

RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF REFUNDING BONDS OF THE BOARD OF EDUCATION OF THE TOWNSHIP OF UNION IN THE COUNTY OF UNION, NEW JERSEY, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$4,850,000; PROVIDING FOR THE REFUNDING OF CERTAIN OUTSTANDING BONDS OF THE BOARD; PROVIDING FOR THE FORM, MATURITIES AND OTHER DETAILS OF THE REFUNDING BONDS; AUTHORIZING A PRELIMINARY OFFICIAL STATEMENT, OFFICIAL STATEMENT AND ESCROW AGREEMENT; AUTHORIZING THE BUSINESS ADMINISTRATOR TO SELL REFUNDING BONDS; PROVIDING FOR THE SALE OF NOT TO EXCEED \$4,850,000 OF THE BOARD'S REFUNDING SCHOOL BONDS, SERIES 2014; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY BY THE BOARD OF A PURCHASE CONTRACT; AND APPOINTING AN ESCROW AGENT AND A VERIFICATION AGENT

WHEREAS, N.J.S.A. 18A:24-61.2 authorizes the issuance by the Board of Education of the Township of Union, in the County of Union, New Jersey (the "Board," or, when referring to the territorial boundaries governed by the Board, the "School District"), of bonds for the purpose of refunding outstanding bonds of the Board; and

WHEREAS, in accordance with N.J.S.A. 18A:24-61.4, the Board has finally adopted on November 18, 2014, an Ordinance (the "Refunding Ordinance") authorizing the issuance by the Board of refunding bonds in an amount not to exceed \$4,850,000 for the purpose of refunding all or a portion of the Board's outstanding callable Refunding School Bonds, Series 2005, dated April 1, 2005, maturing on January 1 in each of the years 2016 through 2023, inclusive (the "2005 School Bonds"), to provide debt service savings for the Board; and

WHEREAS, the Board desires to approve the issuance of Refunding School Bonds, Series 2014 (the "Refunding Bonds" or the "Bonds"), in an aggregate principal amount of not to exceed \$4,850,000 to be issued for the purpose of refunding all or part of the 2005 School Bonds maturing on January 1 in each of the years 2016 through 2023, inclusive (the "Refunded Bonds"); and

WHEREAS, in connection with the sale and issuance of the Refunding Bonds, the Board also desires to approve and authorize (i) the preparation and distribution of a preliminary official statement (the "Preliminary Official Statement") and the execution and distribution of an official statement (the "Official Statement"), (ii) the execution, delivery and performance of the hereinafter defined Continuing Disclosure Certificate, Bond Purchase Contract and Escrow Deposit Agreement and (iii) the appointment of an Escrow Agent and a Verification Agent; and

WHEREAS, to be able to take advantage of favorable market conditions, the Board has determined to authorize a bond purchase contract (the "Bond Purchase Contract") with RBC Capital Markets, LLC, as underwriter (the "Underwriter") for the Refunding Bonds, pursuant to which the Underwriter will agree to purchase the Refunding Bonds upon satisfaction of the conditions precedent to issuance set forth therein and with such terms for the Refunding Bonds as set forth therein.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE TOWNSHIP OF UNION, IN THE COUNTY OF UNION, NEW JERSEY (not less than two-thirds of all members thereof, affirmatively concurring), AS FOLLOWS:

Section 1. The Board hereby authorizes the issuance and sale of the Refunding Bonds of the Board in the aggregate principal amount of not to exceed \$4,850,000.

Section 2. The Refunding Bonds shall be designated as "Refunding School Bonds, Series 2014", and may contain such alternate series designation as approved by the Business Administrator, including designating the Refunding Bonds "Series 2015" if the bonds are not issued in 2014. The Refunding Bonds shall be issued in the aggregate principal amount to be determined by the Business Administrator, which amount shall not exceed \$4,850,000. Such Refunding Bonds shall be dated the date of delivery thereof, shall be numbered from 1 upward in the denomination of \$5,000 or any multiple of \$1,000 in excess thereof, shall be issued as fully registered bonds and shall mature on January 1 in each of the years and in the principal amounts, and shall bear interest at the rates as shall be determined by the Business Administrator and as shall be provided in the Bond Purchase Contract.

In accordance with N.J.S.A. 18A:24-61.4, the Board hereby delegates to the Business Administrator the power to sell and award the Refunding Bonds in accordance with this Resolution and the hereinafter defined Bond Purchase Contract and in accordance with the following parameters: the Refunding Bonds shall be issued in a maximum aggregate principal amount not to exceed \$4,850,000; the present value savings in connection with the issuance of the Refunding Bonds to refund the Refunded Bonds shall not be less than 3% of the principal amount of the Refunded Bonds; the new debt service on the Refunding Bonds shall be structured such that no annual debt service payment on the Refunding Bonds shall be more than the annual debt service payment on the original debt service schedule for the Refunded Bonds; the final maturity of the Refunding Bonds shall not extend past the final maturity date of the Refunded Bonds; and the debt savings shall be substantially level across the life of the Refunding Bonds. The Business Administrator is hereby directed, within 10 days of the closing on the sale of the Refunding Bonds, to file with the Local Finance Board and with the Board a comparison of the initial and refunding debt service schedules showing annual present value savings; a summary of the refunding; and an itemized accounting of all costs of issuance in connection with the issuance of the Refunding Bonds; together with a certification from the Business Administrator that all of the conditions of section 5:30-2.5 of the New Jersey Administrative Code have been met and that this Resolution, adopted

pursuant to N.J.S.A. 18A:24-61.4, passed by two-thirds of the full membership of the governing body of the Board, allowed for the refunding.

Section 3. The Refunding Bonds will be initially issued in book-entry form only in the form of one certificate for the aggregate principal amount of the Refunding Bonds maturing in each year and bearing the same rate of interest and, when issued, will be registered in the name of and held by Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"), which is hereby appointed to act as securities depository for the Refunding Bonds. The Refunding Bonds will be dated the date of delivery thereof and will bear interest payable semiannually on the 1st day of January and July, respectively, in each year until maturity, commencing with the January 1 or July 1 that is at least thirty (30) days after the date the Bonds are delivered to the purchaser thereof. As long as DTC or its nominee, Cede & Co., is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made by the Board or the hereinafter defined Paying Agent, directly to DTC or its nominee, Cede & Co., which will credit payments of principal of and interest on the Bonds to the participants of DTC as listed on the records of DTC as of each next preceding December 15 and June 15 (the "Record Dates" for the payment of interest on the Refunding Bonds), which participants will in turn credit such payments to the beneficial owners of the Refunding Bonds. The registration books of the Board shall be kept by the Business Administrator/Board Secretary or the Paying Agent, if any.

The Refunding Bonds shall be payable as to both principal and interest in lawful money of the United States of America. The Refunding Bonds shall be executed by the manual or facsimile signatures of the President or Vice President of the Board of Education under the official seal or facsimile of the School District, affixed, printed, engraved or reproduced thereon and attested by the manual signature of the Board Secretary. If a Paying Agent is appointed pursuant to Section 12 hereof, the foregoing attestation may be made by facsimile signature of the Board Secretary provided that the Refunding Bonds shall be authenticated by the manual signature of the Paying Agent. The following matters are hereby determined with respect to the Bonds:

Date of Refunding Bonds:

Date of delivery

Interest Payment Dates:

January 1 and July 1 until maturity, commencing with the January 1 or July 1 that is at least thirty (30) days after the date the Bonds are delivered to the purchaser thereof, with payment being made to DTC, or its authorized nominee, by the Board or the Paying Agent

Bond Registrar/Paying Agent:

The Board of Education of the Township of Union, unless a Paying

Agent is appointed pursuant to
Section 12 hereof

Securities Depository: The Depository Trust Company,
New York, New York

Authorized Denominations: \$5,000 or any multiple of \$1,000 in
excess thereof

Section 4. (A) There is hereby delegated to the Business Administrator the authority, after consulting with the Board's financial advisor, to provide that one or more maturities of the Refunding Bonds shall be subject to optional redemption prior to maturity at a redemption price not greater than 100% of the principal amount thereof, on and after January 1 in specified years prior to the stated maturity date, as may be provided in the hereinafter defined Bond Purchase Contract.

(B) Any Refunding Bond subject to redemption as aforesaid may be called in part, provided that the portion not called for redemption shall be in the principal amount of \$5,000 or any integral multiple of \$1,000 in excess thereof. If less than all of the Refunding Bonds of a particular maturity are to be redeemed, Refunding Bonds of that maturity shall be selected by DTC (or any successor thereto) or, if the Refunding Bonds are subsequently registered in the names of the beneficial owners thereof, by the Paying Agent.

When any Refunding Bonds are to be redeemed, the Business Administrator (or, if appointed pursuant to Section 12 hereof, the Paying Agent) shall give notice of the redemption of the Refunding Bonds by mailing such notice by first class mail in a sealed envelope postage prepaid to the registered owners of the portion of any Refunding Bonds which are to be redeemed, at their respective addresses as they last appear on the registration books of the Board, at least thirty (30) but not more than sixty (60) days before the date fixed for redemption. Notice of redemption having been given as aforesaid, the portion of the Refunding Bonds which are to be redeemed shall, on the date fixed for redemption, become due and payable at the redemption price plus accrued interest to the redemption date and, upon presentation and surrender thereof at the place specified in such notice, such portion of the Refunding Bonds shall be paid at the redemption price, plus accrued interest to the redemption date. On and after the redemption date (unless the Board shall default in the payment of the redemption price and accrued interest), such Refunding Bonds shall no longer be considered as outstanding.

During any period in which the DTC (or any successor thereto) shall act as securities depository for the Refunding Bonds, the notices referred to above shall be given only to such depository and not to the beneficial owners of the Refunding Bonds. Any failure of such depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any notice of redemption shall not affect the validity of the redemption proceedings.

Section 5. The Business Administrator of the Board is hereby authorized to provide for the issuance of the Refunding Bonds in book-entry-only form and to execute any certificates, documents and agreements evidencing the same.

Section 6. RBC Capital Markets, LLC, or such other firm as selected by the Business Administrator (the "Underwriter"), is hereby designated as the Board's investment banker in connection with the Refunding Bonds.

Section 7. The Refunding Bonds shall be in substantially the form attached hereto as Exhibit A, with such changes as may be appropriate.

Section 8. The Business Administrator is hereby authorized to enter into an agreement with DTC setting forth the respective obligations of DTC, the Board and the Paying Agent with respect to the payment and transfer of the Bonds. The Board agrees to comply with all obligations set forth in such agreement.

Section 9. In the event that DTC shall determine to discontinue providing its services as securities depository with respect to the Refunding Bonds, the Board and the Paying Agent may enter into an agreement with a substitute securities depository, if available. Alternatively, the Board and the Paying Agent may cause the Refunding Bonds to thereafter be registered in the names of, and delivered to, each beneficial owner of the Refunding Bonds.

Section 10. The Board may terminate the services of DTC as securities depository with respect to the Refunding Bonds if the Board determines that (i) DTC is unable to discharge its responsibilities with respect to the Refunding Bonds, or (ii) continued use of the book-entry system is not in the best interests of the beneficial owners of the Refunding Bonds. In such event, the Board and the Paying Agent shall either contract with a substitute securities depository or cause the Bonds to be registered in the names of the beneficial owners thereof, as provided in Section 9 hereof.

Section 11. The proceeds of the Refunding Bonds shall be applied for the purpose of refunding the Refunded Bonds and paying costs of issuance in connection with the Refunding Bonds.

Section 12. The Business Administrator is hereby authorized to select and to enter into an agreement with a Paying Agent (the "Paying Agent") to ensure that the Board can meet its obligations undertaken herein to the holders of the Refunding Bonds. The Business Administrator may, however, elect not to select a Paying Agent for the Refunding Bonds, and may elect to select a Paying Agent at any time prior or subsequent to the issuance of the Refunding Bonds. However, the Business Administrator shall select a Paying Agent upon any determination to cause the Refunding Bonds to be registered in the names of the beneficial owners thereof, as provided in Section 9 or Section 10 hereof.

Section 13. The preparation and distribution by the Board of a Preliminary Official Statement pertaining to the Board and the Refunding Bonds and an Official Statement in substantially the form of the Preliminary Official Statement are hereby authorized, and the Business Administrator or President of the Board are each hereby delegated the authority to approve the form and contents of such Preliminary Official Statement and are each authorized and directed to execute and deliver to the Underwriter of the Refunding Bonds the final Official Statement with such changes as counsel and/or bond counsel may advise and the officer executing the same may approve, such approval to be evidenced by such officer's execution thereof. The Business Administrator is hereby authorized to deem final the Preliminary Official Statement for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

Section 14. The Board hereby covenants with the holders from time to time of the Refunding Bonds that it will make no investment or other use of the proceeds of the Refunding Bonds or take any further action (or refrain from taking such action) which would cause the Refunding Bonds to be "arbitrage bonds" within the meaning of the Internal Revenue Code of 1986, as amended, or under any similar statutory provision or any rule or regulation promulgated thereunder (the "Code"), or would cause interest on the Refunding Bonds not to be excludable from gross income for federal income tax purposes, and that it will comply with the requirements of the Code and said regulations throughout the term of the Refunding Bonds.

Section 15. The Refunding Bonds shall be direct obligations of the Board, and the full faith and credit of the Board and the School District is hereby pledged for the payment of the principal, redemption premium, if any, and interest on the Refunding Bonds.

Section 16. The form of the Continuing Disclosure Certificate in substantially the form attached hereto as Exhibit B is hereby approved (the "Continuing Disclosure Certificate"), and the execution and delivery of the Continuing Disclosure Certificate by the Business Administrator of the Board is hereby authorized. The Board hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate executed by the Board and dated the date of issuance and delivery of the Refunding Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof. Notwithstanding any other provision of this Resolution, failure of the Board to comply with the Continuing Disclosure Certificate shall not be considered a default on the Refunding Bonds; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Board to comply with its obligations under this Section.

Section 17. The Escrow Deposit Agreement pertaining to the refunding of the Refunded Bonds shall be substantially in the form attached to this Resolution as Exhibit C (the "Escrow Deposit Agreement") and made a part hereof and the President of the Board or the Business Administrator are each hereby authorized to execute and deliver same with such changes as counsel and/or bond counsel may advise and the officer

executing the same may approve, such approval to be evidenced by such officer's execution thereof. The Escrow Agent for the Refunded Bonds shall be TD Bank, National Association, Cherry Hill, New Jersey, or such other financial institution selected by the Business Administrator.

Section 18. If deemed desirable by the Business Administrator, upon the advise of the Board's financial advisor, the Business Administrator is authorized to accept a commitment to issue a bond insurance policy in connection with the Refunding Bonds from a company that is in the business of insuring municipal bonds, providing for the issuance of a municipal bond new issue insurance policy insuring the payment when due of the principal of and interest on the Refunding Bonds as shall be provided therein.

Section 19. The Bond Purchase Contract with respect to the Refunding Bonds by and between the Board and RBC Capital Markets, LLC, substantially in the form attached to this Resolution as Exhibit D and made a part hereof, is hereby approved and accepted, subject to such completions, changes and corrections as are deemed necessary or appropriate by the Business Administrator or the Board President after consultation with the Board's counsel and/or bond counsel, his, her or their execution thereof to be conclusive evidence of such acceptance and approval. The underwriter's discount to be received by the Underwriter under the Bond Purchase Contract shall not exceed \$5.00 per \$1,000 of the Refunded Bonds issued. The Refunding Bonds shall be awarded to the Underwriter upon the terms set forth in such Bond Purchase Contract. The Board President and/or the Business Administrator are each hereby authorized, empowered and directed to execute and deliver said Bond Purchase Contract on behalf of the Board.

Section 20. Causey Demgen & Moore Inc., or such other firm as selected by the Business Administrator, is hereby designated as the verification agent to the Board in connection with the issuance of the Refunding Bonds.

Section 21. The Board President or Vice President and the Business Administrator of the Board are hereby designated, authorized and directed to perform or determine any other matters or details relating to the Refunding Bonds. The Board President or Vice President and the Business Administrator of the Board each shall be and is hereby authorized and directed to execute and deliver, for and on behalf of the Board, any and all instruments, affidavits, certificates, documents, Internal Revenue Service forms or other papers, and to do and to perform or cause to be done any and all acts as they may deem necessary or appropriate in order to implement the issuance, execution and delivery of the Refunding Bonds and the matters herein authorized. The Business Administrator is hereby authorized to pay out of the proceeds of the Refunding Bonds the costs of issuance therefor in amounts not exceeding the estimates thereof presented to the Board. The Board President or Vice President of the Board and the Business Administrator are hereby designated, authorized and directed to perform or determine any other matters or details relating to the Refunding Bonds and are authorized to execute, among other things, one or more subscriptions for the purchase of United States Treasury Obligations.

Section 22. This Resolution shall take effect immediately.

CERTIFICATE

I, James J. Damato, Secretary of the Board of Education of the Township of Union, in the County of Union, State of New Jersey, **HEREBY CERTIFY** that the foregoing is a true and compared copy of an original resolution now on file and of record in my office which was duly adopted at a meeting of the Board of Education of the Township of Union, on the 18th day of November, 2014.

I DO HEREBY CERTIFY that said Board consists of _____ () members and that ___ members thereof were present and said members voted affirmatively for the meeting and that ___ members voted affirmatively for the adoption of said resolution.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Board this ___ day of _____, 2014.

James J. Damato, Board Secretary

Exhibit A

[FORM OF REFUNDING BOND]

"Payment of this obligation is secured under the provisions of the 'New Jersey School Bond Reserve Act' in accordance with which an amount equal to 1.0% of the aggregate outstanding bonded indebtedness (but not to exceed the moneys available in the fund), of New Jersey counties, municipalities and school districts for school purposes as of September 15 of each year, is held within the state fund for the support of free public schools as a school bond reserve pledged by law to secure payments of principal and interest due on such bonds in the event of the inability of the issuer to make payment." New Jersey School Bond Reserve Act, P.L. 1980, c. 72, §6, as amended.

UNITED STATES OF AMERICA
STATE OF NEW JERSEY
COUNTY OF UNION
THE BOARD OF EDUCATION OF THE TOWNSHIP OF UNION
REFUNDING SCHOOL BOND, SERIES 201_

No. _____ \$ _____

INTEREST RATE	DATED DATE	MATURITY DATE	CUSIP
%	_____, 201_	January 1, _____	908713 _____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ Dollars

The BOARD OF EDUCATION OF THE TOWNSHIP OF UNION, in the County of Union, a public body corporate and politic organized and existing under the laws of the State of New Jersey (the "Board"), and responsible for the supervision of the public schools located in the Township of Union, in the County of Union, New Jersey (the "School District"), for value received, hereby acknowledges itself to be indebted and promises to pay to CEDE & CO. or its registered assigns, on the Maturity Date set forth

above, upon presentation and surrender of this bond, the Principal Sum set forth above, and to pay interest thereon semi-annually on January 1 and July 1 of each year, commencing _____ 1, 201_ (each, an "Interest Payment Date"), at the Interest Rate specified above, calculated on the basis of a 360-day year of twelve 30-day months, until the payment of the Principal Sum has been made or duly provided for. This Bond shall bear interest from the most recent Interest Payment Date to which interest has been paid, or duly provided for on the Refunding Bonds or, if no interest has been paid, from _____, 201_. As long as The Depository Trust Company, New York, New York ("DTC") or its nominee, Cede & Co., is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made by the Board, or the hereinafter-defined Paying Agent, directly to DTC or its nominee, Cede & Co., which will credit payments of principal of and interest on the Bonds to the participants of DTC as listed on the records of DTC as of each next preceding December 15 and June 15 (the "Record Dates" for the payment of interest on the Bonds), which participants will in turn credit such payments to the beneficial owners of the Bonds. Both the principal of and the interest on this bond are payable in lawful money of the United States of America.

No transfer of this bond shall be valid unless made on the registration books of the Board kept for that purpose by the Business Administrator (or, if a Paying Agent is appointed by the Board, at the corporate trust office of the Paying Agent) and by surrender of this bond (together with a written instrument of transfer satisfactory to the Business Administrator or Paying Agent (as appropriate) duly executed by the registered owner or by his or her duly authorized attorney) and the issuance of a new bond or bonds in the same form and tenor as the original bond except for the differences in the name of its registered owner, the denominations and the Date of Authentication. The owner of any bond or bonds may surrender same (together with a written instrument of transfer satisfactory to the Business Administrator or Paying Agent (as appropriate) duly executed by the registered owner or by his or her duly authorized attorney), in exchange for an equal aggregate principal amount of bonds of any authorized denominations. Notwithstanding the foregoing, as long as the Bonds remain in book-entry form, transfer of ownership interests in the Bonds shall be made by DTC and its participants by book-entries which are made on the records of DTC and its participants.

This Bond is one of a duly authorized issue of Refunding School Bonds of the Board in the aggregate principal amount of \$ _____ (the "Bonds"), all of like date and tenor, except for date of maturity, denomination, interest rate and CUSIP number, and is issued for the purpose of refunding certain maturities of the Board's School Bonds dated April 1, 2005. The Bonds are authorized and issued under and pursuant to Chapter 24 of Title 18A of the New Jersey Statute, as amended, an Ordinance finally adopted by the Board on November 18, 2014, and a resolution of the Board adopted on November 18, 2014.

[The Bonds are not subject to redemption prior to maturity.] [The Bonds maturing on or before January 1, 202_, are not subject to redemption prior to maturity. The Bonds maturing on or after January 1, 202_, are subject to redemption prior to maturity at the option of the Board, as a whole on any date on or after January 1, 202_, or

in part as selected by the Board on any date on or after January 1, 202_, at the redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest thereon to the date fixed for redemption.

Any Bond subject to redemption as aforesaid may be called in part, provided that the portion not called for redemption shall be in the principal amount of \$5,000 or any integral multiple of \$1,000 in excess thereof. If less than all of the Bonds of a particular maturity are to be redeemed, Bonds of that maturity shall be selected by The Depository Trust Company (or any successor thereto) or, if the Bonds are subsequently registered in the names of the beneficial owners thereof, by the Paying Agent.

When any Bonds are to be redeemed, the Business Administrator (or, if appointed pursuant to Section 12 of the Resolution, the Paying Agent) shall give notice of the redemption of the Bonds by mailing such notice via first class mail in a sealed envelope with postage prepaid to the registered owners of any Bonds or portions thereof which are to be redeemed not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption, at their respective addresses as they last appear on the registration books of the Board. Such mailing shall not be a condition precedent to such redemption, and failure to so mail or to receive any such notice to any of such registered owners shall not affect the validity of the proceedings for the redemption of the Bonds. Notice of redemption having been given as aforesaid, the Bonds, or portions thereof so to be redeemed, shall, on the date fixed for redemption, become due and payable at the redemption price specified therein plus accrued interest to the redemption date and, upon presentation and surrender thereof at the place specified in such notice, such Bonds, or portions thereof, shall be paid at the redemption price, plus accrued interest to the redemption date. On and after the redemption date (unless the Board shall default in the payment of the redemption price and accrued interest), such Bonds shall no longer be considered outstanding.

During any period in which The Depository Trust Company (or any successor thereto) shall act as securities depository for the Bonds, the notices referred to above shall be given only to such depository and not to the beneficial owners of the Bonds. Any failure of such depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any notice of redemption shall not affect the validity of the redemption proceedings.]

This Bond is registered as to principal and interest and is transferable by the registered owner or his duly authorized attorney upon surrender hereof at the principal office of the Board or, if applicable, the principal corporate trust office of any other Paying Agent, accompanied by a duly executed instrument of transfer in form satisfactory to the Paying Agent. The Paying Agent may treat the person in whose name this Bond is registered on the bond register maintained by the Paying Agent as the absolute owner of this Bond for all purposes and neither the Board nor the Paying Agent shall be affected by any notice to the contrary.

No recourse shall be had for the payment of the principal of or interest on this Bond or for any claim based hereon, against any member, officer or employee, past, present or future, of the Board or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the execution and issuance of this Bond.

It is hereby certified that all acts, conditions and things required by the laws of the State of New Jersey to exist, to have happened or to have been performed, precedent to or in the issuance of this Bond or in the creation of the debt of which this Bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; and that this Bond, together with all other indebtedness of the Board is within every debt and other limit prescribed by the constitution and the statutes of the State of New Jersey.

Whenever the due date for payment of interest on or principal of this Bond shall be a Saturday, a Sunday, or a day on which banking institutions in the State of New Jersey are authorized by law to close (a "Holiday"), then the payment of such interest or principal need not be made on such date, but may be made on the next succeeding day which is not a Holiday, with the same force and effect as if made on the due date for payment of principal or interest.

For the prompt and full payment of the obligations of this Bond, the entire full faith and credit of the Board and the School District are hereby irrevocably pledged.

This Bond shall not be valid or become obligatory for any purpose until this Bond shall have been authenticated by the Paying Agent, by execution of the Certificate endorsed hereon; provided however that for so long as the Board is acting as Paying Agent there shall be no need for such authentication

IN WITNESS WHEREOF, the Board of Education of the Township of Union, in the County of Union, has caused this Bond to be signed in its name by the manual or facsimile signatures of its President or Vice President and its corporate seal, or a facsimile thereof, to be hereunto affixed, duly attested by the manual signature of its Board Secretary.

(Seal)

**THE BOARD OF EDUCATION OF THE
TOWNSHIP OF UNION, IN THE
COUNTY OF UNION**

Attest:

By: _____
President or Vice President

Board Secretary

Exhibit B

(Form of Continuing Disclosure Certificate for the Refunding Bonds)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Board of Education of the Township of Union, in the County of Union, New Jersey (the "Issuer"), in connection with the issuance by the Issuer of \$ _____ principal amount of its Refunding School Bonds, Series 2014 (the "Bonds"). The Bonds are being issued pursuant to a Refunding Bond Ordinance (the "Ordinance") duly adopted by the Issuer on November 18, 2014, and a resolution duly adopted by the Issuer on _____, 2014 (the "Resolution"). The Bonds are dated _____, 201_ and shall mature on January 1 in the years 2016 through 2023, inclusive. The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Bondholders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Bondholder" shall mean any person who is the registered owner of any Bond, including holders of beneficial interests in the Bonds.

"Dissemination Agent" shall mean the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"EMMA" means the MSRB's Electronic Municipal Markets Access System.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) Not later than seven (7) months after the end of the Issuer's fiscal year, beginning with the fiscal year ending June 30, 2015, the Issuer shall, or shall cause the Dissemination Agent to, provide to the MSRB, in an electronic format as prescribed by the MSRB and accompanied by such identifying information as is prescribed by the MSRB, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information which has been made available to the public on the MSRB's website or filed with the Securities and Exchange Commission; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(b).

(b) Not later than fifteen (15) Business Days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer). If the Issuer is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send a notice to the MSRB in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall, if the Dissemination Agent is other than the Issuer, file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided.

Section 4. Content of Annual Reports. The Issuer's Annual Report shall contain or include by reference the following:

1. The audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with standards prescribed or permitted by the State Department of Education pursuant to Subchapter 2 of Chapter 23 of Title 6A of the New Jersey Administrative Code. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements and

the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

2. Financial information and operating data consisting of (1) Issuer and overlapping indebtedness including a schedule of outstanding debt issued by the Issuer; (2) the Issuer's most current adopted budget; (3) property valuation information for property located within the school district; and (4) tax rate, levy and collection data.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer will provide, in a timely manner not in excess of ten (10) business days after the occurrence of any of the following events, to the MSRB through EMMA, notice of any of the following events with respect to the Bonds (each, a "Listed Event"):

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers or their failure to perform.
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.
7. Modifications to rights of holders of the Bonds, if material.
8. Bond calls, if material, and tender offers.
9. Defeasances.
10. Release, substitution or sale of property securing repayment of the Bonds, if material.

11. Rating changes.

12. Bankruptcy, insolvency, receivership or similar event of the Issuer.

13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

14. Appointment of a successor or additional trustee, or the change of name of a trustee, if material.

(b) Upon the occurrence of a Listed Event, the Issuer shall promptly file, in a timely manner not in excess of ten (10) business days after the occurrence of the Listed Event, in an electronic format as prescribed by the MSRB and accompanied by such identifying information as is prescribed by the MSRB, a notice of such occurrence with the MSRB through EMMA. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Bondholders of affected Bonds pursuant to the Resolution.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Issuer.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances

that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Bondholders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(b), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Bondholder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default on the Bonds, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issuer under this Section 11 shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and the Bondholders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: _____, 2014

THE BOARD OF EDUCATION OF THE
TOWNSHIP OF UNION, IN THE
COUNTY OF UNION, NEW JERSEY

By: _____

Manuel E. Vieira,
Business Administrator

EXHIBIT A TO DISCLOSURE CERTIFICATE

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: The Board of Education of the Township of Union, in the County of Union, New Jersey

Name of Bond Issue: \$_____ Refunding School Bonds, Series 2014

Dated Date: _____, 2014

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Section 3(a) of the Continuing Disclosure Certificate dated _____, 2014. The Issuer anticipates that the Annual Report will be filed by _____.

Dated: _____

THE BOARD OF EDUCATION OF THE
TOWNSHIP OF UNION, IN THE
COUNTY OF UNION, NEW JERSEY

By: _____
Name:
Title:

EXHIBIT C

ESCROW DEPOSIT AGREEMENT

Dated as of _____, 2014

Between

**THE BOARD OF EDUCATION OF THE TOWNSHIP OF UNION, IN THE COUNTY
OF UNION, NEW JERSEY**

and

**TD BANK, NATIONAL ASSOCIATION,
as Escrow Agent**

Providing for the Payment of the below described Bonds:

**School Bonds, dated April 1, 2005
Maturing January 1, 2016-2023, inclusive**

ESCROW DEPOSIT AGREEMENT

THIS ESCROW DEPOSIT AGREEMENT is made and entered into as of _____, 2014, by and between the BOARD OF EDUCATION OF THE TOWNSHIP OF UNION IN THE COUNTY OF UNION, NEW JERSEY (the "Board"), and TD BANK, NATIONAL ASSOCIATION, a national banking association duly organized under the laws of the United State of America with trust and fiduciary powers in the State of New Jersey, as escrow agent in respect of the Refunded Bonds, as defined herein (the "Escrow Agent").

WITNESSETH:

WHEREAS, the Board has heretofore issued its \$8,080,000 Refunding School Bonds, Series 2005, dated April 1, 2005 (the "2005 School Bonds" or the "Prior Bonds"); and

WHEREAS, the Board has determined that it is in its best financial interests to issue its Refunding School Bonds, Series 201____, in the aggregate principal amount of \$_____ (the "Refunding Bonds") pursuant to a refunding ordinance of the Board which was adopted on November 18, 2014 for the purpose of advance refunding a portion of the Prior Bonds; and

WHEREAS, the Board adopted a resolution on November 18, 2014 (the "Refunding Bond Resolution") for the purpose of, among others, financing a refunding program (the "Refunding Program") consisting of the refinancing of the portion of the 2005 School Bonds maturing on January 1, 2016 through 2023 (the "Refunded Bonds"); and

WHEREAS, the Refunding Program will be effected by depositing with the Escrow Agent a portion of the net proceeds of the Refunding Bonds, which, [together with other available funds], will be sufficient to purchase Government Obligations, as defined herein, which Government Obligations, together with interest thereon, will be sufficient to pay interest on the Refunded Bonds through and including January __, 2015 (the "Redemption Date"), at which time the Refunded Bonds will be redeemed at a redemption price of 100% of the outstanding principal amount thereof, plus interest accrued to the Redemption Date, and

WHEREAS, the execution and delivery of this Escrow Deposit Agreement has been duly authorized by the Board and the Escrow Agent.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto intending to be legally bound, hereby agree as follows:

SECTION 1. DEFINITIONS.

(a) The following terms defined in the recital to this Agreement shall have the meanings therein set forth:

Board
Escrow Agent
Prior Bonds
Redemption Date
Refunded Bonds
Refunding Bond Resolution
Refunding Bonds
Refunding Program

(b) "Agreement" shall mean this Escrow Deposit Agreement, dated as of _____, 2014, between the Board and the Escrow Agent;

(c) "Code" shall mean the Internal Revenue Code of 1986, as amended, and the regulations duly promulgated thereunder;

(d) "Eligible Investments" shall mean Government Obligations;

(e) "Escrow Fund" shall mean the fund established pursuant to Section 4 hereof;

(f) "Government Obligations" shall mean direct non-callable obligations (including obligations issued or held in book entry form on the books of the Department of the Treasury) of the United States of America, or non-callable obligations, the principal of and interest on which are unconditionally guaranteed by the United States of America;

(g) "Open Market Securities" shall mean Government Obligations other than SLGS;

(h) "Securities" shall mean those Government Obligations held by the Escrow Agent under this Agreement; and

(i) "SLGS" shall mean Government Obligations known as State and Local Government Series.

SECTION 2. CERTIFICATE OF INDEBTEDNESS WITH RESPECT TO THE PRINCIPAL AMOUNT AND REDEMPTION PREMIUMS OF THE REFUNDED BONDS.

The Board hereby certifies to the Escrow Agent and the Escrow Agent hereby acknowledges that the sum of \$_____ is the amount required to pay the principal of and interest on the Refunded Bonds through and including the Redemption Date, all as shown in Exhibit A.

SECTION 3. APPOINTMENT OF ESCROW AGENT; RECEIPT OF PROCEEDS.

TD Bank, National Association, is hereby appointed the Escrow Agent in respect of the Refunded Bonds. The Escrow Agent hereby acknowledges receipt from the Board of the sum of \$ _____ from the net proceeds of the Refunding Bonds in immediately available funds.

SECTION 4. ESCROW FUND.

There is hereby created and established with the Escrow Agent a special and irrevocable escrow fund (the "Escrow Fund") to be held in the custody of the Escrow Agent as a trust fund for the benefit of the owners of the Refunded Bonds. The Escrow Fund shall be held by the Escrow Agent separate and apart from other funds of the Board and the Escrow Agent. All moneys in the Escrow Fund shall be invested in accordance with this Agreement solely in Eligible Investments, and all such investments shall be in the name of the Escrow Agent. The owners of the Refunded Bonds have an express lien on and security interest in all amounts and investments in the Escrow Fund.

SECTION 5. DEPOSIT AND INVESTMENT OF FUNDS.

(a) The Escrow Agent shall immediately deposit into the Escrow Fund proceeds of the Refunding Bonds in immediately available funds in the amount of \$ _____, [together with \$ _____ deposited by the Board], which [aggregate] amount, together with the earnings thereon, shall be and is hereby pledged for the payment of the principal of and interest on the Refunded Bonds.

(b) The Board hereby authorizes and directs the Escrow Agent to invest \$ _____ of the moneys deposited in the Escrow Fund hereunder in SLGS which shall bear interest and mature as set forth in accordance with the schedules attached hereto as Exhibit B and to hold \$ _____ in cash. The Escrow Agent hereby agrees to purchase the SLGS described in Exhibit B.

(c) Based on the Verification Report dated _____, 2014 prepared by Causey Demgen & Moore Inc., and attached hereto as Exhibit E, the Board certifies to the Escrow Agent that, as shown in Exhibit C attached hereto and made a part hereof, the amounts to be received by the Escrow Agent from the principal of and interest on the Securities deposited in the Escrow Fund are adequate to meet the debt service requirements of the Refunded Bonds as and when they become due and payable.

SECTION 6. APPLICATION OF INVESTMENT EARNINGS.

(a) The principal of and interest on the Securities shall be held by the Escrow Agent in trust exclusively for the benefit of the owners of the Refunded Bonds, and shall be applied to the payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds. The Board hereby irrevocably directs the Escrow Agent, and the Escrow Agent agrees, to collect the principal of and interest on the Securities at their respective maturities and to apply the same to the interest due and payable on the Refunded Bonds through the Redemption Date and to the payment of the principal of the Refunded Bonds on the redemption Date, all as set

forth in Exhibit C hereto, by payment to Cede & Co., as nominee of The Depository Trust Company, New York, New York, as registered owner of the Refunded Bonds. The Board agrees to notify the Escrow Agent in writing of any change in the name or address of the registered owner or owners of the Refunded Bonds. All payments to Cede & Co., shall be made by wire transfer in accordance with the instructions attached hereto as Exhibit F or as may otherwise be directed by The Depository Trust Company.

(b) The Board agrees to make any payments on the Refunded Bonds in the event, to the extent and at the times that the funds available in the Escrow Fund are not sufficient to make such payments.

(c) Notwithstanding the foregoing, the Escrow Agent may also make such other investment of said funds as may be directed in writing by the Board and authorized by an approving written opinion of nationally recognized bond counsel to the effect that such use of funds will not cause the Refunding Bonds or the Refunded Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

SECTION 7. SUBSTITUTION OF SECURITIES.

(a) The Escrow Agent shall sell, transfer, request the redemption of or otherwise dispose of the Securities, but only in a simultaneous transaction and upon receipt of the following (i) a written Board order directing said transfer; (ii) direct noncallable obligations of the United States Treasury (the "Substitute Securities") as hereinafter provided; (iii) a certificate of an independent certified public accountant to the effect that the Substitute Securities together with the cash, if any, and the Securities which will continue to be held under this Agreement will bear interest in such amounts and be payable at such times, without further investment or reinvestment of principal or interest, and mature in such principal amounts and at such times, to provide sufficient moneys to pay, as the same mature and become due, all the principal of and interest on the Refunded Bonds to the date of redemption, and that sufficient moneys will be available from such cash, principal and interest to pay, as the same become due upon earlier redemption, all principal of and interest on the Refunded Bonds which have not previously been paid; and (iv) an unqualified written opinion of nationally recognized bond counsel on the subject of municipal bonds to the effect that the proposed sale, transfer, redemption or other disposition and substitution of Securities will not cause either the Refunded Bonds or the Refunding Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

(b) If the proceeds to be received from the sale, transfer, redemption or other disposition of such Securities will be less than the full principal amount of such Securities, such sale, transfer, redemption or other disposition of such Securities shall be subject to the additional condition that the Board shall have first deposited hereunder an amount of cash equal to the difference between the principal amount of the Securities to be sold, transferred, redeemed or otherwise disposed of and the proceeds of sale, transfer, redemption or other disposition of such Securities. Any cash so deposited shall either be used to purchase Substitute Securities or held in trust for the payment of the Refunded Bonds as directed by the Board uninvested, provided the Escrow Agent shall receive an opinion of nationally recognized bond counsel on the subject of municipal bonds to the effect that the proposed investment would not cause either the Refunded Bonds or the Refunding Bonds to be "arbitrage bonds" under the Code.

SECTION 8. REDEMPTION OF THE REFUNDED BONDS.

The Board hereby unconditionally and irrevocably authorizes and instructs the Escrow Agent to take all action necessary or appropriate to cause the redemption of the Refunded Bonds on the Redemption Date in accordance with the terms of the Refunded Bonds.

The Board irrevocably authorizes and instructs the Escrow Agent to mail the notice of redemption in substantially the form attached hereto as Exhibit D by first class mail in a sealed envelope with postage prepaid to the registered owners of the Refunded Bonds not less than thirty (30) days nor more than sixty (60) days prior to the Redemption Date, at their respective addresses as they last appear in the registration books maintained by the Board or at such other address as is furnished in writing by such owner to the Escrow Agent. The Board represent to the Escrow Agent that the Refunded Bonds are registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York, and agrees to notify the Escrow Agent of any change in the name or address of the registered owner or owners of the Refunded Bonds. The Escrow Agent shall also provide notice of redemption to The Depository Trust Company in accordance with its and The Depository Trust Company's customary procedures.

In addition, the Escrow Agent shall cause notice of defeasance and such redemption to be provided to the Municipal Securities Rulemaking Board (the "MSRB"), in an electronic format as prescribed by the MSRB and accompanied by such identifying information as is prescribed by the MSRB.

SECTION 9. TERMINATION.

This Agreement shall terminate when the principal of, and interest on all Refunded Bonds has been paid. Moneys held by the Escrow Agent in the Escrow Fund for the payment and discharge of any of the Refunded Bonds or any interest thereon which has theretofore become due and payable which remain unclaimed for five (5) years after the date when such Refunded Bonds shall have become due and payable, either at their stated maturity dates or by call for earlier redemption, shall, at the written request of the Board, be repaid by the Escrow Agent to the Board as its absolute property and free from the trust created by the Bond Resolution and this Agreement. The Escrow Agent shall thereupon be released and discharged with respect thereto and hereto and the owners of such Refunded Bonds payable from such moneys shall look only to the Board for the payment of such Refunded Bonds or such interest. Any amounts held in the Escrow Fund (other than amounts held for Refunded Bonds which have theretofore matured or been called for redemption or any interest thereon which has theretofore become due and payable but remains unclaimed as described above) shall be paid by the Escrow Agent to the Borough on the date of termination of this Agreement.

SECTION 10. SUPPLEMENTAL AGREEMENTS.

(a) This Agreement is made for the benefit of the Board and the owners from time to time of the Refunded Bonds and shall not be repealed, revoked, altered or amended without the written consent of the owners of all of the Refunded Bonds which remain unpaid at that time and the written consent of the Escrow Agent; provided, however, that the Board and the Escrow

Agent may, without the consent of, or notice to, such owners, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such owners and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (i) to cure any ambiguity or formal defect or omission in this Agreement;
- (ii) to grant to, or confer upon, the Escrow Agent for the benefit of the owners of the Refunded Bonds any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such owners or the Escrow Agent;
- (iii) to subject to this Agreement additional funds, securities or properties; and
- (iv) to modify or supplement this Agreement in order to meet the requirements of any rating agency for rating the Refunded Bonds in the highest category.

(b) The Board shall give prior written notice of any amendment, revocation or alteration of this Agreement (with or without the consent of the owners of the Refunded Bonds) to: Standard & Poor's Corporation, 25 Broadway, New York, NY 10004, or such other address such rating agency may request.

(c) The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized bond counsel on the subject of municipal bonds with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the owners of the outstanding Refunded Bonds or that any instrument executed hereunder complies with the conditions and provisions of this Section.

SECTION 11. ESCROW AGENT.

(a) During the term of this Agreement, the Board agrees to pay or cause to be paid the reasonable fees and expenses of the Escrow Agent hereunder (the "Administrative Expenses") upon request by the Escrow Agent upon the submission of itemized invoices submitted to the Board. The Escrow Agent shall have no lien whatsoever upon any of the Securities or earnings thereof for the payment of any amounts or claims of any kind or nature including, without limitation, fees and expenses for services rendered under this Agreement or any other resolution or ordinance.

(b) The Escrow Agent shall not be liable for any loss resulting from any investment made pursuant to this Agreement in compliance with the provisions hereof. The Securities and earnings thereon shall be and remain the property of the Board in trust for the owners of the Refunded Bonds as provided herein. The Escrow Agent agrees to service and manage the Escrow Fund in accordance with the terms of this Agreement. The Escrow Agent shall have only those duties as are specifically provided herein, which shall be deemed purely ministerial in nature. Notwithstanding any provision contained herein to the contrary, the Escrow Agent, including its officers, directors, employees, attorneys and agents, shall:

- (i) not be liable for any action taken or omitted under this Agreement so long as it shall have acted in good faith and without gross negligence;
- (ii) have no responsibility to inquire into or determine the genuineness, authenticity, or sufficiency of any securities, checks, or other documents or instruments submitted to it in connection with its duties hereunder;
- (iii) be entitled to deem the signatories of any documents or instruments submitted to it hereunder as being those purported to be authorized to sign such documents or instruments on behalf of the parties hereto, and shall be entitled to rely upon the genuineness of the signatures of such signatories without inquiry and without requiring substantiating evidence of any kind;
- (iv) have the right, but not the obligation, to consult with counsel of choice and shall not be liable for action taken or omitted to be taken by Escrow Agent either in accordance with the written advice of such counsel or in accordance with any opinion of counsel to the Board addressed and delivered to the Escrow Agent;
- (v) have the right to perform any of its duties hereunder through agents, attorneys, custodians or nominees, and shall not be responsible for the misconduct or negligence of such agents, attorneys, custodians and nominees appointed by it with due care;
- (vi) not be required to risk, use or advance its own funds or otherwise incur financial liability in the performance of any of its duties or the exercise of any of its rights and powers hereunder; and
- (vii) shall be protected in acting and relying upon any notice, order, requisition, request, consent, certificate, order, opinion (including an opinion of independent counsel), affidavit, letter, telegram or other paper or document in good faith deemed by it to be genuine and correct and to have been signed or sent by the proper person or persons.

(c) The Board hereby agrees to indemnify the Escrow Agent, its officers, employees and agents and hold it and them harmless from and against any and all claims, liabilities, losses, actions, suits, or proceedings, at law or in equity, which it or they may incur or with which it or they may be threatened by reason of its acting as Escrow Agent under this Agreement, except in the case of the Escrow Agent's own willful misconduct or gross negligence; and in connection therewith to indemnify the Escrow Agent, its officers, employees and agents against any and all expenses, including attorney's fees and the cost of defending any action, suit or proceedings or resisting any claim. This provision shall survive the termination of this Agreement.

(d) The Escrow Agent at any time may resign or be removed by the Board for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, the provisions of this Agreement. Such removal or resignation shall take effect not less than sixty (60) days after written notice of such resignation or removal is deposited in first class mail, postage prepaid, addressed to the owners of the Refunded Bonds. The Board

shall appoint any successor Escrow Agent, and such appointment shall take effect not less thirty (30) days after written notice thereof is deposited in the United States mail, first class, postage prepaid, addressed to the owners of the Refunded Bonds. Such notice of the appointment of a successor Escrow Agent may be consolidated with the written notice of the Escrow Agent's resignation or removal. Any resignation or removal of the Escrow Agent shall not be effective until a successor Escrow Agent has been duly appointed and accepted the duties and obligations under this Agreement. If the Board has failed to appoint a successor prior to the expiration of thirty (30) days following receipt of the notice of resignation or removal, the Escrow Agent may, at the expense of the Board, petition any court of competent jurisdiction for the appointment of a successor escrow agent or for other appropriate relief, and any such resulting appointment shall be binding upon all of the parties hereto.

(e) Records of the Escrow Agent related to this Agreement and the performance of duties and responsibilities assumed by the Escrow Agent pursuant to this Agreement shall be open to inspection by the Board and its duly authorized agents or representatives, at reasonable times and upon reasonable request.

(f) The Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of moneys deposited, or of the principal amount of the Government Obligations as provided herein, and the earnings thereon, to pay the Refunded Bonds or any of them. The Escrow Agent has made no independent investigation of the principal and interest requirements of the Refunded Bonds or the adequacy of the amounts deposited with the Escrow Agent and the investment income thereon to pay such principal and interest requirements when due, but with respect to such matters have relied upon the verification report.

SECTION 12. MISCELLANEOUS PROVISIONS.

(a) If any one or more of the covenants or agreements provided in this Agreement on the part of the Board or the Escrow Agent to be performed shall be determined by a court of competent jurisdiction to be prohibited or unenforceable, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

(b) All notices, certificates or other communications hereunder shall be in writing and addressed as follows: if to the Board: 2369 Morris Avenue, Union, New Jersey 07083 Attention: Business Administrator; and if to the Escrow Agent: TD Bank, National Association, Corporate Trust Services, 1006 Astoria Blvd., Cherry Hill, New Jersey 08034. Each party may by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

(c) This Agreement shall be governed by, and construed in accordance with, the laws of the State of New Jersey, without reference to the choice of law principles thereof.

(d) This Agreement may be executed in any number of counterparts, all of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

Board of Education of the Township of Union
County of Union, NJ
Comparison of RFPs for Various Professional Services

Bond Underwriting Services

<u>Respondent</u>	<u>Proposed Fee (per bond)</u>	<u>Proposed Fee (gross)¹</u>
RBC Capital Markets	\$ 3.64	\$ 17,654.00
FTN Financial Capital Markets	3.95	19,157.50
Roosevelt & Cross	4.15	20,127.50
Janney Montgomery Scott	4.95	24,007.50

¹Estimated based on not-to-exceed amount of \$4,850,000

Escrow Agent Services

<u>Respondent</u>	<u>Proposed Fee</u>
TD Bank	\$ 1,000.00
M&T Bank	1,000.00
US Bank	1,000.00

Verification Agent Services

<u>Respondent</u>	<u>Proposed Fee</u>
Causey Demgen Moore	\$ 1,700.00
Ferraioli, Wielkotz, Cerullo & Cuva	2,500.00

(e) The Escrow Agent shall have the right to accept and act upon instructions or directions pursuant to this Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the instructions or directions shall be signed by a person as may be designated and authorized to sign for the Board by an authorized representative of the Board, who shall provide to the Escrow Agent an incumbency certificate listing such designated persons, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the Board elects to give the Escrow Agent e-mail or facsimile instructions (or instructions by a similar electronic method) and the Escrow Agent in its discretion elects to act upon such instructions, the Escrow Agent's understanding of such instructions shall be deemed controlling. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Board agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

(f) Any banking association or corporation into which the Escrow Agent may be merged, converted or with which the Escrow Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Escrow Agent shall be a party, or any banking association or corporation to which all or substantially all of the corporate trust business of the Escrow Agent shall be transferred, shall succeed to all the Escrow Agent's rights, obligations and immunities hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding, provided that the Escrow Agent shall give the Board written notice of any such merger, conversion or consolidation.

(g) \$ _____ from the proceeds of the Refunding Bonds has also been deposited with the Escrow Agent for payment of costs of issuance of the Refunding Bonds and the Escrow Agent acknowledges receipt of such amount. There is hereby created and established with the Escrow Agent an account designated as the "Union Township Board of Education 2014 Refunding Bond Costs of Issuance Account" (the "Costs of Issuance Account"). The Costs of Issuance Account will be held by the Escrow Agent and applied at the written (including email or facsimile) direction of the Business Administrator of the Board to pay costs of issuance related to the issuance of the Refunding Bonds. The Escrow Agent will pay all remaining sums to the Board upon the earlier of (i) written or facsimile direction from the Business Administrator of the Board that there are no further costs of issuance to be paid from the Costs of Issuance Account or (ii) _____, 2014. Pending its application as provided herein, the funds in the Costs of Issuance Account shall be held in cash unless otherwise invested at the written direction of the Business Administrator of the Board.

IN WITNESS WHEREOF, the parties hereto have each caused this Escrow Deposit Agreement to be executed by their duly authorized officers and their corporate seals to be hereunto affixed and attested as of the first date above written.

(SEAL)

THE BOARD OF EDUCATION OF THE TOWNSHIP OF UNION, IN THE COUNTY OF UNION, NEW JERSEY

Attest:

By: _____
Clerk

By: _____
Authorized Official

(SEAL)

TD BANK, NATIONAL ASSOCIATION, as Escrow Agent

Attest:

By: _____
Authorized Officer

By: _____
Authorized Officer

EXHIBIT A TO ESCROW DEPOSIT AGREEMENT

REFUNDED BONDS

Issue	Amount	Coupon	Maturity Date	Call Date
School Bonds			01/01/2016	01/01/2015
			01/01/2017	01/01/2015
			01/01/2018	01/01/2015
			01/01/2019	01/01/2015
			01/01/2020	01/01/2015
			01/01/2021	01/01/2015
			01/01/2022	01/01/2015
			01/01/2023	01/01/2015

EXHIBIT B TO ESCROW DEPOSIT AGREEMENT
ESCROW DESCRIPTIONS; SLG SUBSCRIPTION FORM

EXHIBIT C TO ESCROW DEPOSIT AGREEMENT

ESCROW FUND SUMMARY

EXHIBIT D TO ESCROW DEPOSIT AGREEMENT

NOTICE OF REDEMPTION

THE BOARD OF EDUCATION OF THE TOWNSHIP OF UNION, IN THE COUNTY OF UNION, NEW JERSEY

Notice is hereby given to the holders of the Board of Education of the Township of Union, in the County of Union, New Jersey (the "Board") of \$_____ School Bonds, dated April 1, 2005 maturing on January 1 in the years 2016 through 2023, inclusive (the "Refunded Bonds"), of the redemption by the Board, on January __, 2015 (the "Redemption Date"), of all of said Refunded Bonds. On such Redemption Date, the Refunded Bonds shall become due and payable at a redemption price of 100% of the principal amount thereof, plus accrued interest to the Redemption Date. From and after the Redemption Date, interest on the Refunded Bonds shall cease to accrue and to be payable to the holders entitled to payment thereof upon such redemption.

The Refunded Bonds mature on the dates and in the amounts and bear the CUSIP numbers as follows:

<u>Maturity</u>	<u>Principal Amount</u>	<u>CUSIP Numbers</u>
January 1, 2016		
January 1, 2017		
January 1, 2018		
January 1, 2019		
January 1, 2020		
January 1, 2021		
January 1, 2022		
January 1, 2023		

On the Redemption Date set forth above, the redemption price set forth above will become due and payable at the addresses set forth below, and from such Redemption Date interest on the Refunded Bonds will cease to accrue. Payment for the Refunded Bonds will be made upon presentation and surrender of said Refunded Bonds to:

MAILING ADDRESS

Union Township Board of Education
2369 Morris Avenue
Union, New Jersey 07083
Attention: Business Administrator

HAND DELIVERY

Union Township Board of Education
2369 Morris Avenue
Union, New Jersey 07083
Attention: Business Administrator

No representation is made as to the correctness of the CUSIP numbers either as printed on the Refunded Bonds or as contained in this notice and reliance may be placed only on the identification numbers as printed on the Refunded Bonds.

IMPORTANT: Under Federal law, individual holders of the Refunded Bonds who present such Refunded Bonds for payment are required to submit their social security number, certified as correct under penalty of perjury. The required certification may be made on an Internal Revenue Service Form W-9. Holders of the Refunded Bonds may obtain copies of Form W-9 from their local bank or broker. If the social security number is not submitted and certified as correct, 28 percent of the interest due under the Refunded Bonds must be withheld and paid over to the Internal Revenue Service.

TD Bank, National Association, as Escrow Agent

By: _____
Name:
Title:

Dated: _____

**EXHIBIT E TO ESCROW DEPOSIT AGREEMENT
VERIFICATION REPORT**

EXHIBIT F TO ESCROW DEPOSIT AGREEMENT

**NOTE TO ESCROW AGENT:
BEFORE MAKING ANY PAYMENT, CALL THE DEPOSITORY TRUST COMPANY
TO CONFIRM PAYMENT INSTRUCTIONS. THIS INFORMATION MAY CHANGE
FROM TIME TO TIME.**

In connection with the payment of interest on bonds, please contact:

Anthony Muldanado (telephone no. 212-855-4690) (fax no. (212) 855-2200)

Payments should be made to:

The Chase Manhattan Bank

ABA 021000021

For credit to the A/C The Depository Trust Company/Dividend Deposit Account 066-026776

In connection with the payment of maturing principal on bonds, please contact:

Michael Soldati (telephone no. 212-855-2068) (fax no. (212) 855-2200)

Payments should be made to:

The Chase Manhattan Bank

ABA 021000021

For credit to the A/C The Depository Trust Company/Redemption Account 066-027306

The payment of maturing principal and interest on bond anticipation notes and the final principal and interest payment on a bond issue is paid to the Redemption Account, and Anthony Muldanado is the contact as set forth above.

EXHIBIT D

§ _____
REFUNDING SCHOOL BONDS
THE BOARD OF EDUCATION OF THE TOWNSHIP OF UNION
IN THE COUNTY OF UNION, NEW JERSEY

BOND PURCHASE CONTRACT

_____, 2014

The Board of Education of the
Township of Union
2369 Morris Avenue
Union, NJ 07083

Ladies and Gentlemen:

The undersigned, RBC Capital Markets, LLC (the "Underwriter"), hereby offers to enter into this Bond Purchase Contract (the "Purchase Contract") with The Board of Education of the Township of Union in the County of Union, New Jersey (the "Board" when referring to the governing body or the legal entity and the "School District" when referring to the territorial boundaries governed by the Board) which, upon your written acceptance of this offer, will be binding upon the Board and the Underwriter. This offer is subject to approval and written acceptance hereof by the Board no later than 11:00 P.M., prevailing local time, on the date hereof. If this offer is not accepted on or before 11:00 P.M., prevailing local time, on the date hereof, this offer will terminate unless the Board and the Underwriter agree in writing to extend the time for the Board's acceptance.

Unless otherwise expressly provided herein, or unless the context clearly requires otherwise, capitalized terms used in this Purchase Contract shall have the respective meanings ascribed thereto in the Preliminary Official Statement (hereinafter defined).

1. **Purchase and Sale.** Upon the terms and the conditions and upon the basis of the representations and the warranties set forth herein, the Underwriter hereby agrees to purchase and the Board authorizes the sale to the Underwriter of all (but not less than all) of the Board's \$ _____ aggregate principal amount of Refunding School Bonds (the "Bonds"). Inasmuch as this purchase and sale represents a negotiated transaction, the Board acknowledges and agrees that: (i) the transaction contemplated by this Purchase Contract is an arm's length, commercial transaction between the Board and the Underwriter in which the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Board; (ii) the Underwriter has not assumed any advisory or fiduciary responsibility to the Board with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Board on other matters); (iii) the Underwriter is acting solely in their capacity as underwriters for their own accounts, (iv) the only obligations the

Underwriter has to the Board with respect to the transaction contemplated hereby expressly are set forth in this Agreement; and (v) the Board has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate. The maturity dates of the Bonds, principal amounts, interest rates per annum, redemption provisions and initial public offering prices or yields are as set forth in Exhibit A attached hereto and made a part hereof.

The purchase price ("Purchase Price") for the Bonds shall be \$_____. The Purchase Price reflects an Underwriter's discount of \$_____ and an original issue premium of \$_____. The Purchase Price of the Bonds shall be paid by the Underwriter on the date of Closing referred to in paragraph 7 below in immediately available funds.

The Board shall deliver the Bonds to the Underwriter, and the Underwriter shall purchase, accept delivery of and pay the Purchase Price for the Bonds at the Closing.

2. Delivery of Official Statement and Other Documents.

(a) The Board has previously delivered to the Underwriter a Preliminary Official Statement, dated _____, 2014 in respect of the Bonds in "deemed final" form as required by paragraph (b)(1) of Securities and Exchange Rule 15c2-12 ("Rule 15c2-12") (such Preliminary Official Statement, together with the Appendices attached thereto, shall be referred to as the "Preliminary Official Statement"). The Board shall deliver, or shall cause to be delivered, to the Underwriter within seven (7) business days from the date hereof a sufficient number of copies of the final Official Statement dated the date hereof in substantially the form of the Preliminary Official Statement with only such changes and insertions therein from the Preliminary Official Statement as shall have been approved by the Underwriter, to enable the Underwriter to comply with Rule 15c2-12 ("Official Statement"). The Board hereby authorizes the use of the Official Statement in connection with the public offering and the sale of the Bonds by the Underwriter. The Board hereby ratifies and confirms its consent to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering of the Bonds.

(b) No later than seven (7) business days after the date hereof, the Board shall also deliver to the Underwriter, at such address as the Underwriter shall specify, a reasonable number of copies of the Official Statement in order for the Underwriter to comply with paragraph (b)(4) of Rule 15c2-12 and with Rule G-32 and all other applicable rules of the Municipal Securities Rulemaking Board then in effect. The Board, by its acceptance hereof, ratifies and approves the Preliminary Official Statement and ratifies and approves and authorizes the Underwriter to use the Preliminary Official Statement, the Official Statement, and all other documents described therein in connection with the public offering and the sale of the Bonds.

(c) The Underwriter agrees that it shall deliver an Official Statement to the Municipal Securities Rulemaking Board on or prior to the Closing. Unless the Underwriter otherwise notifies the Board in writing, the Underwriter agrees that the "end of the underwriting period" for purposes of Rule 15c2-12 shall be the date of the Closing which Official Statement shall be in such electronic format as to enable the Underwriter to comply with Rule G-32 and any other applicable rule of the MSRB then in effect. The Underwriter further agrees that it will comply with Rule G-32 of the Municipal Securities Rulemaking Board.

(d) From the date hereof through the 25th day after the end of the underwriting period for purposes of Rule 15c2-12, if any event shall occur that would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements contained therein, in light of the

circumstances under which they were made, not misleading, and if, in the opinion of the Board and the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Board will cause the Official Statement to be amended or supplemented in a form approved by the Underwriter at the sole cost and expense of the Board and will furnish to the Underwriter a reasonable number of copies of such supplement or amendment.

3. **Public Offering.** The Underwriter agrees to make a bona fide public offering of all the Bonds at a price or prices not in excess or yield or yields not lower than the initial public offering price or prices or yield or yields set forth on the cover of the Official Statement. The Underwriter reserves the right to change such initial public offering price or prices or yield or yields, whenever the Underwriter deems it necessary in connection with the marketing of the Bonds, and to offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and certain dealer banks and banks acting as agents at prices higher or yields lower than such initial public offering price or yield. The Underwriter, at or prior to the Closing, shall deliver to the Board a certificate or certificates to enable the Board to determine the "issue price" and "yield" of the Bonds, as such terms are defined in the Internal Revenue Code of 1986, as amended ("Code"), and such other information reasonably requested by DeCotiis, Fitzpatrick & Cole, LLP ("Bond Counsel").

4. **Representations, Warranties and Agreements of the Board.** By its acceptance hereof the Board represents and warrants to and agrees with the Underwriter (and it shall be a condition of the obligation of the Underwriter to purchase and to accept delivery of the Bonds that the Board shall so represent, warrant and agree as of the date of the Closing) that, as of the date hereof:

(a) the Board is duly organized and presently existing under the laws of the State of New Jersey ("State");

(b) the members of the Board are the duly elected, qualified and presently acting members of the Board;

(c) the Bonds have been authorized and are being issued pursuant to (i) Title 18A, Chapter 24, of the New Jersey Statutes, as amended and supplemented, *N.J.S.A. 18A:24-1 et seq.* ("School Bond Law"); (ii) a refunding bond ordinance, duly and finally adopted by the Board on November 18, 2014 (the "Refunding Bond Ordinance"); and (iii) a resolution, duly adopted by the Board on November 18, 2014 ("Resolution");

(d) the Board has complied with the laws of the State and has full power and authority to enter into this Purchase Contract, and the transactions contemplated by this Purchase Contract including, *inter alia*, the issuance of the Bonds;

(e) by official action of the Board taken prior to or concurrent with the acceptance hereof, the Board has duly authorized, approved, and consented to all necessary action to be taken by it for: (i) the adoption, execution, delivery and performance of this Purchase Contract and the transactions contemplated hereby and as described in the Preliminary Official Statement; (ii) the issuance of the Bonds upon the terms set forth herein and as described in the Preliminary Official Statement; (iii) the approval of the Preliminary Official Statement and the Official Statement and any amendment thereof or supplement thereto; and (iv) the execution, the delivery and the due performance of any and all other agreements and instruments that may be required to be executed and delivered by the Board to which it is a party in order to carry out, to give effect to and to consummate the transactions contemplated by this Purchase Contract;

(f) this Purchase Contract when duly authorized, executed and delivered, will constitute a legal, valid and binding obligation of the Board enforceable against the same in accordance with

the terms hereof, except as the enforcement hereof may be affected by bankruptcy, insolvency or other laws or legal or equitable principles affecting the enforcement of creditors' rights generally ("Creditors' Rights Limitations");

(g) the execution and delivery by the Board of the Official Statement and this Purchase Contract and compliance with the obligations on the Board's part contained herein and therein will not conflict with or constitute a breach of or default under any material constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, ordinance, resolution, agreement or other instrument to which the Board is a party or to which the Board or any of its properties or other assets is otherwise subject, nor will any such execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or other assets of the Board under the terms of any such law, regulation or instrument, except as provided or permitted by the aforementioned documents;

(h) all approvals, consents and orders of any governmental authority, legislative body, board or agency having jurisdiction in any matter that would constitute a condition precedent to or the absence of which would materially and adversely affect the due performance by the Board of its obligations under this Purchase Contract, the Bonds and the transactions contemplated hereby and thereby have been, or prior to the Closing will have been, duly obtained, it being understood that this representation and warranty does not extend to such approvals, consents and orders as may be required under the Blue Sky or securities laws of any jurisdiction in connection with the offering and sale of the Bonds;

(i) the Bonds, when issued and delivered in accordance with the Refunding Bond Ordinance and the Resolution and sold to the Underwriter as provided herein, will be valid and legally enforceable obligations of the Board and, unless paid from other sources, are payable ultimately from *ad valorem* taxes to be levied upon all the taxable real property within the School District without limitation as to rate or amount except to the extent of Creditors' Rights Limitations;

(j) the information contained in the Preliminary Official Statement and the Official Statement (including any supplements or amendments pursuant to paragraph (m) of Section 4) relating to the Board and the transactions contemplated hereby and as described in the Preliminary Official Statement and the Official Statement (including any supplements or amendments pursuant to paragraph (m) of Section 4) are, and as of the date of Closing will be, true, correct and complete in all material respects, and such information does not and will not contain any untrue statement of a material fact or omit to state a material fact which is necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(k) except as may otherwise be disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency or public board or body pending or, to the best knowledge of the Board, threatened adversely affecting the existence of the Board or the entitlement of its elected officials to their respective offices, or which may affect or which seeks to prohibit, restrain or enjoin the issuance, sale or delivery of the Bonds, or this Purchase Contract, or which contests the exclusion from gross income for federal income tax purposes of the interest on the Bonds or the completeness or accuracy of the Preliminary Official Statement or the Official Statement or which contests the powers of the Board or any authority or proceedings for the issuance, sale or delivery of the Bonds, or the execution, approval and delivery of the Refunding Bond Ordinance or this Purchase Contract;

(l) the Board will furnish such information, execute such instruments and take such other action not inconsistent with law in cooperation with the Underwriter as the Underwriter may reasonably request in order: (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities

laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate; and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualification in effect so long as required for the distribution of the Bonds, it being understood that the Board will not be required to execute a general or special consent to service of process or to qualify as a foreign corporation in connection with any such qualification or determination;

(m) if between the date of this Purchase Contract and the date of the Closing any event shall occur to the knowledge of the Board which would or might cause the material contained in the Preliminary Official Statement or the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Board shall notify the Underwriter thereof, and if in the reasonable opinion of the Underwriter such event requires the preparation and publication of a supplement or an amendment to the Official Statement, the Board will fully cooperate with the Underwriter in supplementing or amending the Official Statement, in form and in content which is reasonably satisfactory to the Underwriter and to the Board;

(n) between the date of this Purchase Contract and the date of Closing, the Board will not, without the prior written consent of the Underwriter, issue any bonds, notes or other obligations;

(o) any certification signed by the Board President, Board Vice President, Superintendent of Schools, Board Secretary or any other Board official and delivered to the Underwriter shall be deemed to be a representation and warranty of the Board to the Underwriter as to the truth of the statements made therein;

(p) the Board covenants that between the date hereof and the date of the Closing it will take no action that will cause the representations and warranties made herein to be untrue as of the date of the Closing;

(q) the Board, immediately after the Closing, will apply the proceeds of the sale of the Bonds as specified in the Refunding Bond Ordinance and the Resolution and as more fully described in the Official Statement and the certificates delivered at Closing;

(r) the financial statements of, and other financial information regarding the Board, in the Official Statement fairly present the financial position and results of the Board as of the dates and for the periods therein set forth. There has not been any material and adverse change in the financial condition or the operations of the Board since June 30, _____ that has not been brought to the attention of the Underwriter in writing prior to the date of this Purchase Contract;

(s) the Board is not in violation of or in default (or with the lapse of time and/or receipt of appropriate notice would be in default) under any existing applicable law, court or administrative regulation, judgment, decree, order, agreement, indenture, mortgage, lease or sublease to which the Board or any of its properties is a party or is otherwise bound, that would have a material and adverse effect upon the operations or the financial condition of the Board or the transactions contemplated by this Purchase Contract and as described in the Preliminary Official Statement;

(t) the Board will, at or prior to the Closing, execute a certificate ("Disclosure Certificate") for the benefit of the owners of the Bonds obligating the Board, with respect to the Bonds, to provide secondary market disclosure as required by Rule 15c2-12;

(u) the Board has never defaulted in the payment of the principal of or interest on any of its bonds, notes or other obligations; and

(v) the Board is in compliance with its previous undertakings, if any, to comply with Rule 15c2-12.

5. **Representations and Warranties of the Underwriter.** By execution and delivery of this Purchase Contract, the Underwriter represents and warrants that as of the date hereof:

(a) the Underwriter has full power and authority to execute this Purchase Contract and to comply with the provisions hereof;

(b) assuming the due authorization of the Purchase Contract by the Board, this Purchase Contract will constitute a legal and binding obligation of the Underwriter enforceable in accordance with the terms hereof, except to the extent that enforcement thereof may be limited by Creditors' Rights Limitations;

(c) the Underwriter has and expects in the future to comply with the requirements of Rule 15c2-12 and the requirements and rules of the Municipal Securities Rulemaking Board to the extent applicable to the transactions contemplated herein;

(d) the Underwriter has not entered into any undisclosed financial or business relationships, arrangements or practices required to be disclosed in the Preliminary Official Statement or Official Statement in connection with the initial primary offering of the Bonds, pursuant to federal Securities and Exchange Commission Release No. 33-7049; 34-33741; FR 42; File No. S74-94 (March 9, 1994) or required to be disclosed in the Preliminary Official Statement or Official Statement pursuant to Municipal Securities Rulemaking Board rules;

(e) the Underwriter reasonably believes it is in compliance with MSRB Rule G-37; and

(f) the Underwriter will, if required by P.L. 2005, c. 271, make all filings to the New Jersey Election Law Enforcement Commission on or before the annual reporting date set forth therein. (C. 271).

6. **Survival of Representations, Warranties and Agreements.** All representations, warranties, covenants and agreements of the Board contained in this Purchase Contract shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive: (i) delivery of the Bonds to the Underwriter and payment by the Underwriter therefor pursuant to this Purchase Contract; or (ii) termination of this Purchase Contract.

7. **The Closing.** At 10:00 A.M., prevailing local time, on _____, 201_ or at such later time or on such date as may be agreed upon by the Board and the Underwriter, the Board shall, subject to the terms and conditions hereof, cause the Bonds to be delivered to the Underwriter at The Depository Trust Company ("DTC"), New York, New York in definitive form, together with the other documents hereinafter mentioned and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the Purchase Price of the Bonds (as set forth in Paragraph 1 hereof) to the Board. Such delivery and payment for the Bonds is hereinafter called the closing ("Closing"). Delivery of the other documents hereinafter mentioned shall occur at the offices of Bond Counsel, located in Teaneck, New Jersey, or at such other place as agreed upon by the Underwriter and the Board.

The Bonds shall be prepared in fully registered book-entry-only form, acceptable to DTC, delivered in such authorized denominations as the Underwriter and DTC may reasonably request prior to the date of the Closing, and shall be made available to the Underwriter and DTC at least one (1) business day prior to the Closing for purposes of inspection.

8. **Closing Conditions.** The Underwriter is entering into this Purchase Contract in reliance upon the representations, warranties and agreements of the Board contained herein, in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Board of its covenants and agreements hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriter's obligation under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Board of its covenants and agreements to be performed hereunder and under such documents and instruments delivered at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) the representations and warranties of the Board contained herein shall be true, complete and correct in all respects on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing;

(b) at the time of the Closing, the Refunding Bond Ordinance, the Resolution and this Purchase Contract shall be in full force and effect and shall not have been amended, modified, supplemented or rescinded since the date hereof, and the Official Statement, as delivered to the Underwriter in accordance with the terms of Paragraph 2 hereof, shall not have been supplemented or amended without the consent of the Underwriter and no event or circumstance shall have occurred which, in the opinion of the Underwriter, would require such amendment or supplement;

(c) at or prior to the Closing, the Board shall have performed all of its obligations required under or specified in this Purchase Contract to be performed at or prior to the date of the Closing, and the Underwriter shall have received each of the following documents:

(1) a certificate of incumbency and signatures of the Board President or Board Vice President and Board Secretary;

(2) certified copies of the Refunding Bond Ordinance, the Resolution and all other resolutions, if any, relating to the issuance and sale of the Bonds;

(3) intentionally omitted;

(4) an executed original of the Official Statement;

(5) an executed copy of the Disclosure Certificate;

(6) a tax certification of the Board executed by the Board Secretary, pursuant to applicable provisions of the Code and the regulations promulgated thereunder, as to the reasonable expectations of the Board as to the use, application and investment of proceeds of the Bonds;

(7) a certificate or certificates, satisfactory in form and substance to the Underwriter, of the Board President or Board Vice President and Business Administrator/Board Secretary, dated the date of Closing, to the effect that: (i) each of the representations and warranties of the Board set forth in this Purchase Contract are true, accurate and complete as of the date of the Closing; (ii) the copies of this Purchase Contract, the Refunding Bond Ordinance and Resolution are true, correct and complete copies

of such documents and the same have not been modified, amended, superseded or rescinded and remain in full force and effect as of the date of Closing; (iii) the Bonds have been duly authorized, executed and delivered by the Board; (iv) this Purchase Contract, the Official Statement, the Refunding Bond Ordinance and the Resolution and any and all other agreements and documents required to be executed and delivered by the Board in order to carry out, give effect to and consummate the transactions contemplated hereby and as described in the Official Statement have been duly authorized, executed and delivered by the Board and, as of the date of the Closing, each is in full force and effect; (v) no action, suit, proceeding, inquiry or investigation is pending or, to the best of their knowledge, threatened to restrain or enjoin the issuance, sale or delivery of the Bonds, affecting the collection of taxes by the Township of Union on behalf of the Board or in any way contesting the validity or affecting the authority for the issuance of the Bonds, the authorization, execution or compliance with the Refunding Bond Ordinance, this Purchase Contract, the Resolution or the existence or powers of the Board; (vi) no authorization, approval, consent or other order of any governmental authority or agency, or of any other entity or person (or persons) is required for the valid authorization, execution and delivery of the Bonds or of this Purchase Contract or any other agreement or instrument to which the Board is a party and which is used in the consummation of the transactions contemplated by this Purchase Contract; (vii) the authorization, execution and delivery of the Bonds, the Official Statement, this Purchase Contract, the Refunding Bond Ordinance, the Resolution and any other agreement or instrument to which the Board is a party and which is used in the consummation of the transactions contemplated by this Purchase Contract and the fulfillment of the terms and provision of said agreements and instruments by the Board will not to the best of their knowledge (a) conflict with, violate or result in a breach of any law or any administrative regulation or decree applicable to the Board, or (b) conflict with, or result in a breach of, or constitute a default under, any indenture, mortgage, deed of trust, agreement, document or other instrument to which the Board is a party or by which it is bound, or any order, rule or regulation applicable to the Board of any court or other governmental body; (viii) the information in the Preliminary Official Statement and Official Statement relating to the Board and its operations is accurate in all material respects and does not omit to state a material fact that is necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; (ix) based upon their participation in the preparation of the Preliminary Official Statement and Official Statement, but without having undertaken to verify the accuracy or completeness of the Preliminary Official Statement or Official Statement (other than the information relating to the Board and its operations), as of the date hereof and as of the Closing, nothing has come to their attention which would lead them to believe that the information in the Preliminary Official Statement or Official Statement pertaining to the Board and its operations contains any untrue statement of a material fact or omits to state a material fact that is necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; and (x) there has been no material and/or adverse change in the financial position or operations of the Board since June 30, 2011 other than as previously disclosed to the Underwriter;

(8) Internal Revenue Service Form 8038-G, executed by the Board in form satisfactory for filing;

(9) an opinion of Bond Counsel, dated the date of Closing, relating to, *inter alia*, the validity of the Bonds and the tax-exempt status of the interest on the Bonds, substantially in the form set forth in Appendix C to the Official Statement;

(10) a letter from Bond Counsel, dated the date of Closing and addressed to the Underwriter, permitting the Underwriter to rely upon the opinion described in the preceding subparagraph (9);

(11) a supplemental opinion of Bond Counsel, dated the date of Closing and addressed to the Board and the Underwriter, to the effect that: (i) it is not necessary in connection with the sale of the Bonds to the public to qualify the Refunding Bond Ordinance or the Resolution under the Trust

Indenture Act of 1939, as amended; (ii) the information in the Preliminary Official Statement and the Official Statement under the headings ["AUTHORIZATION FOR THE REFUNDING BONDS", "PURPOSE OF THE REFUNDING BOND ISSUE", "THE REFUNDING BONDS" (excluding information under the heading "Book-Entry-Only System"), "SECURITY AND SOURCES OF PAYMENT FOR THE REFUNDING BONDS", "GENERAL INFORMATION REGARDING NEW JERSEY SCHOOL DISTRICTS", "STATE AID TO SCHOOL DISTRICTS", "FEDERAL AID TO SCHOOL DISTRICTS", "SUMMARY OF CERTAIN PROVISIONS OF THE LAWS OF THE STATE OF NEW JERSEY RELATING TO SCHOOL DISTRICTS AND SCHOOL DEBT", "MUNICIPAL BANKRUPTCY", and "CONTINUING DISCLOSURE"], is true and accurate in all material respects and does not omit to state a material fact that is necessary to make the information stated therein, in light of the circumstances under which they were made, not misleading; (iii) the information in the Preliminary Official Statement and the Official Statement under the heading "TAX MATTERS" accurately reflects Bond Counsel's opinions as to such matters; and (iv) this Purchase Contract, and the Escrow Deposit Agreement (hereinafter defined) have each been duly authorized, executed and delivered by the Board and, assuming the due authorization, execution and delivery thereof by the other parties thereto, constitute legal, valid and binding obligations of the Board enforceable against the same in accordance with their respective terms, except as the enforcement thereof may be limited by Creditors' Rights Limitations;

(12) a certificate dated the date of Closing of Suplee, Clooney & Company, Westfield, New Jersey, Independent Auditor to the School District to the effect that: (i) they are independent public accountants within the meaning of the Code of Professional Ethics of the American Institute of Certified Public Accountants; (ii) they consent to the inclusion in the Preliminary Official Statement and the Official Statement of their report on audit of the financial statements of the School District and all references to such report and to such firm in connection therewith and included in the Preliminary Official Statement and the Official Statement.

(13) a copy of the duly executed Escrow Deposit Agreement between TD Bank, National Association (the "Escrow Agent") and the Board (the "Escrow Deposit Agreement");

(14) a certificate dated the date of Closing, signed by an authorized officer of the Escrow Agent in form and substance satisfactory to the Underwriter, to the effect that: (i) the Escrow Agent is duly organized and validly existing under the laws of the State of New Jersey and is able to act in a fiduciary capacity in the State of New Jersey; (ii) the duties and obligations of the Escrow Agent under the Escrow Deposit Agreement have been duly accepted; (iii) the execution and delivery of, and the acceptance by the Escrow Agent of its duties and obligations under, the Escrow Deposit Agreement, and compliance with the provisions thereof, will not conflict with or constitute a breach of or default under any law, administrative regulation, consent decree or any agreement or other instrument to which the Escrow Agent is subject;

(15) a copy of a verification report of Causey Demgen & Moore Inc., (the "Verification Agent"), dated the date of Closing and addressed to the Board, Bond Counsel, the Escrow Agent and the Underwriter as to the accuracy of the mathematical calculations made by the Underwriter, including specifically that the principal and interest earned in connection with the investment of a portion of the proceeds of the Bonds in certain U.S. Treasury Securities together with uninvested cash deposited into an escrow account will be sufficient to pay the principal of, redemption premium, if any, and the accrued interest on the refunded bonds on the redemption date;

(16) receipts evidencing delivery of and payment for the Bonds;

(17) receipt of a "___" standalone rating on the Bonds and an enhanced rating of "A" based upon the additional security on the Bonds provided by New Jersey School Bond Reserve Act

by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. (the "Rating Agency"), as evidenced by a letter signed by an authorized officer of said organization;

- (18) a purchaser's receipt executed by the Underwriter;
- (19) a receipt acknowledging payment for the Bonds executed by the Underwriter in a form satisfactory to the Board and Bond Counsel; and
- (20) any other opinions, certificates or documents reasonably requested by the Underwriter or Bond Counsel.

All of the evidence, opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Contract shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance reasonably satisfactory to the Underwriter and Bond Counsel.

9. **Termination.** The Underwriter may terminate this Purchase Contract by written notice to the Board in the event that between the date hereof and the date of Closing:

- (a) legislation shall be enacted by the Congress of the United States or introduced or adopted by either House thereof or a decision by a court of the United States or the Tax Court of the United States shall be rendered or a ruling, regulation or official statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made, with respect to the federal taxation of income of the general character expected to be derived under the transactions contemplated herein or of interest received on securities of the general character of the Bonds which would have the effect of changing, directly or indirectly, the federal income tax consequences of receipt of interest on securities of the general character of the Bonds in the hands of the holders thereof and which, in the reasonable opinion of the Underwriter, would materially and adversely affect the marketability of the Bonds;
- (b) the United States shall have become engaged in hostilities which have resulted in a declaration of war or a national emergency or there shall have occurred any other outbreak or escalation of hostilities or a national or international calamity or crisis, financial or otherwise;
- (c) there shall be in force a general suspension of trading on the New York Stock Exchange or minimum or maximum prices for trading shall have been fixed and be in force or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction;
- (d) a general banking moratorium shall have been established by federal, New York or State authorities;
- (e) any event shall have occurred or shall exist which, in the reasonable opinion of the Underwriter, makes untrue or incorrect, as of such time, in any material respect, any statement or information contained in the Official Statement or makes the Official Statement inadequate by reason of the omission of information which should be reflected therein in order to make the statements and information contained therein not misleading as of such time; or
- (f) a stop order, ruling, regulation or official statement by or on behalf of the Securities and Exchange Commission shall be issued or made to the effect that the issuance, offering or sale of the Bonds, or of obligations of the general character of the Bonds as contemplated hereby, is in violation

of any provision of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, or the Trust Indenture Act of 1939, as amended;

(g) subsequent to the date hereof a supplement or amendment shall have been made to the Official Statement which in the reasonable judgment of the Underwriter materially and adversely affects the marketability of the Bonds or the market price thereof.

(h) there shall have occurred since the date of this Agreement a materially adverse change in the affairs or financial condition of the Board, except for changes which the Official Statement discloses are expected to occur; and

(i) there shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to any of the Board's obligations.

10. Expenses.

(a) The Underwriters shall be under no obligation to pay, and the Board shall pay all expenses incident to the performance of the Board's obligations hereunder, including, but not limited to (i) the cost of preparation and printing of the Bonds, Preliminary Official Statement, Official Statement and any amendment or supplement thereto, (ii) the fees and disbursements of Bond Counsel, Board counsel, disclosure counsel and special tax counsel, if any; (iii) the fees and disbursements of the Financial Advisor to the Board; (iv) the fees and disbursements of any trustee, paying agent or engineers, accountants, and other experts, consultants or advisers retained by the Board; and (v) all fees and expenses in connection with obtaining bond ratings. The Board shall also pay for any expenses (included in the expense component of the Underwriter's discount) incurred by the Underwriters which are incidental to implementing this Purchase Contract and the issuance of the Bonds, if any, and any other miscellaneous closing costs.

(b) The Board acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds.

(c) Except as provided for above, the Underwriter shall pay (i) the cost of preparation and printing of this Purchase Contract, the Blue Sky Survey and Legal Investment Memorandum; (ii) all advertising expenses in connection with the public offering of the Bonds; and (iii) all other expenses incurred by them in connection with the public offering of the Bonds, including the fees and disbursements of counsel retained by the Underwriter, and the CUSIP Service Bureau fee.

(d) If this Agreement shall be terminated by the Underwriter because of any failure or refusal on the part of the Board to comply with the terms or to fulfill any of the conditions of this Agreement, or if for any reason the Board shall be unable to perform its obligations under this Agreement, the Board will reimburse the Underwriter for all out-of-pocket expenses (including the fees and disbursements of counsel to the Underwriter) reasonably incurred by the Underwriter in connection with this Agreement or the offering contemplated hereunder.

11. Remedies Upon Default.

(a) In the event the Board refuses to deliver the Bonds or refuses to satisfy the conditions precedent to the purchase and delivery of the Bonds under this Purchase Contract which are within its control, the Underwriter shall be entitled to receive its actual damages, reasonable expenses and legal fees, which amount shall in no event exceed one percent (1%) of the principal amount of the Bonds.

(b) In the event the Board is unable to deliver the Bonds or to satisfy the conditions under which the Underwriter is to purchase and accept delivery of the Bonds, or the obligations of the Underwriter shall be terminated for any reason permitted hereunder, this Purchase Contract shall become null and void and the parties hereto shall have no further obligations hereunder.

(c) In the event the Underwriter fails (other than for a reason permitted hereunder) to accept and pay for the Bonds at Closing as provided herein, the Board shall be entitled to receive its actual damages, reasonable expenses and legal fees, which amount shall in no event exceed one percent (1%) of the principal amount of the Bonds.

12. **Notices.** Any notice or other communication to be given to the Board or the Underwriter under this Purchase Contract may be given by delivering the same in writing to the following addresses:

Board: The Board of Education of the Township of Union
2369 Morris Avenue
Union, NJ 07083
Attention: James J. Damato, Board Secretary

Underwriter: RBC Capital Markets, LLC
25 Hanover Road
Florham Park, NJ 07932
Attention: Brian B. Burke, Managing Director

13. **Parties in Interest.** This Purchase Contract is made solely for the benefit of the Board and the Underwriter (including the successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof.

14. **Effectiveness.** This Purchase Contract shall become effective, assuming the valid execution of an authorized representative of the Underwriter hereto, upon the execution of the acceptance hereof on behalf of the Board by an authorized representative and shall be valid and enforceable at the time of such acceptance.

15. **Counterparts.** This Purchase Contract may be executed in several counterparts, which together shall constitute one and the same instrument.

16. **Governing Law.** The validity, interpretation and performance of this Purchase Contract shall be governed by the laws of the State of New Jersey.

17. **Entire Agreement.** This Purchase Contract when accepted by the Board in writing as heretofore specified shall constitute the entire agreement among the parties hereto and is made solely for the benefit of the Board and the Underwriter (including the successors or assigns of the Underwriter).

18. **Headings.** The headings of the sections of this Purchase Contract are inserted for convenience only and shall not be deemed to be a part hereof.

19. **Severability.** If any provision of this Purchase Contract shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable, such a determination shall apply only to the subject provision and the remainder of this Purchase Contract shall remain in full force and effect.

20. **Facsimile Signatures.** This Purchase Contract may be executed by manual or facsimile signatures and either method shall constitute a valid and binding contract on the part of the parties hereto.

21. **Amendments and Assignments.** This Purchase Contract shall not be amended or assigned, nor shall any provision hereof be waived by any party hereto, without the prior written consent of the Board and the Underwriter.

22. **No Personal Recourse Against Board Officials.** No personal recourse shall be had for any claim based on this Purchase Contract or the Bonds against any member of the Board or officer or employee, past, present or future, of the Board or any successor body either directly or through the Board or any successor body, under any constitutional provision, statute, or rule of law or by the enforcement of any assessment or penalty or otherwise.

23. **Successors.** This Purchase Contract will inure to the benefit of and be binding upon the parties and their successors and will not confer any rights upon any other person. No purchaser of the Bonds from the Underwriter, except members of any selling group that may be formed in connection with the distribution of the Bonds and all dealers to whom any of the Bonds may be sold by the Underwriter or by members of any selling group, shall be deemed to be a successor by reason merely of such purchase.

Very truly yours,

RBC Capital Markets, LLC, as Underwriter

By: _____
Brian B. Burke, Managing Director

Accepted:

ACCEPTED at _____ p.m. E.S.T this ____th day of _____, 2014

THE BOARD OF EDUCATION OF THE TOWNSHIP OF UNION
IN THE COUNTY OF UNION, NEW JERSEY

By: _____
JAMES J. DAMATO, Board Secretary

EXHIBIT A

Description of the Bonds