

EXTRACT from the minutes of a regular meeting of the Township Council of the Township of Mount Olive, in the County of Morris, New Jersey held in the Municipal Building on February 3, 2009.

PRESENT:

ABSENT:

* * * * *

_____ introduced and moved the adoption of the following resolution and
____ seconded the motion:

**RESOLUTION DETERMINING THE FORM AND OTHER
DETAILS OF NOT TO EXCEED \$4,400,000 OF GENERAL
IMPROVEMENT REFUNDING BONDS OF THE TOWNSHIP
OF MOUNT OLIVE, IN THE COUNTY OF MORRIS, NEW
JERSEY OR SUCH OTHER AMOUNT AS DETERMINED BY
THE CHIEF FINANCIAL OFFICER TO ACCOMPLISH THE
REFUNDING ON THE TERMS APPROVED BY THE LOCAL
FINANCE BOARD CONSISTENT WITH THE REFUNDING
PROVISIONS OF THE INTERNAL REVENUE CODE AND
PROVIDING FOR THE SALE AND THE DELIVERY OF
SUCH BONDS TO RBC CAPITAL MARKETS**

BE IT RESOLVED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF MOUNT OLIVE, IN THE COUNTY OF MORRIS, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

Section 1. An amount not to exceed \$4,400,000 General Improvement Refunding Bonds of the Township of Mount Olive, in the County of Morris, New Jersey (the "Township") in specific amounts to be determined as provided herein and as more fully described in the bond ordinance

finally adopted by the Township pursuant to the Local Bond Law on February 3, 2009, and entitled, “Refunding Bond Ordinance of the Township of Mount Olive, in the County of Morris, New Jersey Providing for the Refunding of Certain General Improvement Bonds, Series 2002, Appropriating \$4,400,000 Therefor and Authorizing the Issuance of \$4,400,000 General Improvement Refunding Bonds of the Township for Financing the Cost Thereof”, shall be issued as “General Improvement Refunding Bonds”.

Section 2. The Bonds are hereby authorized to be sold to RBC Capital Markets (the “Underwriter”) at a purchase price determined by the parameters set forth below and otherwise consistent with the terms included in the approval by the Local Finance Board (as defined herein):

- (a) the principal amount of the Bonds does not exceed \$4,400,000;
- (b) the Net Interest Cost of the Bonds does not exceed an interest rate that would enable the Township to complete the refunding within the parameters established by the Local Finance Board;
- (c) the Bonds may be subject to optional redemption on terms approved by the Chief Financial Officer and may be sold as serial bonds or term bonds with mandatory sinking fund redemptions; provided however that the structure or weighted average maturity for such bonds does not differ substantially from the structure approved by the Local Finance Board in the Department of Community Affairs, State of New Jersey (the “Local Finance Board”) on February 11, 2009;
- (d) the Underwriter’s discount does not exceed the amount referenced in the approved Local Finance Board application;
- (e) the maturity structure is substantially similar to the structure submitted to and approved by the Local Finance Board, together with any adjustments recommended by the Underwriter on the sale date designed to reduce the total costs of the borrowing to the Township;

(f) all conditions required by the Local Finance Board for the sale of the Bonds are satisfied.

Section 3. The Mayor and/or the Chief Financial Officer are hereby authorized and directed, without further authorization, to enter into and execute a purchase contract (the "Purchase Contract") on behalf of the Township with the Underwriter in the form satisfactory to bond counsel and upon terms consistent with the above parameters. Upon execution of the Purchase Contract, the signature of the Mayor and/or the Chief Financial Officer shall be conclusively presumed to evidence any necessary approvals for the sale of the Bonds. If the Chief Financial Officer, after consultation with the Underwriter, determines that the above parameters cannot be satisfied in the present market, the Bonds shall not be sold until such time as said parameters may be amended, in whole or in part, or a sale on different terms is otherwise approved by resolution of this Township Council.

Section 4. (a) The Bonds shall be issued in the par amounts consistent with the parameters set forth in Section 2 hereof and determined by the Chief Financial Officer to be necessary to pay costs of issuance and to provide an escrow fund that, when invested, will be sufficient to provide for the timely payment of the redemption price of and interest on all or a portion of the following outstanding bonds (the "Refunded Bonds"):

(i) \$4,200,000 of the principal amount of the General Improvement Bonds, Series 2002 dated May 15, 2002, which were allocated to various general improvements (the "Refunded Bonds"); and

(b) The Bonds shall be dated and shall bear interest at the rates per annum as the Chief Financial Officer shall determine.

(c) The Bonds shall be numbered and have such prefix or prefixes as determined necessary by the Chief Financial Officer and be sold and issued with such serial maturities or with

such term bond maturities payable from mandatory sinking fund payments made by the Township as determined in the Purchase Contract.

(d) The Bonds shall mature in each of the years 2010 to 2016, inclusive, or such other dates deemed consistent with the approved Local Finance Board resolution and in the principal amounts as may be determined by the Chief Financial Officer and shall bear interest on the dates as may be determined by the Chief Financial Officer.

(e) The Bonds may be subject to redemption prior to their stated maturities on terms approved by the Chief Financial Officer.

(f) The Bonds will be issued in fully registered form. One certificate shall be issued for the aggregate principal amount of each series of Bonds maturing in each year. Both principal of and interest on the Bonds will be payable in lawful money of the United States of America. Each certificate will be registered in the name of CEDE & Co., as nominee of The Securities Depository, New York, New York, which will act as securities depository (the "Securities Depository"). The certificates will be on deposit with the Securities Depository. The Securities Depository will be responsible for maintaining a book-entry system for recording the interests of its participants or the transfers of the interests among its participants. The participants will be responsible for maintaining records recording the beneficial ownership interests in the Bonds on behalf of individual purchasers. Individual purchases may be made in the principal amount of \$5,000 or any integral multiple thereof through book-entries made on the books and the records of the Securities Depository and its participants except that an amount maturing in any one year in excess of the largest principal amount thereof equaling a multiple of \$5,000 will be in the denominations of \$1,000 or any integral multiple thereof.

(g) The principal of and the interest on the Bonds will be paid to the Securities Depository by the Township on the respective maturity dates and due dates and will be credited on the respective maturity dates and due dates to the participants of the Securities Depository as listed on the records of the Securities Depository as of each next preceding February 1 and August 1 (the "Record Dates" for the Bonds). The Bonds shall be executed by the manual or facsimile signatures of the Mayor and the Chief Financial Officer under the official seal of the Township (or facsimile thereof) affixed, printed, engraved or reproduced thereon and attested by the manual signature of the Township Clerk.

Section 5. The Bonds shall be substantially in the following forms with such additions, deletions and omissions as may be necessary for the Township to market the Bonds: