under the Laws of Pennsylvania and has the power and authority within all constitutional and legal limitations to issue the Note without assent of electors, (ii) the due authorization of the Loan, (iii) that the Loan has been duly issued and sold by the County, (iv) that interest will be excluded from Pennsylvania individual income tax and corporate net income tax, and (v) the Note is legally valid, binding and enforceable general obligation of County

insolvency proceedings; (x) no Material Adverse Change with respect to the Borrower; and (xi) such other representations and warranties as are customary for a transaction of this type.

"Material Adverse Change" means, with respect to any change or effect, a material adverse change in, or effect on, as the case may be, (a) the business, assets, operations or condition, financial or otherwise, of the Borrower taken as a whole, (b) the ability of the Borrower, to perform their obligations under the loan documents to which they are a party, (c) the rights of, or benefits available to, the Purchaser under the loan documents, or (d) the legality or enforceability of any loan document.

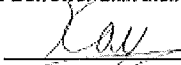
Redemption: Prepayment is not allowed prior to Final Maturity.

Expiration: This term sheet will expire forty-five (45) days from the Submission Date.

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WEBSTER PUBLIC FINANCE CORPORATION

IN WITNESS WHEREOF, and acknowledging acceptance and agreement of the foregoing, the Purchaser and the Borrower affix their signatures hereto on this 8th day of December, 2020.

By: 
Name: Xaykham Khamsyvovong
Title: Delegate for Christopher Moll
Vice President
Webster Public Finance Corporation

COUNTY OF LUZERNE, PENNSYLVANIA

IN WITNESS WHEREOF, and acknowledging acceptance and agreement of the foregoing, the Purchaser and the Borrower affix their signatures hereto on this ___ day of December, 2020.

By: _____
Name: _____
Title: _____

payable from and secured by the pledge of, security interest in and lien and charge on the taxes and other revenues to be received by the County during the period the Loan is outstanding.

Private Placement: The Loan is being offered pursuant to private placement. No offering document constituting an "official statement" will be prepared. The Purchaser will execute the attached Purchaser Representation Letter at Settlement.

Rating & Disclosure: The Loan will not be rated and no offering document constituting an "official statement" will be prepared.

Interest Rate: 0.608%.

Other Fees The Purchaser will charge no fees for this loan; however the Borrower is responsible for any issuer expenses incurred including, but not limited to bond counsel, Purchaser's Counsel, verification agent and municipal advisor. Purchaser's Counsel will be at a cost to the Borrower not to exceed \$4,000 to 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. The Purchaser requires that the Borrower submit the following information to the Purchaser annually, unless otherwise made available on EMMA.msrb.org:

1. Audited annual financial statements of the Borrower, delivered to the Purchaser within nine months of the close of the Borrower's fiscal year.
2. Most recent tax roll data that shows the assessed value of the Borrower and top ten taxpayers.
3. Statement of Debt and compliance with statutory debt limits to the extent included in audited annual financial statements of the Borrower.
4. Proposed and approved budgets of the Borrower.

Any other information as the Purchaser 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 Loan, an opinion of Borrower's counsel in customary form, and closing certificates of officials of the Borrower's as to the issuance of the Loan, (iii) receipt of satisfactory financial information, budgets, projections, etc. as requested by the Purchaser, and (iv) 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

[FORM OF PURCHASER REPRESENTATION LETTER]

January 4, 2021

County of Luzerne, Pennsylvania
200 N. River St.
Wilkes-Barre, PA 18711

Re: County of Luzerne, Pennsylvania
\$16,000,000 Tax and Revenue Anticipation Note, Series of 2021

Ladies and Gentlemen:

The undersigned (the "Purchaser") has purchased the above-captioned note (the "Note") issued by the County of Luzerne (the "Issuer"). In connection therewith, the Purchaser hereby makes the following representations upon which you may rely:

1. The Purchaser has sufficient knowledge and experience in financial and business matters to be able to evaluate the risk and merits represented by the purchase, or participation in the purchase, of the Note. The Purchaser is able to bear the economic risks of such purchase or participation.

2. The Purchaser acknowledges that it has either been supplied with or been given access to information, including, but not limited to, financial statements, documents, records, reports and other financial information and material factors and information (including, but not limited to, information affecting the Issuer and the security and payment of the Note), to which a reasonable purchaser would attach significance in making such decisions, and the Purchaser has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Issuer, the use of proceeds of the Note, and the Note and the security therefor so that, as a reasonable purchaser, the Purchaser has been able to make its decision to purchase or participate in the purchase of the Note. In turn, the Purchaser has based its decision to purchase or participate in the purchase of the Note on its own investigation, inquiry and analysis of information as the Purchaser has deemed necessary in making such decisions. The Purchaser further acknowledges that it has such knowledge and experience in business matters that it is fully capable of evaluating the merits and risks of this purchase and is able to bear the economic risk.

3. The Purchaser hereby certifies that it is a Qualified Institutional Buyer (as defined in Rule 144A promulgated under the Securities Act of 1933, as amended) (a "QIB").

4. The Purchaser acknowledges that it is purchasing the Note for its own account and not with a current view toward resale or the distribution thereof, in that it does not presently intend to resell or otherwise dispose of all or any part of its interest in the Note; *provided, however*, that the Purchaser may sell or otherwise transfer all or any portion of the Note to any other QIB or Institutional Accredited Investor subject to

delivery of a letter to the Issuer in substantially the same form as this letter. The Purchaser understands that it may need to bear the risks of its purchase, or participation, for an indefinite time, since any sale prior to maturity may not be possible.

5. The Purchaser understands that the Note is not registered under the Securities Act of 1933 and that such registration is not legally required as of the date hereof; and further understands that the Note (a) is not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, and (c) will be delivered in a form which may not be readily marketable.

6. The Purchaser has authority to purchase or participate in the purchase of the Note and to execute this letter and any other instruments and documents required to be executed by the Purchaser in connection with the purchase of the Note.

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WEBSTER PUBLIC FINANCE
CORPORATION

By _____
Authorized Representative

[Signature Page - Purchaser Representation Letter]