

RESOLUTION AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$100,000 REVENUE BONDS OF THE HARDYSTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY AND PROVIDING FOR THEIR SALE TO THE NEW JERSEY INFRASTRUCTURE BANK (f/k/a THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST) AND THE STATE OF NEW JERSEY AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS IN CONNECTION THEREWITH FOR THE AUTHORITY'S ASSET MANAGEMENT PLAN PROJECT

WHEREAS, The Hardyston Township Municipal Utilities Authority (the "Authority"), a public body corporate and politic of the State of New Jersey (the "State"), has determined that there exists a need to develop an asset management plan (the "Project"), as described herein and as further defined in that certain Loan Agreement (the "I-Bank Loan Agreement") to be entered into by and between the Authority and the New Jersey Infrastructure Bank (f/k/a the New Jersey Environmental Infrastructure Trust) (the "I-Bank") and that certain Loan Agreement (the "Fund Loan Agreement" and, together with the I-Bank Loan Agreement, the "Loan Agreements") to be entered into by and between the Authority and the State acting by and through the New Jersey Department of Environmental Protection all pursuant to the New Jersey Infrastructure Bank Financing Program (the "Program"); and

WHEREAS, the Authority has determined to finance or refinance the development of the Project with the proceeds of loans to be made by each of the I-Bank (the "I-Bank Loan") and the State (the "Fund Loan" and, together with the I-Bank Loan, the "Loans") pursuant to the I-Bank Loan Agreement and the Fund Loan Agreement, respectively; and

WHEREAS, to evidence the Loans, each of the I-Bank and the State require the Authority to authorize, execute, attest and deliver the Authority's revenue bond to the State (the "Fund Loan Bond") and revenue bond to the I-Bank (the "I-Bank Loan Bond" and together with the Fund Loan Bond, the "Revenue Bonds") pursuant to the terms of the Municipal and County Utilities Authorities Law of the State, constituting Chapter 14B of Title 40 of the Revised Statutes of the State (the "Utilities Authorities Law"), other applicable law and the Loan Agreements; and

WHEREAS, the I-Bank and the State have expressed their desire to close in escrow the making of one or more of the Loans, the issuance of one or more of the Revenue Bonds and the execution and delivery of one or more of the Loan Agreements, all pursuant to the terms of an Escrow Agreement (the "Escrow Agreement") to be entered into by and among the I-Bank, the State, the escrow agent or agents named therein and the Authority; and

WHEREAS, N.J.S.A. §40:14B-27 of the Utilities Authorities Law allows for the sale of the I-Bank Loan Bond and the Fund Loan Bond to the I-Bank and the State, respectively, and the sale of the Authority Construction Financing Project Notes (as defined herein) to the I-Bank, without any public offering, and N.J.S.A. §58:11B-9(a) allows for the sale of the I-Bank Loan Bond to the I-Bank without any public offering, all under the terms and conditions set forth in the following resolution; and

WHEREAS, the Authority has not heretofore issued revenue bonds; and

WHEREAS, the Authority is desirous of authorizing the issuance of the Revenue Bonds and the Authority Construction Financing Project Notes as provided herein.

NOW, THEREFORE, BE IT RESOLVED BY THE HARDYSTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY, and the members or commissioners thereof, **AS FOLLOWS:**

Section 1. Definitions. Terms that are defined in the preambles to this resolution shall, unless the context clearly requires otherwise, have the meanings provided therefor. In addition, the following terms which are used as defined terms herein shall, unless the context clearly requires otherwise, have the meanings which are set forth below:

- (a) “Government Grant” means any sum of money heretofore or hereafter received by the Authority from the United States of America or any agency thereof or from the State of New Jersey or any agency thereof as or on account of a grant or contribution, not repayable by the Authority, in aid of or for or with respect to (i) the construction, acquisition or other development of any part of the System or any costs of any such construction, acquisition or development, or (ii) the financing of any such construction, acquisition, development or costs;
- (b) “Operating Expenses” means the Authority’s reasonable and necessary current expenses of maintaining, repairing and operating the System, including without limiting the generality of the foregoing, all administrative, general and commercial expenses, insurance and surety bond premiums, payments to others for collection and disposal of sewage and other wastes or for provision or supply of water, engineering expenses, legal expenses, auditing expenses, payments to pension, retirement, health and hospitalization funds, any taxes which may be lawfully imposed on the Authority or its income or operations or the property under its control, ordinary and current rentals of equipment or other property, other rentals, usual expenses of maintenance and repair, refunds of money lawfully due to others, and any other current expenses or payments required to be paid by the Authority by law, all to the extent properly and directly attributable to the System, expenses in connection with the issuance of bonds and other obligations of the Authority, any expenses or payments required under or pursuant to the Loan Agreement, but not

including and reserves for operation, maintenance or repair or any allowance for depreciation, amortization, interest on bonds, or similar charges;

- (c) “Revenues” means all fees, including connection fees, rents and charges and other income derived by the Authority from or for the ownership, operation, use or services of the System, including income earned from investment of moneys, but excluding any Government Grant;
- (d) “Sewerage System” means the plants, structures and other real and personal property acquired, constructed or operated or to be acquired, constructed or operated by the Authority for the purposes of the Authority, including sewers, conduits, pipelines, mains, pumping and ventilating stations, sewage treatment or disposal systems, plants and works, connections, outfalls, compensating reservoirs, and other plants, structures, conveyances, and other real and personal property, and rights therein, and appurtenances necessary or useful and convenient for the collection, treatment, purification or disposal in a sanitary manner of any sewage, liquid or solid wastes, night soil or industrial wastes;
- (e) “System” means the Sewerage System and the Water System;
- (f) “Water System” means the plants, structures and other real and personal property acquired, constructed or operated or to be acquired, constructed or operated by the Authority for the purposes of the Authority, including reservoirs, basins, dams, canals, aqueducts, standpipes, conduits, pipelines, mains, pumping stations, water distribution systems, compensating reservoirs, waterworks or sources of water supply, wells, purification or filtration plants or other plants and works, connections, rights of flowage diversion, and other plants, structures, conveyances, and other real and personal property, and right therein, and appurtenances necessary or useful and convenient for the accumulation, supply or distribution of water.

Section 2. Determination to Undertake the Project. The Authority does hereby determine to undertake the Project which shall consist of developing a long term plan for both public water systems within the jurisdiction of the Authority, as said Project is more particularly described in the application filed with the I-Bank and identified by the I-Bank as project number 1911006-003 and project name “Asset Management Plan”, as such application may be amended or modified from time to time.

Section 3. Estimated Cost of the Project. The estimated maximum cost of the Project, as defined in the Utilities Authorities Law, is \$100,000.

Section 4. Authorization of Revenue Bonds. In accordance with Section 25 of the Utilities Authorities Law and subject to and pursuant to the provisions of this resolution, bonds of the Authority (herein referred to as the Revenue Bonds) are hereby authorized to be issued in

the aggregate principal amount not to exceed \$100,000 for the purpose of raising funds to pay the costs of the Project, including the funding of any required or desirable reserves, capitalized interest and costs of issuance.

Section 5. Payment of Revenue Bonds. The Revenue Bonds shall be direct and general obligations of the Authority and the principal of, redemption premium, if any, and interest on same shall be payable from the Revenues pledged under the terms of this resolution, as and to the extent provided in Section 6 hereof.

Section 6. Pledge Securing Bonds. Subject only to the prior right to use any moneys or funds for the payment of Operating Expenses, the Revenues are hereby pledged to secure the payment of the principal of, redemption premium, if any, and interest on the Revenue Bonds. As provided in the form of the Fund Loan Bond attached hereto as Exhibit A, the pledge of the Revenues for the benefit of the Fund Loan Bond is junior and subordinate in all respects to the pledge of the Revenues for the benefit of the I-Bank Loan Bond.

Section 7. Award of Revenue Bonds. In accordance with N.J.S.A. §40:14B-27 of the Utilities Authorities Law and N.J.S.A. §58:11B-9(a), the Authority hereby sells and awards its (a) I-Bank Loan Bond to the I-Bank in accordance with the provisions of this resolution and (b) Fund Loan Bond to the State in accordance with the provisions of this resolution.

Section 8. Basic Terms of Revenue Bonds; Delegation of Power to Make Certain Determinations. The chair or vice chair of the Authority (the "Chair") or the Administrator of the Authority is hereby authorized to determine, in accordance with the Utilities Authorities Law and pursuant to the terms and conditions established by the I-Bank and the State under the Loan Agreements and the terms and conditions of this resolution, the following items with respect to the I-Bank Loan Bond and the Fund Loan Bond:

- (a) The principal amount of the I-Bank Loan Bond to be issued and the principal amount of the Fund Loan Bond to be issued, which amounts in the aggregate shall not exceed \$100,000;
- (b) The maturity or maturities and annual or semi-annual principal installments of the Revenue Bonds, which maturity or maturities shall not exceed thirty (30) years;
- (c) The date or dates of the Revenue Bonds;
- (d) The interest rates of the Revenue Bonds, provided that the effective cost of the I-Bank Loan Bond does not exceed eight per centum (8%) and that the interest rate on the Fund Loan Bond is zero per centum (0%);
- (e) The purchase price for the Revenue Bonds;
- (f) The terms and conditions under which the Revenue Bonds shall be subject to redemption prior to their stated maturities; and

- (g) Such other matters with respect to the Revenue Bonds as may be necessary, desirable or convenient in connection with the sale, issuance and delivery thereof, including issuing the Revenue Bonds in the form of multiple revenue bonds from time to time if the Project is funded in more than one installment by the Program.

Section 9. Determinations Conclusive. Any determination made by the Chair or the Administrator pursuant to the terms of this resolution shall be conclusively evidenced by the execution and attestation of the Revenue Bonds by the parties authorized under Section 10(c) of this resolution.

Section 10. Further Terms of Revenue Bonds. The Authority hereby determines that certain terms of the Revenue Bonds shall be as follows:

- (a) The Fund Loan Bond shall be issued in a single denomination and shall be numbered as determined by the Chair or the Administrator. The I-Bank Loan Bond shall be issued in a single denomination and shall be numbered as determined by the Chair or the Administrator;
- (b) The Revenue Bonds shall be issued in fully registered form and shall be payable to the registered owners thereof as to both principal and interest in lawful money of the United States of America;
- (c) The Revenue Bonds shall be executed by the manual or facsimile signature of the Chair or the Administrator, and the Secretary or the Assistant Secretary of the Authority (the "Secretary"), by manual signature, shall attest to the execution of the Revenue Bonds and shall affix, imprint, engrave or reproduce thereon the corporate seal of the Authority; and
- (d) In order to distinguish the Revenue Bonds from other bonds of the Authority, the Revenue Bonds shall have such letters, numbers and/or years incorporated in their titles as shall be determined by the Chair or the Administrator.

Section 11. Forms of Revenue Bonds. The Fund Loan Bond and the I-Bank Loan Bond shall be substantially in the forms set forth in Exhibit A and Exhibit B hereto, respectively, with such changes, insertions and omissions as may be approved by the Chair or the Administrator, such approval to be evidenced by the signature of the Chair or the Administrator on the Revenue Bonds.

Section 12. Authorized Parties. Bond counsel to the Authority is hereby authorized to arrange for the printing of the Revenue Bonds, which law firm may authorize bond counsel to the I-Bank and the State for the Program to arrange for same. The Authority auditor is hereby authorized to prepare the financial information, if any, necessary in connection with the issuance of the Revenue Bonds. The Chair, the Treasurer, the Administrator, the Chief Financial Officer, and the Secretary (collectively, the "Authorized Authority Officers") are hereby severally authorized to execute any certificates necessary or desirable in connection with the financial and other information.

Section 13. Report to the Authority. The Authorized Authority Officers are hereby directed to report in writing to the Authority at the meeting of the Authority next following the closing with respect to the Revenue Bonds as to the terms of the Revenue Bonds authorized to be determined by the Authorized Authority Officers pursuant to and in accordance with the provisions of this resolution.

Section 14. Delivery of Revenue Bonds. Each Authorized Authority Officer is hereby authorized to execute any certificate or document necessary or desirable in connection with the sale of the Revenue Bonds and is hereby further authorized to deliver same to the I-Bank and the State upon delivery of the Revenue Bonds and the receipt of payment therefor in accordance with the Loan Agreements.

Section 15. Execution of Agreements. The I-Bank Loan Agreement, Fund Loan Agreement and Escrow Agreement (collectively, the "Financing Documents") are hereby authorized to be manually executed and delivered on behalf of the Authority by the Chair or the Administrator in substantially the forms required and traditionally used by the I-Bank and the State (which forms are available from the I-Bank and the State), with such changes as the Chair or the Administrator, in his or her sole discretion, after consultation with counsel, bond counsel and any other advisors to the Authority (the "Authority Consultants") and after further consultation with the I-Bank, the State and their representatives, agents, counsel and advisors (collectively, the "Program Consultants" and, together with the Authority Consultants, the "Consultants"), shall determine, such determination to be conclusively evidenced by the execution of each such Financing Document by the Chair or the Administrator. The Secretary is hereby authorized, if necessary, to attest by manual signature to the execution of the Financing Documents by the Chair or the Administrator and to affix, imprint, engrave or reproduce the corporate seal of the Authority to such Financing Documents.

Section 16. Authorized Actions. The Authorized Authority Officers are hereby further severally authorized to (i) manually execute and deliver and the Secretary is hereby further authorized to attest by manual signature to such execution and to affix, imprint, engrave or reproduce the corporate seal of the Authority to any document, instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Authority Officers or the Secretary, as applicable, in their respective sole discretion, after consultation with the Consultants, to be executed in connection with the execution and delivery of the Financing Documents and the Revenue Bonds and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such document, instrument or closing certificate by the party authorized under this resolution to execute such document, instrument or closing certificate and (ii) perform such other actions as the Authorized Authority Officers deem necessary, desirable or convenient in relation to the execution and delivery thereof.

Section 17. Covenant to Pay Revenue Bonds. The Authority hereby covenants and agrees with the holders of the Revenue Bonds that the Authority shall pay or cause to be paid the principal of every Revenue Bond and the interest thereon at the date and place and in the manner

mentioned in such Revenue Bond according to the true intent and meaning thereof and will carry out and perform all of the acts and things required of it by the terms of this resolution.

Section 18. Additional Bonds. After the issuance of the Revenue Bonds, the Authority may issue additional revenue bonds registered in the name of the I-Bank and/or the State under the Program, which additional bonds shall be secured by the Revenues and payable on a parity basis with the Revenue Bonds issued hereunder, provided that the pledge of the Revenues for the benefit of additional fund loan bonds payable to the State shall be junior and subordinate in all respects to the pledge of the Revenues for the benefit of the I-Bank Loan Bond and additional I-Bank loan bonds payable to the I-Bank. The Authority shall not issue any additional revenue bonds to a party other than the I-Bank and/or the State which are secured by the Revenues and payable on a parity basis with the Revenue Bonds without receiving the prior written consent of the I-Bank.

Section 19. Resolution Constitutes Contract. In consideration of the purchase and acceptance of the Revenue Bonds by those who shall hold the same from time to time, the provisions of this resolution shall be deemed to be and shall constitute contracts between the Authority and the holders from time to time of the Revenue Bonds.

Section 20. No Recourse. No recourse shall be had for the payment of the principal or redemption price, if any, of or the interest on the Revenue Bonds or for any claim based thereon or on this resolution against any member or other officer of the Authority or any person executing the Revenue Bonds. The Revenue Bonds are not and shall not be in any way a debt or liability of the State or of any county or municipality, and do not and shall not create or constitute any indebtedness, liability or obligation of the State or of any county or municipality, either legal, moral or otherwise.

Section 21. Authorization for Resolution. This resolution is adopted by virtue of the Utilities Authorities Law and pursuant to its provisions, and the Authority has ascertained and hereby determines that adoption of this resolution is necessary to carry out the powers, purposes and duties expressly provided in the Utilities Authorities Law and that each and every matter and thing as to which provision is made in this resolution is necessary in order to carry out and effectuate the purposes of the Authority in accordance with the Utilities Authorities Law.

Section 22. Multiple Document Sets. Notwithstanding any other provision of this resolution to the contrary, if in connection with the participation of the Authority in the Program, the State and the I-Bank require that the Authority execute more than one set of documents, the provisions of this resolution shall be deemed to apply to the Revenue Bonds and the Financing Documents related to each set of documents; provided, however, that in no event may the aggregate principal amount of all Revenue Bonds issued and delivered pursuant to the provisions of this resolution be in excess of the amount authorized in Section 4 hereof.

Section 23. Interim Financing. In anticipation of the issuance of the Revenue Bonds, the Authority hereby authorizes, if necessary or desirable, the issuance, sale and award from time to time of construction financing project notes (each, an "Authority Construction Financing Project Note" and collectively, the "Authority Construction Financing Project Notes") pursuant

to the I-Bank's Construction Financing Loan Program. Each Authority Construction Financing Project Note shall be substantially in the form provided by the I-Bank from time to time for use by authorities in the I-Bank's Construction Financing Loan Program. The execution and delivery of each Authority Construction Financing Project Note shall be in the same manner as herein prescribed with respect to the Revenue Bonds. An Authorized Authority Officer is hereby authorized to determine, pursuant to the terms and conditions established by the I-Bank and the State under the I-Bank's Construction Financing Loan Program and the terms and conditions of this resolution, the following items with respect to each Authority Construction Financing Project Note: (a) the principal amount of each Authority Construction Financing Project Note to be issued, which amount shall not exceed \$100,000 in the aggregate for all outstanding Authority Construction Financing Project Notes and all outstanding Revenue Bonds; (b) the maturity of each Authority Construction Financing Project Note, which shall be no later than the last day of the third succeeding fiscal year following the date of issuance of such Authority Construction Financing Project Note, or, if permitted by the New Jersey Infrastructure Trust Act, such later date no later than the last day of the fifth succeeding fiscal year following the date of issuance of such Authority Construction Financing Project Note as determined by an authorized officer of the I-Bank and acknowledged and approved by an Authorized Authority Officer; (c) the date of the Authority Construction Financing Project Note; (d) the interest rate of the Authority Construction Financing Project Note, which shall not exceed 3% per annum; (e) the purchase price for the Authority Construction Financing Project Note; and (f) such other matters with respect to the Authority Construction Financing Project Note as may be necessary, desirable or convenient in connection with the sale, issuance and delivery thereof. The Authorized Authority Officers are hereby further severally authorized to manually execute and deliver and the Secretary is hereby further authorized to attest by manual signature to such execution and to affix, imprint, engrave or reproduce the corporate seal of the Authority to any document, instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Authority Officers or the Secretary, as applicable, in their respective sole discretion, after consultation with the Consultants, to be executed in connection with the execution and delivery of an Authority Construction Financing Project Note and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such document, instrument or closing certificate by the party authorized under this resolution to execute such document, instrument or closing certificate.

Section 24. Filing of Resolution. The Secretary is hereby authorized and directed to cause copies of this resolution to be filed for public inspection in the following places: in the office of the Clerk of the Township of Hardyston, Hardyston Municipal Building, 149 Wheatsworth Road, Suite A, Hardyston, New Jersey 07419, and in the office of the Authority, 149 Wheatsworth Road, Suite A, Hamburg, New Jersey 07419.

Section 25. Publication of Notice. The Secretary is hereby authorized and directed to cause to be published, after completion of filing of copies of this resolution as directed in the preceding Section, in the "New Jersey Herald", a legally qualified public newspaper circulating in the district of the Authority, a notice in substantially the form attached as Exhibit C hereto and by this reference incorporated as if set forth in full herein.

Section 26. Official Intent.

(A) The Authority reasonably expects to reimburse its expenditure of costs of the Project paid prior to the issuance of the Revenue Bonds with proceeds of the Revenue Bonds.

(B) This resolution is intended to be and hereby is a declaration of the Authority's official intent to reimburse the expenditure of the costs of the Project paid prior to the issuance of the Revenue Bonds with the proceeds of the Revenue Bonds in accordance with Treasury Regulations §150-2.

(C) As set forth in Section 2 hereof, the maximum principal amount of the Revenue Bonds, including amounts to be used to reimburse the expenditure of the costs of the Project which are paid prior to the issuance of the Revenue Bonds, is \$100,000 in the aggregate.

(D) The costs of the Project to be reimbursed with the proceeds of the Revenue Bonds will be "capital expenditures" in accordance with the meaning of Section 150 of the Code.

(E) No reimbursement allocation will employ an "abusive arbitrage device" under Treasury Regulations §1.148-10 to avoid the arbitrage restrictions or to avoid the restrictions under Sections 142 through 147, inclusive, of the Code. The proceeds of the Revenue Bonds used to reimburse the Authority for the costs of the Project, or funds corresponding to such amounts, will not be used in a manner that results in the creation of "replacement proceeds", including "sinking funds", "pledged funds" or funds subject to a "negative pledge" (as such terms are defined in Treasury Regulations §1.148-1), of the Revenue Bonds or another issue of debt obligations of the Authority, other than amounts deposited into a "bona fide debt service fund" (as defined in Treasury Regulations §1.148-1).

(F) All reimbursement allocations will occur not later than 18 months after the later of (i) the date the expenditure from a source other than the Revenue Bonds is paid, or (ii) the date the Project is "placed in service" (within the meaning of Treasury Regulations §1.150-2) or abandoned, but in no event more than 3 years after the expenditure is paid.

Section 27. Tax Covenant. (1) The Authority hereby particularly covenants and agrees with the holders of the Revenue Bonds and the Authority Construction Financing Project Notes that (a) no part of the proceeds which are derived from the sale of the Revenue Bonds or any Authority Construction Financing Project Note shall be used directly or indirectly to acquire any "investment property", as such term is defined in the Internal Revenue Code of 1986, as amended (the "Code"), or any securities or obligations the acquisition of which would cause any Revenue Bond or Authority Construction Financing Project Note to be an "arbitrage bond", as such term is defined in Section 148 of the Code (an "Arbitrage Bond"), (b) it will not take any actions which, if taken, would cause any Revenue Bond or Authority Construction Financing Project Note to be an Arbitrage Bond, and (c) the Authority will not take any actions which, if taken, nor will it fail to take any action which, will cause the interest on any Revenue Bond or Authority Construction Financing Project Note to be includable as gross income under the provisions of the Code.

Section 28. Vesting in Trustee Powers of Statutory Trustee. The holders of the Revenue Bonds and each Authority Construction Financing Project Note shall be entitled to the

benefits, and be subject to the provisions, of Section 31 of the Act (N.J.S.A. 40:14B-31), and the trustee referred to in said Section 31 shall have the powers provided by both Section 31 and Section 32 (N.J.S.A. 40:14B-32) of the Act and the provisions of Section 31 and Section 32 of the Act shall be fully applicable to the Revenue Bonds and every Authority Construction Financing Project Note.

Section 29. Amendment. Prior to the issuance of the Revenue Bonds or any Authority Construction Financing Project Note under this resolution, this resolution may be amended by the Authority without the consent of the I-Bank or the State. After the issuance of the Revenue Bonds or any Authority Construction Financing Project Note under this resolution, this resolution may only be amended with the prior consent of the I-Bank.

Section 30. Effective Date. This resolution shall take effect immediately upon the adoption hereof.

Adopted: August 6, 2018

CERTIFICATION

I, ELLIS MARPLES, Secretary of The Hardyston Township Municipal Utilities Authority (the "Authority"), DO HEREBY CERTIFY that attached hereto is a true and correct copy of a resolution duly adopted by the Authority on August 6, 2018 entitled: "RESOLUTION AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$100,000 REVENUE BONDS OF THE HARDYSTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY AND PROVIDING FOR THEIR SALE TO THE NEW JERSEY INFRASTRUCTURE BANK (f/k/a THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST) AND THE STATE OF NEW JERSEY AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS IN CONNECTION THEREWITH FOR THE AUTHORITY'S ASSET MANAGEMENT PLAN PROJECT", and that said resolution has not been amended, modified, supplemented or repealed, and remains in full force and effect on and as of the date of this certificate.

IN WITNESS WHEREOF, I have hereunto set my signature as Secretary of the Authority and have affixed the official seal of the Authority, this 6th day of, 2018.

Ellis Marples, Secretary

[SEAL]

Governing Body

Recorded Vote

MEMBER	AYE	NAY	ABSTAIN	ABSENT
Chairman Cicerale	x			
Vice Chairman Kula	x			
Secretary Marples	x			
Treasurer Roof	x			x
Kaminski				x
O'Grady	x			
VanAllen				x

EXHIBIT A
Form of Fund Loan Bond

**THE HARDYSTON TOWNSHIP MUNICIPAL UTILITIES
AUTHORITY REVENUE BOND (SERIES 201__)**

No. R_-1

Principal Amount: \$_____

Dated Date: _____, 201__

THE HARDYSTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY (the "Authority"), a public body corporate and politic organized and existing under and by virtue of the laws of the State of New Jersey (the "State"), acknowledges itself indebted and for value received hereby promises to pay to the order of the State the principal amount stated above, or such lesser amount as shall be determined in accordance with Section 3.01 of the loan agreement dated as of _____, 201__ by and between the State, acting by and through the New Jersey Department of Environmental Protection and the Authority (the "Loan Agreement"), at the times and in the amounts determined as provided in the Loan Agreement, plus any other amounts due and owing under the Loan Agreement at the times and in the amounts as provided therein. The Borrower irrevocably pledges its full faith and credit for the punctual payment of the principal of, and all other amounts due under, this bond and the Loan Agreement according to their respective terms.

This bond is issued in consideration of the loan made under the Loan Agreement (the "Loan") to evidence the payment obligations of the Authority set forth in the Loan Agreement. Payments under this bond shall, except as otherwise provided in the Loan Agreement, be made directly to the Trustee (as defined in the Loan Agreement) for the account of the State. This bond is subject to assignment or endorsement in accordance with the terms of the Loan Agreement. All of the terms, conditions and provisions of the Loan Agreement are, by this reference thereto, incorporated herein as part of this bond.

Pursuant to the Loan Agreement, disbursements shall be made by the State to the Authority upon the receipt by the State of requisitions from the Authority executed and delivered in accordance with the requirements set forth in Section 3.02 of the Loan Agreement.

This bond is entitled to the benefits and is subject to the conditions of the Loan Agreement. The obligations of the Authority to make the payments required hereunder shall be absolute and unconditional, without any defense or right of setoff, counterclaim or recoupment by reason of any default by the State under the Loan Agreement or under any other agreement between the Authority and the State or out of any indebtedness or liability at any time owing to the Authority by the State or for any other reason.

This bond is subject to optional prepayment under the terms and conditions, and in the amounts, provided in Section 3.07 of the Loan Agreement. To the extent allowed by applicable law, this bond may be subject to acceleration under the terms and conditions, and in the amounts, provided in Section 5.03 of the Loan Agreement.

The Authority acknowledges that payments made hereunder may be used by the Trustee referred to above to satisfy loan repayments then due and payable on the Authority's I-Bank Loan (as defined in the Loan Agreement).

This bond is a direct and general obligation of the Authority and is one of the revenue bonds of the Authority issued or to be issued under and by virtue of the Municipal and County Utilities Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1957, of the State of New Jersey, approved August 22, 1957, and the acts amendatory thereof and supplemental thereto (collectively, the "Act"), and under and pursuant to a resolution of the Authority adopted August 6, 2018 and entitled: "RESOLUTION AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$100,000 REVENUE BONDS OF THE HARDYSTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY AND PROVIDING FOR THEIR SALE TO THE NEW JERSEY INFRASTRUCTURE BANK (f/k/a THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST) AND THE STATE OF NEW JERSEY AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS IN CONNECTION THEREWITH FOR THE AUTHORITY'S ASSET MANAGEMENT PLAN PROJECT" (the "Resolution").

Pursuant to the Resolution, all the Revenues of the Authority, as defined and provided for therein, have been pledged to the payment of the principal of, redemption price, if any, and interest on the Revenue Bonds, to the extent and in the manner provided in the Resolution.

Notwithstanding anything to the contrary contained herein, at the request and expense of the registered owner this bond upon presentation at the office of the Authority will be converted into a bond payable to bearer and coupon in form by the preparation and substitution of a new bond, signed or executed by such of its officers then in office as the Authority shall designate and of the same tenor as this bond at the time of its issuance, with coupons annexed for interest, if any, thereafter payable on this bond until its maturity.

The Act provides that neither the members of the Authority nor any person executing bonds of the Authority shall be liable personally on said bonds by reason of the issuance thereof.

This bond is not and shall not be in any way a debt or liability of the State or of any county or municipality and does not and shall not create or constitute any indebtedness, liability or obligation of the State or of any county or municipality, either legal, moral or otherwise.

To the extent provided by law, this bond is junior and subordinate in all respects to any bonds of the Authority to be issued to the New Jersey Infrastructure Bank, on or prior to the date that is one year after the date hereof, as to lien on, and source and security for payment from, the Revenues.

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

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IN WITNESS WHEREOF, THE HARDYSTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY has caused this bond to be signed in its name and on its behalf by the manual or facsimile signature of its Chair or Vice Chair, and its corporate seal to be affixed, imprinted or reproduced hereon and attested by the manual signature of its Secretary or Assistant Secretary, all as of the Dated Date hereinabove mentioned.

THE HARDYSTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

By: _____
_____, **Chair**

**(SEAL)
ATTEST:**

_____, **Secretary**

EXHIBIT B
Form of I-Bank Loan Bond

THE HARDYSTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY REVENUE BOND
(SERIES 201__)

No. R_-1

Principal Amount: \$_____

Dated Date: _____, 201_

THE HARDYSTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY (the "Authority"), a public body corporate and politic organized and existing under and by virtue of the laws of the State of New Jersey (the "State"), acknowledges itself indebted and for value received hereby promises to pay to the New Jersey Infrastructure Bank (the "I-Bank") (i) the principal amount stated above, or such lesser amount as shall be determined in accordance with Section 3.01 of the loan agreement dated as of _____, 201_ by and between the I-Bank and the Authority (the "Loan Agreement"), at the times and in the amounts determined as provided in the Loan Agreement, (ii) Interest on the Loan constituting the Interest Portion, the Administrative Fee (as such terms are defined in the Loan Agreement) and any late charges incurred under the Loan Agreement in the amount calculated as provided in the Loan Agreement, payable on the days and in the amounts and as provided in the Loan Agreement, which principal amount and Interest Portion of the Interest on the Loan shall, unless otherwise provided in the Loan Agreement, be payable on the days and in the amounts as also set forth in Exhibit A attached hereto under the column headings respectively entitled "Principal" and "Interest", plus (iii) any other amounts due and owing under the Loan Agreement at the times and in the amounts *as* provided therein. The Borrower irrevocably pledges its full faith and credit for the punctual payment of the principal of and the Interest on this bond and for the punctual payment of all other amounts due under this bond and the Loan Agreement according to their respective terms.

This bond is issued in consideration of the loan made under the Loan Agreement (the "Loan") to evidence the payment obligations of the Authority set forth in the Loan Agreement. This bond has been assigned to _____, as trustee (the "Trustee") under the "Environmental Infrastructure Bond Resolution, Series 201_-_" adopted by the I-Bank on _____, 201_, as the same may be amended and supplemented in accordance with the terms thereof (the "I-Bank Bond Resolution"), and payments hereunder shall, except as otherwise provided in the Loan Agreement, be made directly to the Trustee for the account of the I-Bank pursuant to such assignment. Such assignment has been made as security for the payment of the I-Bank Bonds (as defined in the Loan Agreement) issued to finance or refinance the Loan and as otherwise described in the Loan Agreement. This bond is subject to further assignment or endorsement in accordance with the terms of the I-Bank Bond Resolution and the Loan Agreement. All of the terms, conditions and provisions of the Loan Agreement are, by this reference thereto, incorporated herein as part of this bond.

Pursuant to the Loan Agreement, disbursements shall be made by the Trustee to the Authority, in accordance with written instructions of the I-Bank, upon receipt by the I-Bank and the Trustee of requisitions from the Authority executed and delivered in accordance with the requirements set forth in Section 3.02 of the Loan Agreement.

This bond is entitled to the benefits and is subject to the conditions of the Loan Agreement. The obligations of the Authority to make the payments required hereunder shall be absolute and unconditional without any defense or right of setoff, counterclaim or recoupment by reason of any default by the I-Bank under the Loan Agreement or under any other agreement between the Authority and the I-Bank or out of any indebtedness or liability at any time owing to the Authority by the I-Bank or for any other reason.

This bond is subject to optional prepayment under the terms and conditions, and in the amounts, provided in Section 3.07 of the Loan Agreement. To the extent allowed by applicable law, this bond may be subject to acceleration under the terms and conditions, and in the amounts, provided in Section 5.03 of the Loan Agreement.

This bond is a direct and general obligation of the Authority and is one of the revenue bonds of the Authority issued or to be issued under and by virtue of the Municipal and County Utilities Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1957, of the State of New Jersey, approved August 22, 1957, and the acts amendatory thereof and supplemental thereto (collectively, the "Act"), and under and pursuant to a resolution of the Authority adopted August 6, 2018 and entitled: "RESOLUTION AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$100,000 REVENUE BONDS OF THE HARDYSTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY AND PROVIDING FOR THEIR SALE TO THE NEW JERSEY INFRASTRUCTURE BANK (f/k/a THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST) AND THE STATE OF NEW JERSEY AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS IN CONNECTION THEREWITH FOR THE AUTHORITY'S ASSET MANAGEMENT PLAN PROJECT" (the "Resolution").

Pursuant to the Resolution, all the Revenues of the Authority, as defined and provided for therein, have been pledged to the payment of the principal of, redemption price, if any, and interest on the Revenue Bonds, to the extent and in the manner provided in the Resolution.

Notwithstanding anything to the contrary contained herein, at the request and expense of the registered owner this bond upon presentation at the office of the Authority will be converted into a bond payable to bearer and coupon in form by the preparation and substitution of a new bond, signed or executed by such of its officers then in office as the Authority shall designate and of the same tenor as this bond at the time of its issuance, with coupons annexed for interest, if any, thereafter payable on this bond until its maturity.

The Act provides that neither the members of the Authority nor any person executing bonds of the Authority shall be liable personally on said bonds by reason of the issuance thereof.

This bond is not and shall not be in any way a debt or liability of the State or of any county or municipality and does not and shall not create or constitute any indebtedness, liability or obligation of the State or of any county or municipality, either legal, moral or otherwise.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State or the Resolution to exist, to have happened or to have been performed precedent to or in the issuance of this bond exist, have happened and have been

performed and that this bond, together with all other indebtedness of the Authority, is within every debt and other limit prescribed by said Constitution or statutes.

[The remainder of this page has been intentionally left blank.]

IN WITNESS WHEREOF, THE HARDYSTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY has caused this bond to be signed in its name and on its behalf by the manual or facsimile signature of its Chair or Vice Chair, and its corporate seal to be affixed, imprinted or reproduced hereon and attested by the manual signature of its Secretary or Assistant Secretary, all as of the Dated Date hereinabove mentioned.

THE HARDYSTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

By: _____
_____, **Chair**

(SEAL)
ATTEST:

_____, **Secretary**

Exhibit C
Notice of Adoption of Bond Resolution

THE HARDYSTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

NOTICE OF ADOPTION OF BOND RESOLUTION

PUBLIC NOTICE is hereby given that a resolution entitled: “RESOLUTION AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$100,000 REVENUE BONDS OF THE HARDYSTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY AND PROVIDING FOR THEIR SALE TO THE NEW JERSEY INFRASTRUCTURE BANK (f/k/a THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST) AND THE STATE OF NEW JERSEY AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS IN CONNECTION THEREWITH FOR THE AUTHORITY’S ASSET MANAGEMENT PLAN PROJECT” (the “Bond Resolution”) was adopted by The Hardyston Township Municipal Utilities Authority on August 6, 2018. Copies of said Bond Resolution have been filed and are available for public inspection in the office of the Clerk of the Township of Hardyston, Hardyston Municipal Building, 149 Wheatsworth Road, Suite A, Hardyston, New Jersey 07419, and in the office of the Authority, 149 Wheatsworth Road, Suite A, Hamburg, New Jersey 07419.

Any action or proceeding of any kind or nature in any court questioning the validity of the creation or establishment of The Hardyston Township Municipal Utilities Authority, or the validity or proper authorization of the Bond Resolution or the validity of any covenants, agreements or contracts provided for by the Bond Resolution shall be commenced within twenty (20) days after the first publication of notice, which was first published this __ day of _____, 2018.

THE HARDYSTON TOWNSHIP
MUNICIPAL UTILITIES AUTHORITY

Dated: _____, 2018

By: /s/ _____, Secretary