

**RESOLUTION NO. 38-2012**

Member Vollero introduced and moved the adoption of the following resolution and Member Salerno seconded the motion:

**RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION LEASE REVENUE REFUNDING BONDS, SERIES 2012[ ] (COUNTY COLLEGE FACILITY PROJECT) AND ADDITIONAL BONDS OF THE UNION COUNTY IMPROVEMENT AUTHORITY**

**WHEREAS**, The UNION COUNTY IMPROVEMENT AUTHORITY (together with any successor thereto, the "Authority") has been duly created by an Ordinance of the Board of Chosen Freeholders together with any successor legislative body, the ("Board of Freeholders") of the County of Union, State of New Jersey (together with any successor thereto, the "County") duly adopted as a public body corporate and politic of the State of New Jersey (the "State") pursuant to and in accordance with the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, and the acts amendatory thereof and supplemental thereto (the "Act"); and

**WHEREAS**, the Authority issued its \$2,175,000 County of Union General Obligation Lease Revenue Bonds, Series 2006A (County College Facility Project) (the "Series 2006A Bonds"), \$38,106,000 County of Union General Obligation Lease Revenue Bonds, Series 2006B (County College Facility Project) (Chapter 12 Supported) (the "Series 2006B Bonds") and the \$8,345,000 County of Union General Obligation Lease Revenue Bonds, Series 2006C (County College Facility Project) (the "Series 2006C Bonds", and together with the Series 2006A Bonds and the Series 2006B Bonds, the "Series 2006 Bonds") pursuant to: (i) the Act; (ii) a bond resolution of the Authority adopted December 7, 2005, as amended by a certificate of an Authorized Officer of the Authority (collectively, the "Resolution"); and (iii) all other applicable law; and

**WHEREAS**, the Series 2006 Bonds were being issued for the purpose of providing funds for: (i) the County College Facility Project consisting of the acquisition of land for and the construction and equipping of a campus for the College in Elizabeth, New Jersey, (ii) the payment of a portion of the interest on the Series 2006 Bonds from their dated date through and including February 1, 2008, and (iii) the payment of certain of the costs of issuance incurred in connection with the issuance of the Series 2006 Bonds, and are secured by a Lease Purchase Agreement (County College Facility Project) dated as of March 1, 2006 (the "Lease Agreement"), between the Authority and the County pursuant to which the County's obligation to make rental payments shall be absolute and unconditional.

**WHEREAS**, pursuant to the provisions of the County College Bond Act, Chapter 12 of 1971 of the Laws Of New Jersey, as amended, which provides that one-half of the principal and interest due on said series 2006B bonds are paid by the State, however, the 2006B bonds do not

constitute a debt or liability of the State or a pledge of the faith and credit of the State, but are dependent for repayment upon appropriations provided by law from time to time; and

**WHEREAS**, the Series 2006 Bonds are subject to redemption prior to their stated maturity; and

**WHEREAS**, the Authority has determined that it is in the best interest of the Authority, the County to undertake a refunding of the Series 2006 Bonds which will result in a debt service savings to the County and Authority (the "Refunding"); and

**WHEREAS**, the Authority plans to issue not to exceed \$27,000,000 in Lease Revenue Refunding Bonds, Series 2012 (Tax Exempt) (County College Facility Project) to refund all or a portion of the Series 2006 Bonds (the "Refunding Bonds"); and

**WHEREAS**, in accordance with Section 13 ("Section 13") of the Act (N.J.S.A. 40:37A-56), prior to the issuance of the Refunding Bonds, the Authority shall make a detailed report with respect to such financing to the Board of Freeholders, which report shall include copies or a description of, without limitation, the Financing Documents; and

**WHEREAS**, the Authority believes: (i) it is in the public interest to accomplish such purpose; (ii) said purpose is for the health, wealth, convenience or betterment of the inhabitants of the County; (iii) the amounts to be expended for said purpose are not unreasonable or exorbitant; and (iv) the proposal is an efficient and feasible means of providing services for the needs of the inhabitants of the County and will not create an undue financial burden to be placed upon the Authority or the County.

**NOW THEREFORE, BE IT RESOLVED** by the governing body of the Authority as follows:

## **ARTICLE I DEFINITIONS**

**1.01.** All terms defined in Section 1.01 of the Bond Resolution of the Union County Improvement Authority authorizing the issuance of its General Obligation Lease Revenue Bonds, Series (County College Facility Project) adopted by the members of the Authority on March 21, 2001 as amended and supplemented by a First Supplemental and Amending Bond Resolution adopted on December 7, 2005, as further amended by a Certificate of the Executive Director dated March 8, 2006 (the "General Resolution"), shall have the same meanings in this Supplemental Bond Resolution as such terms are given in the General Resolution, unless the context shall otherwise require.

Terms used in this Supplemental Bond Resolution and not otherwise defined herein or in the General Resolution shall have the meaning assigned to them in the Lease Agreement, as amended and supplemented.

1. The following terms set forth in this Supplemental Bond Resolution shall have the meanings specified in the recitals hereto:

Act  
Authority  
Board of Freeholders  
Bond Resolution  
Continuing Disclosure Agreement  
County  
Initial Bond Resolution  
Initial Bonds  
Initial Project  
Lease  
Lease Agreement  
Project  
Redeveloper  
Refunding  
Refunded Bonds  
Refunding Bonds  
State  
Section 13

2. In addition, the following terms shall have the meanings ascribed to such terms in the Lease Agreement:

Lease Payment  
Lease Revenues  
Lessee  
Lessor

3. In addition, as used in this Supplemental Bond Resolution, unless the context requires otherwise, the following terms shall have the following meanings:

"Administrative Fee" shall mean, (i) for the Initial Bonds, (a) \$50,000 initial administrative fee payable at closing plus (b) for the Initial Bonds only, .0005 of the par amount of the Initial Bonds, payable to the Authority from a portion of the proceeds of the Initial Bonds that have been deposited in the Costs of Issuance Account of the Administrative Fund pursuant to Section 2.03 hereof to pay the Initial Administrative Fee, plus the Administrative Fee for the first Bond Year, (c) for all Bond Years thereafter, a sum of money equal to .0005 of the Outstanding Bonds calculated on an annual basis, with a minimum annual fee of not less than \$2,500 payable by the County to the Trustee on the Lease Payment date immediately preceding the first day of any payment, and (ii) for all Bonds other than the Initial Bonds, a sum of money as determined by any supplemental resolution.

"Administrative Fund" shall mean the Fund so designated and established by Article V hereof.

"Series 2012 Bonds" shall mean the Additional Bonds of the Authority of one or more

Series designation authorized by this Supplemental Resolution and herein designated "General Obligation Lease Revenue Refunding Bonds, Series 2012[ ] (County College Facility Project)".

"Series [letter designation]Bonds" shall mean the Series 2012[ ] Bonds and any other Series of Additional Bonds authorized and issued pursuant to Section 2.04 hereof and secured by the Trust Estate.

"Supplemental Bond Resolution" shall mean this supplemental resolution entitled: "Resolution Authorizing The Issuance Of General Obligation Lease Revenue Refunding Bonds, Series 2012[ ] (County College Facility Project) And Additional Bonds Of The Union County Improvement Authority" adopted by the Authority.

**1.02. Rules of Interpretation.** For all purposes of this Supplemental Bond Resolution, except as otherwise expressly provided or unless the context otherwise requires:

(a) "This Supplemental Bond Resolution" means this instrument as originally adopted and as it may be supplemented, modified or amended from time to time by any supplemental Resolution or the Certificate of an authorized officer of the Authority executed and delivery pursuant to Section 2.02(1) (e) of the General Resolution, unless in the case of any one or more supplemental Resolutions the context requires otherwise.

(b) The words "herein", "hereof", "hereunder" and "herewith" and other words of similar import refer to this Supplemental Bond Resolution as a whole and not to any particular Article, Section or other subdivision hereof.

(c) The terms defined in this Supplemental Bond Resolution include the plural as well as the singular.

(d) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(e) The table of contents and the headings or captions used in this Supplemental Bond Resolution are for convenience of reference only and shall not define, limit or prescribe any of the provisions hereof or the scope or intent hereof.

**1.03. Authority for this Bond Resolution.** This Supplemental Bond Resolution is adopted pursuant to the provisions of the Act and the General Resolution.

## ARTICLE II AUTHORIZATION AND ISSUANCE OF BONDS

**2.1** Authorization for Series 2012 Bonds; Principal Amount, Designation and Series. The Series 2012 Bonds are authorized to be issued pursuant to the provisions of the Act, the General Resolution and this Supplemental Bond Resolution. The Series 2012 shall be issued, in one or more series, in an aggregate principal amount not exceeding \$27,000,000 and shall be

designated "General Obligation Lease Revenue Refunding Bonds, Series 2012 [ ](County College Facility Project)" with such further series designation as appropriate.

**2.2 Purposes.** The Series 2012 Bonds shall be issued for the purposes of providing funds (A) to pay interest on the Refunded Bonds payable on the Interest Payment Date of August 1, 2012 through August 1, 2015 and to refund the principal amount of the Refunded Bonds maturing on February 1, 2016 at the redemption price of 100% of the principal amount thereof, (B) to pay all or a portion of the costs and expenses incurred by the Authority in connection with the issuance of the Series 2012 Bonds and (C) to pay accrued interest, if any, on the Series 2012 Bonds from their dated date to their date of issuance. The proceeds of the Series 2012 Bonds shall be applied for the purposes stated in the preceding sentence in accordance with the terms of the General Resolution and this Supplemental Bond Resolution.

**2.3 Terms of the Series 2012 Bonds.**

1. The Series 2012 Bonds shall be issued upon the terms and conditions and in the manner provided by the General Resolution, this Supplemental Bond Resolution and a Certificate of an Authorized Officer of the Authority setting forth: (i) the authorized principal amount of the Series 2012 Bonds; (ii) the purposes for which such Series 2012 Bonds are being issued, which shall be one of the purposes set forth in this Supplemental Bond Resolution and the General Resolution; (iii) the date and the maturity date or dates of the Series 2012 Bonds, provided that each maturity date shall fall upon either the first or fifteenth day of a month as determined in such certificate; (iv) the interest rate or rates of the Series 2012 Bonds and the initial Interest Payment Date therefor, provided that the interest rate or rate of the Series 2012 Bonds shall be identical for all such Series 2012 Bonds of like maturity; (v) the denomination of, and the manner of dating, numbering and lettering, the series 2012 Bonds, provided that such Series 2012 Bonds shall be in denominations of \$5,000 or any integral multiple thereof; (vi) the Paying Agent or Paying Agents and the place or places of payment of the principal and Redemption Price, if any, of, and interest on, the Series 2012 Bonds, (vii) the Redemption Price or Prices, if any, and, subject to the provisions of this Supplemental Resolution, the redemption terms for the Series 2012 Bonds; (viii) the form of Series 2012 Bonds and of the Trustee's certificate of authentication, which shall be substantially in the form set forth herein with such variations, insertions or omissions as are appropriate and not inconsistent therewith; (ix) the provisions for the application of proceeds of the Series 2012 Bonds; and (x) upon the advice of the Authority's counsel and professional advisors and subject to the parameters set forth herein and the terms set forth in the Authority's application to the Local Finance Board filed with the Division of Local Government Services of the Department of Community affairs dated March 21, 2012 with respect to the Series 2012 Bonds, the addition to, deletion from or modification of any provision of this Supplemental Bond Resolution, as originally adopted, and the General Resolution, the contents of which certificate may be incorporated in this Supplemental Bond Resolution and the General Resolution without the compliance with any other provision herein or in the General Resolution. The Authorized Officer executing any such certificate shall report the substance of such certificate to the Authority at the Authority's next public meeting; provided, however, that the terms of such Supplemental Bond Resolution or Certificate of an Authorized Officer shall be consistent with the provisions of the General Resolution, as supplemented and amended by this Supplemental Bond Resolution.

2. The Series 2012 Bonds shall be dated, and shall bear interest from the dated date thereof, on the basis of a 360 day year consisting of twelve 30-day months, and shall be payable as to principal and interest semiannually as set forth in the Certificate of an Authorized Officer in accordance with Section 2.3(1) hereof

3. The Series 2012 Bonds shall bear interest at the rates per annum set forth in the Certificate of an Authorized Officer in accordance with Section 2.3(1) hereof, provided that the interest rate on the Series 2012 Bonds shall not exceed seven per centum (7%) per annum.

4. The Series 2012 Bonds shall be issued in the denomination of \$5,000 or any integral multiples of \$5,000. Unless the Authority shall otherwise direct, the Series 2012 Bonds shall be lettered and numbered from one upward in order of maturities preceded by the letter R and such other letter determined by the Trustee prefixed to the number. Subject to the provisions of this Supplemental Bond Resolution and the General Resolution, the form of the Series 2012 Bonds and the Trustee's certificate or authentication shall be substantially in the form set forth in this Supplemental Bond Resolution and the General Resolution.

5. The principal and Redemption Price of the Series 2012 Bonds shall be payable at the principal corporate trust office of the Trustee appointed pursuant to this Supplemental Bond Resolution, or a subsequent resolution of the Authority. The principal and Redemption Price of all Series 2012 Bonds shall also be payable at any other place which may be provided for such payment by the appointment of any other Trustee as permitted by this Supplemental Bond Resolution and the General Resolution. Interest on the Series 2012 Bonds shall be payable by check or draft of the Paying Agent, mailed or transmitted, respectively, to the Holders thereof as the same appear as of the Record date on the books of the Authority maintained by the Trustee. However, so long as the Series 2012 Bonds are held in book-entry form pursuant to Section 2.5 hereof, the provisions of Section 2.5 shall govern the payments and principal and Redemption Price, if any, of, and interest on, the Series 2012 Bonds.

6. The Bonds may be subject to mandatory, extraordinary or optional redemption as set forth in the Certificate of an Authorized Officer in accordance with Section 2.3(1) hereof in accordance with this Supplemental Bond Resolution and General Resolution.

7. All other terms with respect to the Series 2012 Bonds shall be set forth in the General Resolution.

**2.4. Execution and Authentication.** The Series 2012 Bonds shall be executed in the name of the Authority by the manual or facsimile signature of the Chairperson or Vice Chairperson and the corporate seal of the Authority or a facsimile thereof shall be impressed or imprinted on each Series 2012 Bonds and attested by the manual or facsimile signature of the Secretary. The Series 2012 Bonds shall bear thereon a certificate of authentication, in the form set forth in this Supplemental Resolution, executed manually by the Trustee. Only such Series 2012 Bonds as shall thereon such certificate or authentication shall be entitled to any right or benefit under this Supplemental Bond Resolution and the General Resolution, and no Series 2012 Bond shall be valid or mandatory for any purpose until such certificate of authentication shall have been duly executed by and authorized Officer of the Trustee. Such certificate of the Trustee upon any Series 2012 Bond authenticated has been duly authenticated and delivered

under this Supplemental Bond Resolution and the General Resolution and that the Holder thereof is entitled to the benefits of this Supplemental Bond Resolution and the General Resolution.

## 2.5 Book Entry System.

1. Except as provided in subparagraph 3 of Section 2.5, the registered holder of all of the Series 2012 Bonds shall be, and the Series 2012 Bonds shall be registered in the name of, Cede & Co., as nominee of DTC. Payment of semiannual interest for any Initial Bond shall be made by wire transfer to the account of Cede & Co. On the Interest Payment Date for the Series 2012 Bonds at the address indicated for Cede & Co., in the registry books of the Authority kept by the Applicable Trustee.

2. The Series Bonds shall be issued initially in the form of a separate single fully registered Bond in the amount of each separate stated maturity of the Series 2012 Bonds. Upon initial issuance, the ownership of each such Series 2012 Bond shall be registered in the registry books of the Authority kept by the Applicable Trustee in the name of Cede & Co., as nominee of DTC. With respect to Series 2012 Bonds, registered in the registry books kept by the Applicable Trustee in the name of Cede & Co., as nominee of DTC, the Authority and any Fiduciary shall have no responsibility or obligation to any Participant or to any beneficial owner of such Series 2012 Bonds. Without limiting the immediately preceding sentence, the Authority and any Fiduciary shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. Or any participant with respect to any beneficial ownership interest in the Series 2012 Bonds, (ii) the delivery to any participant, any beneficial owner or any other person, other than DTC or any notice with respect to the Series 2012 Bonds, including any notice of redemption, or (iii) the payment to any participant, any beneficial owner or any other person, other than DTC, of any amount with respect to the principal or Redemption Price of, or interest on, the Series 2012 Bonds. The Authority and any Fiduciary may treat as, and deem DTC to be; the absolute owner of each 2012 Bond for the purpose of payment of the principal or Redemption Price of, and interest on, each such Series 2012 Bond, for the purpose of giving notice of redemption and other matters with respect to such Series 2012 Bonds, for the purpose of registering transfers with respect to such Series 2012 Bonds and for all purposes whatsoever. The Applicable Paying Agent shall pay all principal or Redemption Price of, and interest on, the Series 2012 Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to the principal or Redemption Price of, and interest on, the Series 2012 Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive a Series 2012 Bond evidencing the obligation of the Authority to make payments of principal or Redemption Price of and interest on, the Series 2012 Bond pursuant to this Bond Resolution. Upon delivery by DTC to the Applicable Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the transfer provisions hereof, the terms "Cede & Co." in this Bond Resolution shall refer to such new nominee of DTC.

3. (a) DTC may determine to discontinue providing its services with respect to the Series 2012 Bonds at any time by giving written notice to the Authority and the Fiduciaries and discharging its responsibilities with respect thereto under applicable law.

(b) . The Authority, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Series 2012 Bonds if the Authority determines, and shall terminate the services of DTC with respect to the Series 2012 Bonds upon receipt by the Authority and the Fiduciaries of written notice from DTC to the effect that DTC has received written notice from participants having interests, as shown in the records of DTC in an aggregate principal amount of not less than fifty percent (50%) of the aggregate principal amount of the then Outstanding Series 2012 Bonds to the effect that: (I) DTC is unable to discharge its responsibilities with respect to the Series 2012 Bonds be registered in the registrants books kept by the Applicable Trustee in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the Series 2012 Bonds.

(c) Upon the termination of the services of DTC with respect to the Series 2012 Bonds pursuant to subsection 2.5(3)(b) (ii) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Series 2012 Bonds pursuant to subsection 2.5(3)(a) or subsection 2.5(3)(b)(I) hereof, after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found, which, in the opinion of the Authority, is willing and able to undertake such functions upon reasonable and customary terms, the Series 2012 Bonds shall no longer be restricted to being registered in the registration books kept by the Applicable Trustee in the name of Cede & Co. As nominee of DTC, but my registered in whatever name or names Bondholders transferring or exchanging Series 2012 Bonds shall designate, in accordance with the provisions of Article II hereof.

4. Notwithstanding any other provisions of this Bond Resolution to the contrary, as long as any Series 2012 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal or Redemption Price of, and interest on, such Series 2012 Bond and all notices with respect to such Series 2012 Bond shall be made and given, respectively, to DTC as provided in the representation letter of the Authority and the Applicable Trustee addressed to DTC with respect to the Series 2012 Bonds.

5. In connection with any notice or other communication to be provided to Bondholders pursuant to this Supplemental Bond Resolution and the General Resolution by the Authority or the Trustee with respect to any consent or other action to be taken by Bondholders, the Authority or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

### **ARTICLE III BOND FORM**

**3.01. Form of Bonds, Applicable Trustee's Authentication Certificate.** Subject to the provisions of this General Resolution, the form of the Refunding Bonds and any other Series of Bonds designated by this Supplemental Bond Resolution, with any appropriate changes as set forth in any Supplemental Resolution and the Applicable Trustee's certificate of authentication shall be in substantially the following form:



UNITED STATES OF AMERICA  
STATE OF NEW JERSEY  
COUNTY OF UNION

No. R \_\_\_\_\_

\$ \_\_\_\_\_

THE UNION COUNTY IMPROVEMENT AUTHORITY

GENERAL OBLIGATION LEASE REVENUE REFUNDING BONDS, SERIES 2012  
[ ] (COUNTY COLLEGE FACILITY PROJECT)

Interest Rate _____ %	Maturity Date _____ 20__	Dated Date _____ 2012	Cusip No. _____
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Registered Owner CEDE & Co.

Principal Sum: \_\_\_\_\_ (\$ \_\_\_\_\_) ..... Dollars

THE UNION COUNTY IMPROVEMENT AUTHORITY (the "Authority"), a public body corporate and politic created and existing under the laws of the State of New Jersey (the "State"), including the county improvement authorities law, constituting chapter 183 of the Pamphlet Laws of 1960 of the State, as amended and supplemented (the "Act"), acknowledges itself indebted to, and for value received hereby promises to pay to, the Registered Owner stated hereon or registered assigns, on the Maturity Date stated hereon, but solely from the funds pledged therefor, upon presentation and surrender of this bond at the principal corporate trust office of such bank and any successors thereto being herein called the "Trustee" and "Paying Agent"), the Principal Sum stated hereon in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and to pay from such pledged funds on \_\_\_\_\_ and \_\_\_\_\_ in each year, commencing \_\_\_\_\_, until the Authority's obligation with respect to the payment of such Principal Sum shall be discharged to the Registered Owner hereof, interest from the Dated Date stated hereon on such Principal Sum by check or draft of the Paying Agent mailed to such Registered Owner who shall appear as of the fifteenth (15th) day (whether or not such day shall be a Business Day) of the month preceding the month in which such interest payment date occurs on the books of the Authority maintained by the Trustee. However, so long as the Bonds (as hereinafter defined) are held in book entry form pursuant to the Bond Resolution (as hereinafter defined), the provisions of the Bond Resolution governing such book entry form shall govern repayment of principal or Redemption Price and interest of the Bonds.

The terms and provisions of this bond and definitions of certain terms used herein may be continued on these following pages of this bond and such continued terms and provisions and definitions shall for all purposes have the same effect as though fully set forth on the first page of this bond.

This bond is one of a duly authorized Series of Bonds of the Authority designated "General Obligation Lease Revenue Refunding Bonds, Series 2012[ ] (County College Facility Project)", in the aggregate principal amount of not to exceed \$27,000,000 issued under and in full compliance with the Constitution and statutes of the State, including the Act, and under

and pursuant to a resolution a bond resolution of the Authority adopted December 7, 2005, and amended by a certificate of an Authorized Officer, as further amended by a resolution authorizing the Series 2012 Bonds adopted by the Board of the Authority on April \_\_, 2012 entitled **"RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION LEASE REVENUE REFUNDING BONDS, SERIES 2012[ ] (COUNTY COLLEGE FACILITY PROJECT) AND ADDITIONAL BONDS OF THE UNION COUNTY IMPROVEMENT AUTHORITY** as further amended and supplemented by a Certificate of the Executive Director dated May \_\_, 2012 (together with any further amendments thereof or supplements therefor herein collectively called the "Bond Resolution").

All capitalized terms not defined herein or in the attachments hereto shall have the meanings set forth in the Bond Resolution as if fully set forth herein.

As provided in the Bond Resolution, the Bonds, and all other Bonds issued on a parity with the Bonds under the Bond Resolution (herein collectively called the "Bonds"), are direct and special obligations of the Authority payable solely from and secured as payment of the principal or Redemption Price and interest thereon, in accordance with their terms and the provisions of the Bond Resolution solely by the Trust Estate, subject only to the provisions of the Bond Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Bond Resolution.

Copies of the Bond Resolution are on file at the office of the Authority and at the above mentioned office of the Trustee, and reference is hereby made to the Act and to the Bond Resolution including any and all supplements thereto and modifications and amendments thereof for a description of the pledge and assignment and covenants securing the Bonds, the nature, extent and manner of enforcement or such pledge, the rights and remedies of the holders of the Bonds with respect thereto, the terms and conditions upon which the Bonds are issued and may be issued thereunder, the terms and provisions upon which this bond shall cease to be entitled to any lien, benefit or security under the Bond Resolution and for the other terms and provisions thereof. All duties, covenants, agreements and obligations of the Authority under the Bond Resolution may be discharged and satisfied at or prior to the maturity or redemption of this bond if moneys or certain specified securities shall have been deposited with the Trustee.

As provided in the Bond Resolution, Bonds may be issued from time to time pursuant to Supplemental Resolutions in one or more Series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as in the Bond Resolution provided. The aggregate principal amount of Bonds which may be issued under the Bond Resolution is not limited, and all Bonds issued and to be issued under the Bond Resolution are and will be equally secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in the Bond Resolution.

To the extent and in the manner permitted by the terms of the Bond Resolution, the provisions of the Bond Resolution, including any resolution amendatory thereof or supplemental thereto, may be modified or amended by the Authority, (i) without the consent of the Bondholders as provided in the Bond Resolution or (ii) with the written consent of the holders of at least two-thirds (2/3) in principal amount of the Bonds Outstanding under the Bond Resolution at the time

such consent is given, and, in case less than all of the several Series of Bonds then Outstanding are affected thereby, two-thirds (2/3) in principal amount of the Bonds so affected and outstanding; provided, however, that, if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series and maturity remain outstanding under the Bond Resolution, the consent of the holders of such Bonds shall not be required and such Bonds shall not be deemed to be outstanding for the purpose of the calculation of outstanding Bonds. No such modification or amendment shall permit a change in the terms of redemption (including Sinking Fund Installments) or maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or Redemption Price thereof or in the rate of interest thereon without the consent of the holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds, the consent of the holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Trustee or of the Paying Agent without its written assent thereto.

This bond is transferable, as provided in the Bond Resolution, only upon the books of the Authority kept for that purpose at the above mentioned office of the Trustee, as bond registrar, by the Registered Owner hereof in person, or by such Registered Owner's attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer satisfactory to the Trustee, as bond registrar, duly executed by the Registered Owner or such Registered Owner's duly authorized attorney, and thereupon a new fully registered bond or Bonds in the same aggregate principal amounts, shall be issued to the transferee in exchange therefor as provided in the Bond Resolution, and upon payment of the charges therein prescribed. The Authority, the Trustee and the Paying Agent may deem and treat the Registered Owner as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or Redemption Price of, and interest due hereon, and for all other purposes.

The Bonds shall be subject to redemption prior to their stated maturities thereof in accordance with the terms of the Bond Resolution.

The Bonds are payable upon redemption at the above mentioned office of the Paying Agent. Notice of redemption, setting forth the place of payment, shall be mailed by the Trustee, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the redemption date, to the registered owner of any Bonds or portions of Bonds which are to be redeemed, at their last addresses, if any, appearing upon the registry books, all in the manner and upon the terms and conditions set forth in the Bond Resolution. If notice of redemption shall have been mailed as aforesaid, the Bonds or portions thereof specified in said notice shall become due and payable on the redemption date therein fixed, and if, on the redemption date, moneys for the redemption of all the Bonds and portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date then from and after the redemption date interest on such Bonds or portions thereof so called for redemption shall cease to accrue and be payable. Failure of the registered owner of any Bonds which are to be redeemed to receive any such notice shall not affect the validity of the proceedings for the redemption of Bonds.

The principal or Redemption Price and interest of the Bonds are payable by the Authority solely from the Trust Estate and neither the State, the County, the City (except to the extent of

payments under the Lease, which shall not secure the payment of any redemption premium), nor any political subdivision thereof, other than the Authority (but solely to the extent of the Trust Estate), is obligated to pay the principal or Redemption Price, if any or interest of this bond and the issue of which it is one and neither the full faith and credit nor the taxing power of the State, the County or any political subdivision thereof, including the Authority (which has no taxing power) is pledged to the payment of the principal or Redemption Price of, or interest on, this bond or the issue of which it is one.

It is hereby certified and recited that all conditions, acts and things required by law and the Bond Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this bond exist, have happened and have been performed and that the Series of Bonds of which this is one, together with all other indebtedness of the Authority, complies in all respects with the laws of the State, including, particularly, the Act.

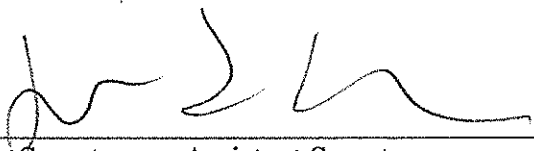
This bond shall not be entitled to any benefit under the Bond Resolution nor be valid or become obligatory for any purpose until this bond shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

IN WITNESS WHEREOF, The Union County Improvement Authority has caused this bond to be executed in its name and on behalf by the manual or facsimile signature of its Chairman or Vice Chairman, and its seal to be impressed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual or facsimile signature of its Secretary or Assistant Secretary, all as of the date hereof.

THE UNION COUNTY IMPROVEMENT AUTHORITY

By: \_\_\_\_\_  
Chairman or Vice Chairman

(SEAL)  
Attest:

By:  \_\_\_\_\_  
Secretary or Assistant Secretary

FORM OF CERTIFICATE OF AUTHENTICATION ON Series 2012  
BONDS  
TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2012 issued pursuant to the within mentioned Bond Resolution.

\_\_\_\_\_  
as Trustee  
Bonds delivered

BY: \_\_\_\_\_  
Authorized Signatory

The following abbreviations, when used in the inscription on this bond, shall be construed as though they were written out in full according to laws or regulations (additional abbreviations may also be used not in the following list)

- as tenants in common
- as tenant by the
- entireties (Oust)

as joint tenants with right or survivorship and not as tenants in common

UNIFORM GIFT MINOR ACT

\_\_\_\_ Custodian \_\_\_\_\_

(Minor)

under Uniform Gifts to

Minor Act

(State)

ASSIGNMENT

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF  
ASSIGNEE (FOR COMPUTER RECORD ONLY): \_\_\_\_\_

FOR VALUE RECEIVED The undersigned hereby sells, assigns and transfers unto

(Please Print or Typewrite Name and Address of Transferee)

the within bond, and all rights thereunder and hereby irrevocably constitutes and appoints  
Attorney, to transfer the within bond on the books kept for the registration thereof, with full  
power of substitution in the premises.

Dated:

\_\_\_\_\_  
Signature Guaranty:

NOTICE: Signature(s) • must be guaranteed by an approved eligible guarantor institution which is  
a City in a Securities Transfer Association

NOTICE: The signature of this Assignment must correspond with the name that appears upon the  
first page of the within bond in every particular, without alteration or enlargement or any change  
whatsoever.

## ARTICLE IV GENERAL COVENANTS

**4.1     Payment of Bonds: Special Obligations of Authority.** The Authority shall pay or cause to be paid the principal or Redemption Price, if any, and interest of the Series 2012 Bonds on the date, at the place and in the manner provided in this Supplemental Bond Resolution and in the Series 2012 Bonds, according to the true intent and meaning thereof; provided, however, that the Series 20102 Bonds are special obligations of the Authority, the principal or Redemption Price of and interest on which are payable solely from the Trust Estate. The Series 2012 Bonds shall not be payable from the general fund of the Authority and shall not constitute a legal or equitable pledge of, or lien or encumbrance upon, any of the assets or property of the Authority (other than the Trust Estate) or upon any of its income, receipts or revenues, except as provided in the General Resolution and this Supplemental Bond Resolution. The full faith and credit of the Authority are not pledged, either expressly or by implication, to the payment of the Series 2012 Bonds. The Authority has no taxing power and has no claim on any revenues or receipts of the State or the County (except as expressly provided in the Agreement regarding Lease Payments) or any agency or political subdivision thereof.

**4.2     Observance and Performance of Duties, Covenants, Obligations and Agreements: Representations as to Authorization and Validity of the Series 2012 Bonds.** The Authority shall faithfully observe and perform at all times all of its duties, covenants, obligations and agreements contained in the General Resolution and this Supplemental Resolution or in any Series 2012 Bonds executed, authenticated and delivered under this Supplemental Bond Resolution or in any proceedings of the Authority pertaining thereto. The Authority represents and covenants that: (i) it is duly authorized under the Constitution and laws of the State, particularly the Act, to issue the Series 2012 Bonds, to pledge the Trust Estate in the manner and to the extent set forth in this General Resolution and this Supplemental Bond Resolution; (ii) all action on its part for the issuance of the Series 2012 Bonds will be duly and effectively taken; and (iii) the Series 2012 Bonds in the hands of the Holders thereof will be valid and binding special obligations of the Authority enforceable according to their terms.

**4.3     Further Assurance.** The Authority will pass, make, do, execute, acknowledge and deliver any and all such further resolutions, indentures, actions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Supplemental Bond Resolution and for the better assuring and confirming unto the Holders of the Series 2012 Bonds the rights and benefits provided in the General Resolution and this Supplemental Bond Resolution.

**4.4     Tax Covenants.**

1. In connection with the issuance of the Series 2012 Bonds an Authorized Officer of the Authority is hereby authorized to execute on behalf of the Authority (I) the Tax Certificate and (ii) any similar documents relating to the characterization of the Series 2012 Bonds are not being "arbitrage bonds" within the meaning of Sections 103(a) (2) and 148 of the Code.

2. The Authority will make no use of the proceeds of the Series 2012 Bonds which would cause the Series 2012 Bonds to be arbitrage bonds within the meaning of Section 148(a) of the Code; and the Authority will direct the Trustee and all officers having custody or control of

the proceeds of the Series 2012 Bonds, throughout the term of the Bonds, to comply with applicable requirements of Section 148(a) of the Code and Treasury Regulations §1.148-1 through §1.148-10, to extent applicable to the Series 2012 Bonds, so that none of the Series 2012 Bonds will be or become an arbitrage bond; provided that the Trustee, in following the directions of the Authority, shall have no responsibility to determine whether such investment is in violation of such regulations

3. The Authority covenants that it shall require that neither the County, or any member of the same controlled group (within the meaning of the Treasury Regulations §1.150-1(e)) as the County, shall purchase the Series 2012 Bonds pursuant to an arrangement, formal or informal, in an amount related to the amount of the obligations acquired under the program from such persons by the Authority.

4. In order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2012 Bonds, the Authority shall comply with the provisions of the Code applicable to the Series 2012 Bonds, including without limitation the provisions of the Code relating to computation of the yield on investments of the Gross Proceeds (as defined in the Letter of Instructions) of the Series 2012 Bonds, reporting of earnings on the Gross Proceeds of the Series 2012 Bonds, and rebate of excess earnings to the Department of the Treasury of the United States of America. In furtherance of the foregoing, the Authority shall comply with the Letter of Instructions, to be delivered by Bond Counsel at the time the Bonds are issued, as to compliance with the Code with respect to the Series 2012 Bonds, as such letter may be amended from time to time, as a source of guidance for compliance with the Code.

5. The Authority shall not take or permit any action or fail to take any action which would cause the interest on the Series 2012 Bonds to lose the exclusion from gross income for federal income tax purposes under Section 103 of the Code or cause the interest on the Series 2012 Bonds to be treated as an item of tax preference under Section 57 of the Code.

6. Notwithstanding any other provision of the General Resolution or this Supplemental Bond Resolution to the contrary, the covenants contained in this Section shall survive the payment of the Series 2012 Bonds and the interest thereon, as long as necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2012 Bonds.



## ARTICLE V MISCELLANEOUS

5.1. Preliminary Official Statement. (a). The Chairperson of the Authority is hereby authorized to execute a certificate addressed to the underwriters of the Series Bonds stating that the preliminary official statement to be prepared by the Authority with respect to the Series 2012 Bonds is "deemed final" as of its date within the meaning of Rule 15c2-12 of the Securities and Exchange Commission.

(b) The Preliminary Official Statement to be prepared in connection with the Series 2012 Bonds is hereby authorized, subject to review and approval of the final form thereof by the Chairperson and/or Executive Director of the Authority and the distribution of the Preliminary Official Statement in connection with the pricing of the Series 2012 Bonds is hereby authorized. The Chairperson, Executive Director and/or such other appropriate officials of the Authority as necessary or hereby authorized to prepare the final Official Statement in connection with the issuance of the Series 2012 Bonds in substantially the form in conjunction herewith or with such other changes as approved by Bond Counsel and the Chairperson, Executive Director and/or such other appropriate officials of the Authority, to be used by the Underwriter in connection with the sale of the bonds. The Chairperson, Executive Director and/or such other appropriate officials of the Authority are authorized to execute any certificates necessary in connection with the distribution of the Official Statement.

5.2. The Chairperson, Executive Director and/or such other appropriate officials of the Authority are hereby authorized and directed to do any and all acts, and to make, execute and deliver any and all certificates, documents, and instruments, deemed necessary or useful and convenient by the, subject to the advice of Bond Counsel to the Authority, in furtherance of the issuance of the Series 2012 Bonds and the uses of the proceeds thereof and other related transactions.

5.3. Underwrite and Purchase Agreement. The Series 2012 Bonds are hereby authorized to be sold to NW Capital, Inc., as the Underwriter (the "Underwriter") at the purchase price to be stated in Contract of Purchase (the "Purchaser Contract"), which shall not exceed \$27,000,000 plus accrued interest, and at an interest rate not to exceed 5.00%. The Chairperson and/or Executive Director are hereby authorized to execute the Purchase Agreement in accordance with the terms of this Supplemental Bond Resolution.

5.4. Trustee/Paying Agent/Registrar/Escrow Agent. The Authority shall appoint the Trustee, Paying Agent, Registrar, and Escrow Agent by separate resolution of the Authority.

5.5 Severability of Invalid Provisions. If any one or more of the provisions contained in this Supplemental Bond Resolution or in the Series 2012 Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Supplemental Bond Resolution or in the Series 2012 Bonds and such invalidity, illegality or enforceability shall not affect any other provision of this Supplemental Bond Resolution, and this Supplemental Bond Resolution shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority hereby declares that it would have entered into this Supplemental

Bond Resolution and each and every section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Series 2012 Bonds pursuant thereto irrespective of the fact that any one of more sections, paragraphs, sentences, clauses or phrases of this Supplemental Bond Resolution may be held illegal, invalid or unforceable.

**5.6. Effective Date.** This Supplemental Bond Resolution shall take effect immediately upon adoption.

**Recorded Vote**

NAMES	AYE	NO	ABSTAIN	ABSENT
Anthony R. Scutari, Chairperson	✓			
Carolyn Vollero, V. Chairperson	✓			
John Salerno, Secretary	✓			
Joseph W. Miskiewicz, Treasurer				✓
Walter Boright, Member				✓
Sebastian D'Elia, Member	✓			
Linda Hines, Member				✓
Samuel T. McGhee, Member				✓
Cherron Rountree, Member	✓			

**CERTIFICATION**

I, JOHN SALERNO, Secretary of the Union County Improvement Authority, HEREBY CERTIFY that the foregoing **RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION LEASE REVENUE REFUNDING BONDS, SERIES 2012[] (COUNTY COLLEGE FACILITY PROJECT) AND ADDITIONAL BONDS OF THE UNION COUNTY IMPROVEMENT AUTHORITY** is a true copy of a resolution adopted by the governing body of the Authority on April 26, 2012.

**UNION COUNTY IMPROVEMENT AUTHORITY**

By: \_\_\_\_\_

JOHN SALERNO, Secretary

Dated: April 26, 2012  
[SEAL]

**RESOLUTION NO. 39 -2012**

Member Vallerio introduced and moved the adoption of the following resolution and Member Sallera seconded the motion:

**RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY AUTHORIZING THE ISSUANCE OF LEASE REVENUE REFUNDING BONDS, SERIES 2012A (TAX-EXEMPT) (CITY OF PLAINFIELD-PARK MADISON REDEVELOPMENT PROJECT) AND ADDITIONAL BONDS OF THE UNION COUNTY IMPROVEMENT AUTHORITY**

**WHEREAS**, The UNION COUNTY IMPROVEMENT AUTHORITY (together with any successor thereto, the "Authority") has been duly created by an Ordinance of the Board of Chosen Freeholders together with any successor legislative body, the ("Board of Freeholders") of the County of Union, State of New Jersey (together with any successor thereto, the "County") duly adopted as a public body corporate and politic of the State of New Jersey (the "State") pursuant to and in accordance with the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, and the acts amendatory thereof and supplemental thereto (the "Act"); and

**WHEREAS**, the City of Plainfield, New Jersey (the "City") undertook the redevelopment of an area of the City known as "The Park-Madison Redevelopment Area" (the "Redevelopment Area") as a Redevelopment Project (the "Redevelopment Project"); and

**WHEREAS**, the City designated the Authority as the Redevelopment Entity pursuant to the Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., for said Redevelopment Area (the "Redevelopment Entity"); and

**WHEREAS**, the Authority agreed to act as said Redevelopment Entity, and in accordance with a Redevelopment Plan approved by an Ordinance of the City adopted on July 10, 2000, developed certain office space, lower level commercial/retail space and parking facilities for use of the County, other public agencies and retail/commercial users (the "Office Project"), and developed separate commercial space, parking and other uses on a portion of the Redevelopment Area (the "Retail Project" and together with the Office Project, the "Project") and

**WHEREAS**, the Authority solicited requests for proposals for a developer to undertake said Project for the Authority, and upon receipt and review of said proposals, the Authority selected AST Development Corporation (the "Redeveloper") as the developer for the Project; and

**WHEREAS**, the Authority and the Redeveloper entered into a Redevelopment Agreement, as amended and supplemented, relating to the Project (the "Redevelopment Agreement"); and

**WHEREAS**, the Authority financed the acquisition of the Redevelopment site (hereinafter defined) and Office Project (collectively hereinafter the "Initial Project") through the issuance of its Lease Revenue Bonds, Series 2003A (Tax-Exempt) and 2003B (Taxable) (collectively hereinafter the "Initial Bonds") in an aggregate principal amount of not to exceed \$28,000,000; and

**WHEREAS**, the City will sold the land upon which the Project was constructed (the "Redevelopment Site") to the Authority; and

**WHEREAS**, N.J.S.A. 40:37A-78 permits the County to enter into a lease with the Authority for public facilities such as the Office Project and the County leased the Office Project from the Authority (the "Lease"); and

**WHEREAS**, the Authority ground leased all rights, title and interest it acquired from the City in a portion of the Redevelopment Site to a non-profit urban redevelopment corporation("Urban Renewal Entity") created and controlled by the Authority (the "Urban Renewal Ground Lease"), which Urban Renewal Entity, as lessee, ground leased all its title, rights and interest to the Authority (the "Authority Ground Lease"), which leased the Office Project to the County, pursuant to a lease between the Authority and the County in accordance with N.J.S.A. 40A:38-78 ("Lease Agreement"); and

**WHEREAS**, pursuant to the Redevelopment Agreement, the Authority ground leased certain portions of the Redevelopment Site to the Redeveloper (the "Redeveloper Ground Lease") for purposes of commercial development to be undertaken by the Redeveloper (the "Commercial Development"); and

**WHEREAS**, the Authority owns, leases and operates the Office Project, subject to the Urban Renewal Ground Lease, the Authority Ground Lease and the Lease Agreement; and

**WHEREAS**, the Redeveloper constructed the office building, parking lot and related portions of the Office Project for the Authority pursuant to a Construction Agreement (the "Construction Agreement"); and

**WHEREAS**, the County entered into a Management Services Agreement with the Authority (the "Management Services Agreement"), pursuant to which the Authority manages, operates and maintains the Office Project, and on behalf of the County, sub-lease all portions of the Office Project not utilized by the County; and

**WHEREAS**, the Initial Bonds have such other terms as set forth in a certain resolution authorizing the issuance of the Lease Revenue Bonds, Series 2003A (Tax Exempt) and 2003B (Taxable) (City of Plainfield-Park Madison Redevelopment Project) and Additional Bonds of Union County Improvement Authority adopted by the Authority on March 21, 2001 (the "Initial Bond Resolution") as amended and supplemented by a First Supplemental and Amending Bond Resolution adopted on April 25, 2001(the "First Supplemental And Amending Bond Resolution" and together with the Initial Bond Resolution, and as may be further supplemented and amended prior to the issuance of the Initial Bonds; the Initial Bond Resolution, the First Supplemental and

Amending Bond Resolution, and any amendments or supplements thereto in accordance with the terms thereof may be collectively referred to as the "Bond Resolution"); and

**WHEREAS**, the payment of the principal and redemption premium, if any, of and interest on the Initial Bonds will be secured by rental payments made under the Lease Agreement by the County; and

**WHEREAS**, the Initial Bonds designated as Series 2003A Bonds (the "Tax-Exempt Bonds") were issued as Tax-Exempt bonds under the Code, the interest on which shall be excludable from the gross income of the holders thereof for federal income tax purposes; and

**WHEREAS**, The Initial Bonds designated as Series 2003B Bonds (the "Taxable Bonds") were issued as taxable bonds under the Code, the interest on which shall be includable in the gross income of the holders thereof for federal income tax purposes; and

**WHEREAS**, the proceeds of the Initial Bonds were applied to payment of the Acquisition of the Redevelopment Site, costs of the Office Project on a requisition basis in accordance with the terms of the Construction Agreement, the costs of issuing the Initial Bonds, capitalized interest on the Initial Bonds, a debt service reserve fund to secure the Initial Bonds, if necessary, and any other costs set forth in the Bond Resolution; and

**WHEREAS**, the County, as a party obligated to pay more than ten percent (10%) of the debt service on the Bonds and entered into that certain "Continuing Disclosure Agreement (City of Plainfield-Park Madison Redevelopment Project)" to be dated as of the first day of the month of issuance of the Initial Bonds (as the same may be amended and supplemented from time to time in accordance with its terms, the "Continuing Disclosure Agreement") with the Authority in order to satisfy the secondary market disclosure requirements of Rule 15c2-12; and

**WHEREAS**, the Authority has determined that it is in the best interest of the Authority, the County to undertake a refunding of the Series 2003A Bonds (the "Refunded Bonds") which will result in a debt service savings to the County and Authority (the "Refunding"); and

**WHEREAS**, the Authority plans to issue not to exceed \$21,645,000 in Lease Revenue Refunding Bonds, Series 2012A (Tax Exempt) (City of Plainfield-Park Madison Redevelopment Project) to refund all or a portion of the Refunded Bonds (the "Refunding Bonds"); and

**WHEREAS**, in accordance with Section 13 ("Section 13") of the Act (N.J.S.A. 40:37A-56), prior to the issuance of the Refunding Bonds, the Authority shall make a detailed report with respect to such financing to the Board of Freeholders, which report shall include copies or a description of, without limitation, the Financing Documents; and

**WHEREAS**, the Authority believes: (i) it is in the public interest to accomplish such purpose; (ii) said purpose is for the health, wealth, convenience or betterment of the inhabitants of the County; (iii) the amounts to be expended for said purpose are not unreasonable or exorbitant; and (iv) the proposal is an efficient and feasible means of providing services for the needs of the inhabitants of the County and will not create an undue financial burden to be placed upon the Authority or the County; and

**NOW THEREFORE, BE IT RESOLVED** by the governing body of the Authority as follows:

## **ARTICLE I DEFINITIONS**

1.1. All terms defined in Section 1.01 of the Bond Resolution of the Union County Improvement Authority authorizing the issuance of its Lease Revenue Bonds, Series 2003A (Tax-Exempt) and 2003B (Taxable) (City of Plainfield-Park Madison Redevelopment Project) adopted by the members of the Authority on March 21, 2001 as amended and supplemented by a First Supplemental and Amending Bond Resolution adopted on April 25, 2001, as further amended by a Certificate of the Executive Director dated March 13, 2003 (the "General Resolution"), shall have the same meanings in this Supplemental Resolution as such terms are given in the General Resolution, unless the context shall otherwise require, the following terms shall have the following meaning in this Supplemental Resolution:

Terms used in this Supplemental Bond Resolution and not otherwise defined herein or in the General Resolution shall have the meaning assigned to them in the Lease Agreement, as amended and supplemented.

1. The following terms set forth in this Supplemental Bond Resolution shall have the meanings specified in the recitals hereto:

Act  
Authority  
Authority Ground Lease  
Board of Freeholders  
Bond Resolution  
City  
Commercial Development  
Construction Agreement  
Continuing Disclosure Agreement  
County  
Initial Bond Resolution  
Initial Bonds  
Initial Project  
Lease  
Lease Agreement  
Management Services Agreement  
Office Project  
Project  
Redeveloper  
Redevelopment Agreement  
Redevelopment Area

Redevelopment Entity  
Redeveloper Ground Lease  
Redevelopment Project  
Redevelopment Site  
Refunding  
Refunded Bonds  
Refunding Bonds  
Retail Project  
State  
Section 13  
Tax Exempt Bonds  
Taxable Bonds  
Urban Renewal Entity  
Urban Renewal Ground Lease

2. In addition, the following terms shall have the meanings ascribed to such terms in the Lease Agreement or the Construction Agreement:

Lease Payment  
Lease Revenues  
Lessee  
Lessor

3. In addition, as used in this Bond Resolution, unless the context requires otherwise, the following terms shall have the following meanings:

"Administrative Fee" shall mean, (i) for the Initial Bonds, (a) \$50,000 initial administrative fee payable at closing plus (b) for the Initial Bonds only, .0005 of the par amount of the Refunding Bonds, payable to the Authority from a portion of the proceeds of the Refunding Bonds that have been deposited in the Costs of Issuance Account of the Administrative Fund pursuant to Section 2.03 hereof to pay the Administrative Fee, plus the Administrative Fee for the first Bond Year, (c) for all Bond Years thereafter, a sum of money equal to .0005 of the Outstanding Bonds calculated on an annual basis, with a minimum annual fee of not less than \$2,500 payable by the County to the Trustee on the Lease Payment date immediately preceding the first day of any payment, and (ii) for all Bonds other than the Initial Bonds, a sum of money as determined by any supplemental resolution.

"Administrative Fund" shall mean the Fund so designated and established by Article V hereof.

"Series 2012A Bonds" shall mean the Additional Bonds of the Authority of the Series authorized by this Supplemental Resolution and herein designated "Lease Revenue Refunding Bonds, Series 2012A (Tax-Exempt) (City of Plainfield-Park Madison Redevelopment Project)".

"Series A Bonds" shall mean the Series 2012A Bonds and any other Series of Additional Bonds authorized and issued pursuant to Section 2.04 hereof and secured by the Series A Trust Estate.

**1.2 Rules of Interpretation.** For all purposes of this Supplemental Bond Resolution, except as otherwise expressly provided or unless the context otherwise requires:

(a) "This Supplemental Bond Resolution" means this instrument as originally adopted and as it may be supplemented, modified or amended from time to time by any supplemental Resolution or the Certificate of an authorized officer of the Authority executed and delivery pursuant to Section 2.02(1) (e) of the General Resolution, unless in the case of any one or more supplemental Resolutions the context requires otherwise.

(b) The words "herein", "hereof", "hereunder" and "herewith" and other words of similar import refer to this Supplemental Bond Resolution as a whole and not to any particular Article, Section or other subdivision hereof.

(c) The terms defined in this Supplemental Bond Resolution include the plural as well as the singular.

(d) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(e) The table of contents and the headings or captions used in this Supplemental Bond Resolution are for convenience of reference only and shall not define, limit or prescribe any of the provisions hereof or the scope or intent hereof.

**1.3 Authority for this Bond Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Act and the General Resolution.

## **ARTICLE II AUTHORIZATION AND ISSUANCE OF BONDS**

**2.1 Authorization for Series 2012A Bonds; Principal Amount, Designation and Series.** The Series 2012A Bonds are authorized to be issued pursuant to the provisions of the Act, the General Resolution and this Supplemental Bond Resolution. The Series 2012A shall be issued in an aggregate principal amount not exceeding \$21,645,000 and shall be designated "Lease Revenue Refunding Bonds, Series 2012A (Tax-Exempt) (City of Plainfield-Park Madison Redevelopment Project)".

**2.2 Purposes.** The Series 2012A Bonds shall be issued for the purposes of providing funds (A) to pay interest on the Refunded Bonds payable on the Interest Payment Dates subsequent to the issuance of the Series 2012 Bonds until redemption and to refund the principal amount of the Refunded Bonds maturing on or after March 1, 2013 at the redemption price of 100% of the principal amount thereof, (B) to pay all or a portion of the costs and expenses incurred by the Authority in connection with the issuance of the Series 2012A Bonds and (C) to pay accrued interest, if any, on the Series 2012A Bonds from their dated date to their date of issuance. The proceeds of the Series 2012A Bonds shall be applied for the purposes stated in the preceding sentence in accordance with the terms of the General Resolution and this Supplemental Bond Resolution.



### 2.3 Terms of the Series 2012A Bonds.

1. The Series 2012A Bonds shall be issued upon the terms and conditions and in the manner provided by the General Resolution, this Supplemental Bond Resolution and a Certificate of an Authorized Officer of the Authority setting forth: (i) the authorized principal amount of the Series 2012A Bonds; (ii) the purposes for which such Series 2012A Bonds are being issued, which shall be one of the purposes set forth in this Supplemental Bond Resolution and the General Resolution; (iii) the date and the maturity date or dates of the Series 2012A Bonds, provided that each maturity date shall fall upon either the first or fifteenth day of a month as determined in such certificate; (iv) the interest rate or rates of the Series 2012A Bonds and the initial Interest Payment Date therefor, provided that the interest rate or rate of the Series 2012A Bonds shall be identical for all such Series 2012A Bonds of like maturity; (v) the denomination of, and the manner of dating, numbering and lettering, the series 2012A Bonds, provided that such Series 2012A Bonds shall be in denominations of \$5,000 or any integral multiple thereof; (vi) the Paying Agent or Paying Agents and the place or places of payment of the principal and Redemption Price, if any, of, and interest on, the Series 2012A Bonds, (vii) the Redemption Price or Prices, if any, and, subject to the provisions of this Supplemental Resolution, the redemption terms for the Series 2012A Bonds; (viii) the form of Series 2012A Bonds and of the Trustee's certificate of authentication, which shall be substantially in the form set forth herein with such variations, insertions or omissions as are appropriate and not inconsistent therewith; (ix) the provisions for the application of proceeds of the Series 2012A Bonds; and (x) upon the advice of the Authority's counsel and professional advisors and subject to the parameters set forth herein and the terms set forth in the Authority's application to the Local Finance Board filed with the Division of Local Government Services of the Department of Community affairs dated March 21, 2012 with respect to the Series 2012 Bonds, the addition to, deletion from or modification of any provision of this Supplemental Bond Resolution, as originally adopted on April 26, 2012, and the General Resolution, the contents of which certificate may be incorporated in this Supplemental Bond Resolution and the General Resolution without the compliance with any other provision herein or in the General Resolution. The Authorized Officer executing any such certificate shall report the substance of such certificate to the Authority at the Authority's next public meeting; provided, however, that the terms of such Supplemental Bond Resolution or Certificate of an Authorized Officer shall be consistent with the provisions of the General Resolution, as supplemented and amended by this Supplemental Bond Resolution.

2. The Series 2012A Bonds shall be dated, and shall bear interest from the dated date thereof, on the basis of a 360 day year consisting of twelve 30-day months, and shall be payable as to principal and interest semiannually as set forth in the Certificate of an Authorized Officer in accordance with Section 2.3(1) hereof

3. The Series 2012A Bonds shall bear interest at the rates per annum set forth in the Certificate of an Authorized Officer in accordance with Section 2.3(1) hereof, provided that the interest rate on the Series 2012A Bonds shall not exceed seven per centum (7%) per annum.

4. The Series 2012A Bonds shall be issued in the denomination of \$5,000 or any integral multiples of \$5,000. Unless the Authority shall otherwise direct, the Series 2012A Bonds shall be lettered and numbered from one upward in order of maturities preceded by the

letter R and such other letter determined by the Trustee prefixed to the number. Subject to the provisions of this Supplemental Bond Resolution and the General Resolution, the form of the Series 2012A Bonds and the Trustee's certificate or authentication shall be substantially in the form set forth in this Supplemental Bond Resolution and the General Resolution.

5. The principal and Redemption Price of the Series 2012A Bonds shall be payable at the principal corporate trust office of the Trustee appointed pursuant to this Supplemental Bond Resolution, or a subsequent resolution of the Authority. The principal and Redemption Price of all Series 2012A Bonds shall also be payable at any other place which may be provided for such payment by the appointment of any other Trustee as permitted by this Supplemental Bond Resolution and the General Resolution. Interest on the Series 2012A Bonds shall be payable by check or draft of the Paying Agent, mailed or transmitted, respectively, to the Holders thereof as the same appear as of the Record date on the books of the Authority maintained by the Trustee. However, so long as the Series 2012A Bonds are held in book-entry form pursuant to Section 2.5 hereof, the provisions of Section 2.5 shall govern the payments and principal and Redemption Price, if any, of, and interest on, the Series 2012 Bonds.

6. The Bonds may be subject to mandatory, extraordinary or optional redemption as set forth in the Certificate of an Authorized Officer in accordance with Section 2.3(1) hereof in accordance with this Supplemental Bond Resolution and General Resolution.

7. All other terms with respect to the Series 2012A Bonds shall be set forth in the General Resolution.

2.4. Execution and Authentication. The Series 2012A Bonds shall be executed in the name of the Authority by the manual or facsimile signature of the Chairperson or Vice Chairperson and the corporate seal of the Authority or a facsimile thereof shall be impressed or imprinted on each Series 2012A Bonds and attested by the manual or facsimile signature of the Secretary. The Series 2012A Bonds shall bear thereon a certificate of authentication, in the form set forth in this Supplemental Resolution, executed manually by the Trustee. Only such Series 2012A Bonds as shall thereon such certificate or authentication shall be entitled to any right or benefit under this Supplemental Bond Resolution and the General Resolution, and no Series 2012A Bond shall be valid or mandatory for any purpose until such certificate of authentication shall have been duly executed by and authorized Officer of the Trustee. Such certificate of the Trustee upon any Series 2012A Bond authenticated has been duly authenticated and delivered under this Supplemental Bond Resolution and the General Resolution and that the Holder thereof is entitled to the benefits of this Supplemental Bond Resolution and the General Resolution.

## 2.5 Book Entry System.

1. Except as provided in subparagraph 3 of Section 2.5, the registered holder of all of the Series 2012A Bonds shall be, and the Series 2012A Bonds shall be registered in the name of, Cede & Co., as nominee of DTC. Payment of semiannual interest for any Initial Bond shall be made by wire transfer to the account of Cede & Co. On the Interest Payment Date for the Series 2012A Bonds at the address indicated for Cede & Co., in the registry books of the Authority kept by the Applicable Trustee.

2. The Series Bonds shall be issued initially in the form of a separate single fully

registered Bond in the amount of each separate stated maturity of the Series 2012A Bonds. Upon initial issuance, the ownership of each such Series 2012A Bond shall be registered in the registry books of the Authority kept by the Applicable Trustee in the name of Cede & Co., as nominee of DTC. With respect to Series 2012A Bonds, registered in the registry books kept by the Applicable Trustee in the name of Cede & Co., as nominee of DTC, the Authority and any Fiduciary shall have no responsibility or obligation to any Participant or to any beneficial owner of such Series 2012A Bonds. Without limiting the immediately preceding sentence, the Authority and any Fiduciary shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. Or any participant with respect to any beneficial ownership interest in the Series 2012A Bonds, (ii) the delivery to any participant, any beneficial owner or any other person, other than DTC or any notice with respect to the Series 2012A Bonds, including any notice of redemption, or (iii) the payment to any participant, any beneficial owner or any other person, other than DTC, of any amount with respect to the principal or Redemption Price of, or interest on, the Series 2012A Bonds. The Authority and any Fiduciary may treat as, and deem DTC to be; the absolute owner of each 2012 Bond for the purpose of payment of the principal or Redemption Price of, and interest on, each such Series 2012A Bond, for the purpose of giving notice of redemption and other matters with respect to such Series 2012A Bonds, for the purpose of registering transfers with respect to such Series 2012A Bonds and for all purposes whatsoever. The Applicable Paying Agent shall pay all principal or Redemption Price of, and interest on, the Series 2012A Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to the principal or Redemption Price of, and interest on, the Series 2012A Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive a Series 2012A Bond evidencing the obligation of the Authority to make payments of principal or Redemption Price of and interest on, the Series 2012A Bond pursuant to this Bond Resolution. Upon delivery by DTC to the Applicable Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the transfer provisions hereof, the terms "Cede & Co." in this Bond Resolution shall refer to such new nominee of DTC.

3. (a) DTC may determine to discontinue providing its services with respect to the Series 2012A Bonds at any time by giving written notice to the Authority and the Fiduciaries and discharging its responsibilities with respect thereto under applicable law.

(b) The Authority, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Series 2012A Bonds if the Authority determines, and shall terminate the services of DTC with respect to the Series 2012A Bonds upon receipt by the Authority and the Fiduciaries of written notice from DTC to the effect that DTC has received written notice from participants having interests, as shown in the records of DTC in an aggregate principal amount of not less than fifty percent (50%) of the aggregate principal amount of the then Outstanding Series 2012A Bonds to the effect that: (i) DTC is unable to discharge its responsibilities with respect to the Series 2012A Bonds be registered in the registrants books kept by the Applicable Trustee in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the Series 2012A Bonds.

(c) Upon the termination of the services of DTC with respect to the Series 2012A Bonds pursuant to subsection 2.5(3)(b) (ii) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Series 2012A Bonds pursuant to subsection 2.5(3)(a) or

subsection 2.5(3)(b)(i) hereof, after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found, which, in the opinion of the Authority, is willing and able to undertake such functions upon reasonable and customary terms, the Series 2012A Bonds shall no longer be restricted to being registered in the registration books kept by the Applicable Trustee in the name of Cede & Co. As nominee of DTC, but may be registered in whatever name or names Bondholders transferring or exchanging Series 2012A Bonds shall designate, in accordance with the provisions of Article II hereof.

4. Notwithstanding any other provisions of this Bond Resolution to the contrary, as long as any Series 2012A Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal or Redemption Price of, and interest on, such Series 2012A Bond and all notices with respect to such Series 2012A Bond shall be made and given, respectively, to DTC as provided in the representation letter of the Authority and the Applicable Trustee addressed to DTC with respect to the Series 2012A Bonds.

5. In connection with any notice or other communication to be provided to Bondholders pursuant to this Supplemental Bond Resolution and the General Resolution by the Authority or the Trustee with respect to any consent or other action to be taken by Bondholders, the Authority or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

### **ARTICLE III BOND FORM**

**3.1 Form of Bonds, Applicable Trustee's Authentication Certificate.** Subject to the provisions of this General Resolution, the form of the Refunding Bonds and any other Series of Bonds designated by this Supplemental Bond Resolution, with any appropriate changes as set forth in any Supplemental Resolution and the Applicable Trustee's certificate of authentication shall be in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF NEW JERSEY  
COUNTY OF UNION

No. R \_\_\_\_\_

\$ \_\_\_\_\_

THE UNION COUNTY IMPROVEMENT AUTHORITY

LEASE REVENUE REFUNDING BONDS, SERIES 2012A  
(TAX-EXEMPT)  
(CITY OF PLAINFIELD-PARK MADISON REDEVELOPMENT PROJECT)

Interest Rate \_\_\_\_\_ Maturity Date \_\_\_\_\_ Dated Date \_\_\_\_\_ Cusip No. \_\_\_\_\_  
% 20 2012

Registered Owner CEDE & Co.

Principal Sum: \_\_\_\_\_ (\$ \_\_\_\_\_) ..... Dollars

THE UNION COUNTY IMPROVEMENT AUTHORITY (the "Authority"), a public body corporate and politic created and existing under the laws of the State of New Jersey (the "State"), including the county improvement authorities law, constituting chapter 183 of the Pamphlet Laws of 1960 of the State, as amended and supplemented (the "Act"), acknowledges itself indebted to, and for value received hereby promises to pay to, the Registered Owner stated hereon or registered assigns, on the Maturity Date stated hereon, but solely from the funds pledged therefor, upon presentation and surrender of this bond at the principal corporate trust office of such bank and any successors thereto being herein called the "Trustee" and "Paying Agent"), the Principal Sum stated hereon in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and to pay from such pledged funds on \_\_\_\_\_ and \_\_\_\_\_ in each year, commencing \_\_\_\_\_, until the Authority's obligation with respect to the payment of such Principal Sum shall be discharged to the Registered Owner hereof, interest from the Dated Date stated hereon on such Principal Sum by check or draft of the Paying Agent mailed to such Registered Owner who shall appear as of the fifteenth (15th) day (whether or not such day shall be a Business Day) of the month preceding the month in which such interest payment date occurs on the books of the Authority maintained by the Trustee. However, so long as the Bonds (as hereinafter defined) are held in book entry form pursuant to the Bond Resolution (as hereinafter defined), the provisions of the Bond Resolution governing such book entry form shall govern repayment of principal or Redemption Price and interest of the Bonds.

The terms and provisions of this bond and definitions of certain terms used herein may be continued on these following pages of this bond and such continued terms and provisions and definitions shall for all purposes have the same effect as though fully set forth on the first page of this bond.

This bond is one of a duly authorized Series of Bonds of the Authority designated "Lease Revenue Refunding Bonds, Series 2012A (Tax-Exempt) (City Of Plainfield-Park Madison Redevelopment Project)", in the aggregate principal amount of not to exceed \$ \_\_\_\_\_ issued under and in full compliance with the Constitution and statutes of the State,

including the Act, and under and pursuant to a resolution authorizing the Series 2012A Bonds adopted by the Board of the Authority on April 26, 2012 entitled **"RESOLUTION AUTHORIZING THE ISSUANCE OF LEASE REVENUE REFUNDING BONDS, SERIES 2012A (TAX-EXEMPT) (CITY OF PLAINFIELD-PARK MADISON REDEVELOPMENT PROJECT) AND ADDITIONAL BONDS OF THE UNION COUNTY IMPROVEMENT AUTHORITY"** and amended and supplemented by the a Certificate of the Executive Director of the Authority, dated the date of issuance of the Bonds, pursuant to Section 2.02(1)(e) of the Resolution authorizing the issuance of the Authority's Lease Revenue Bonds, Series 2003A (Tax-Exempt) and 2003B (Taxable) (City of Plainfield-Park Madison Redevelopment Project) adopted by the members of the Authority on March 21, 2001 as amended and supplemented by a First Supplemental and Amending Bond Resolution adopted on April 25, 2001, as further amended by a Certificate of the Executive Director dated May 13, 2001 (together with any further amendments thereof or supplements therefor herein collectively called the "Bond Resolution").

All capitalized terms not defined herein or in the attachments hereto shall have the meanings set forth in the Bond Resolution as if fully set forth herein.

As provided in the Bond Resolution, the Bonds, and all other Bonds issued on a parity with the Bonds under the Bond Resolution (herein collectively called the "Bonds"), are direct and special obligations of the Authority payable solely from and secured as payment of the principal or Redemption Price and interest thereon, in accordance with their terms and the provisions of the Bond Resolution solely by the Trust Estate, subject only to the provisions of the Bond Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Bond Resolution.

Copies of the Bond Resolution are on file at the office of the Authority and at the above mentioned office of the Trustee, and reference is hereby made to the Act and to the Bond Resolution including any and all supplements thereto and modifications and amendments thereof for a description of the pledge and assignment and covenants securing the Bonds, the nature, extent and manner of enforcement or such pledge, the rights and remedies of the holders of the Bonds with respect thereto, the terms and conditions upon which the Bonds are issued and may be issued thereunder, the terms and provisions upon which this bond shall cease to be entitled to any lien, benefit or security under the Bond Resolution and for the other terms and provisions thereof. All duties, covenants, agreements and obligations of the Authority under the Bond Resolution may be discharged and satisfied at or prior to the maturity or redemption of this bond if moneys or certain specified securities shall have been deposited with the Trustee.

As provided in the Bond Resolution, Bonds may be issued from time to time pursuant to Supplemental Resolutions in one or more Series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as in the Bond Resolution provided. The aggregate principal amount of Bonds which may be issued under the Bond Resolution is not limited, and all Bonds issued and to be issued under the Bond Resolution are and will be equally secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in the Bond Resolution.

To the extent and in the manner permitted by the terms of the Bond Resolution, the provisions of the Bond Resolution, including any resolution amendatory thereof or supplemental thereto, may be modified or amended by the Authority, (i) without the consent of the Bondholders as provided in the Bond Resolution or (ii) with the written consent of the holders of at least two-thirds (2/3) in principal amount of the Bonds Outstanding under the Bond Resolution at the time such consent is given, and, in case less than all of the several Series of Bonds then Outstanding are affected thereby, two-thirds (2/3) in principal amount of the Bonds so affected and outstanding; provided, however, that, if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series and maturity remain outstanding under the Bond Resolution, the consent of the holders of such Bonds shall not be required and such Bonds shall not be deemed to be outstanding for the purpose of the calculation of outstanding Bonds. No such modification or amendment shall permit a change in the terms of redemption (including Sinking Fund Installments) or maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or Redemption Price thereof or in the rate of interest thereon without the consent of the holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds, the consent of the holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Trustee or of the Paying Agent without its written assent thereto.

This bond is transferable, as provided in the Bond Resolution, only upon the books of the Authority kept for that purpose at the above mentioned office of the Trustee, as bond registrar, by the Registered Owner hereof in person, or by such Registered Owner's attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer satisfactory to the Trustee, as bond registrar, duly executed by the Registered Owner or such Registered Owner's duly authorized attorney, and thereupon a new fully registered bond or Bonds in the same aggregate principal amounts, shall be issued to the transferee in exchange therefor as provided in the Bond Resolution, and upon payment of the charges therein prescribed. The Authority, the Trustee and the Paying Agent may deem and treat the Registered Owner as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or Redemption Price of, and interest due hereon, and for all other purposes.

The Bonds shall be subject to redemption prior to their stated maturities thereof in accordance with the terms of the Bond Resolution.

The Bonds are payable upon redemption at the above mentioned office of the Paying Agent Notice of redemption, setting forth the place of payment, shall be mailed by the Trustee, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the redemption date, to the registered owner of any Bonds or portions of Bonds which are to be redeemed, at their last addresses, if any, appearing upon the registry books, all in the manner and upon the terms and conditions set forth in the Bond Resolution. If notice of redemption shall have been mailed as aforesaid, the Bonds or portions thereof specified in said notice shall become due and payable on the redemption date therein fixed, and if, on the redemption date, moneys for the redemption of all the Bonds and portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date then from and after the redemption date interest on such Bonds or portions thereof so called for redemption shall cease to accrue and be payable. Failure of the registered owner of any Bonds which are to be redeemed to receive any such notice shall not affect the validity of the proceedings for the redemption of Bonds.

The principal or Redemption Price and interest of the Bonds are payable by the Authority solely from the Trust Estate and neither the State, the County, the City (except to the extent of payments under the Lease, which shall not secure the payment of any redemption premium), nor any political subdivision thereof, other than the Authority (but solely to the extent of the Trust Estate), is obligated to pay the principal or Redemption Price, if any or interest of this bond and the issue of which it is one and neither the full faith and credit nor the taxing power of the State, the County or any political subdivision thereof, including the Authority (which has no taxing power) is pledged to the payment of the principal or Redemption Price of, or interest on, this bond or the issue of which it is one.

It is hereby certified and recited that all conditions, acts and things required by law and the Bond Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this bond exist, have happened and have been performed and that the Series of Bonds of which this is one, together with all other indebtedness of the Authority, complies in all respects with the laws of the State, including, particularly, the Act.

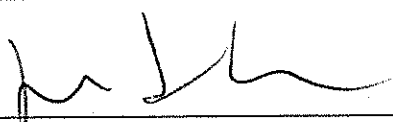
This bond shall not be entitled to any benefit under the Bond Resolution nor be valid or become obligatory for any purpose until this bond shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

IN WITNESS WHEREOF, The Union County Improvement Authority has caused this bond to be executed in its name and on behalf by the manual or facsimile signature of its Chairman or Vice Chairman, and its seal to be impressed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual or facsimile signature of its Secretary or Assistant Secretary, all as of the date hereof.

THE UNION COUNTY IMPROVEMENT AUTHORITY

By: \_\_\_\_\_  
Chairman or Vice Chairman

(SEAL)  
Attest:

By:  \_\_\_\_\_  
Secretary or Assistant Secretary

FORM OF CERTIFICATE OF AUTHENTICATION ON Series 2012A  
BONDS  
TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2012A issued pursuant to the within mentioned Bond Resolution.

\_\_\_\_\_  
as Trustee  
Bonds delivered  
BY: \_\_\_\_\_

Authorized Signatory



The following abbreviations, when used in the inscription on this bond, shall be construed as though they were written out in full according to laws or regulations (additional abbreviations may also be used not in the following list)

- as tenants in common
- as tenant by the
- entireties (Oust)

as joint tenants with right or survivorship and not as tenants in common

UNIFORM GIFT MINOR ACT

\_\_\_\_ Custodian \_\_\_\_\_

(Minor)

under Uniform Gifts to

Minor Act

(State)

ASSIGNMENT

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF  
ASSIGNEE (FOR COMPUTER RECORD ONLY): \_\_\_\_\_

FOR VALUE RECEIVED The undersigned hereby sells, assigns and transfers unto

(Please Print or Typewrite Name and Address of Transferee)

the within bond, and all rights thereunder and hereby irrevocably constitutes and appoints  
Attorney, to transfer the within bond on the books kept for the registration thereof, with full  
power of substitution in the premises.

Dated:

\_\_\_\_\_  
Signature Guaranty:

NOTICE: Signature(s) • must be guaranteed by an approved eligible guarantor institution which is  
a City in a Securities Transfer Association

NOTICE: The signature of this Assignment must correspond with the name that appears upon the  
first page of the within bond in every particular, without alteration or enlargement or any change  
whatsoever.

## ARTICLE IV GENERAL COVENANTS

**4.1     Payment of Bonds: Special Obligations of Authority.** The Authority shall pay or cause to be paid the principal or Redemption Price, if any, and interest of the Series 2012A Bonds on the date, at the place and in the manner provided in this Supplemental Bond Resolution and in the Series 2012A Bonds, according to the true intent and meaning thereof; provided, however, that the Series 20102 Bonds are special obligations of the Authority, the principal or Redemption Price of and interest on which are payable solely from the Trust Estate. The Series 2012A Bonds shall not be payable from the general fund of the Authority and shall not constitute a legal or equitable pledge of, or lien or encumbrance upon, any of the assets or property of the Authority (other than the Trust Estate) or upon any of its income, receipts or revenues, except as provided in the General Resolution and this Supplemental Bond Resolution. The full faith and credit of the Authority are not pledged, either expressly or by implication, to the payment of the Series 2012A Bonds. The Authority has no taxing power and has no claim on any revenues or receipts of the State or the County (except as expressly provided in the Agreement regarding Lease Payments) or any agency or political subdivision thereof.

**4.2     Observance and Performance of Duties, Covenants, Obligations and Agreements: Representations as to Authorization and Validity of the Series 2012A Bonds.** The Authority shall faithfully observe and perform at all times all of its duties, covenants, obligations and agreements contained in the General Resolution and this Supplemental Resolution or in any Series 2012A Bonds executed, authenticated and delivered under this Supplemental Bond Resolution or in any proceedings of the Authority pertaining thereto. The Authority represents and covenants that: (i) it is duly authorized under the Constitution and laws of the State, particularly the Act, to issue the Series 2012A Bonds, to pledge the Trust Estate in the manner and to the extent set forth in this General Resolution and this Supplemental Bond Resolution; (ii) all action on its part for the issuance of the Series 2012A Bonds will be duly and effectively taken; and (iii) the Series 2012A Bonds in the hands of the Holders thereof will be valid and binding special obligations of the Authority enforceable according to their terms.

**4.3     Further Assurance.** The Authority will pass, make, do, execute, acknowledge and deliver any and all such further resolutions, indentures, actions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Supplemental Bond Resolution and for the better assuring and confirming unto the Holders of the Series 2012A Bonds the rights and benefits provided in the General Resolution and this Supplemental Bond Resolution.

**4.4     Tax Covenants.**

1. In connection with the issuance of the Series 2012A Bonds an Authorized Officer of the Authority is hereby authorized to execute on behalf of the Authority (i) the Tax Certificate and (ii) any similar documents relating to the characterization of the Series 2012A Bonds are not being "arbitrage bonds" within the meaning of Sections 103(a) (2) and 148 of the Code.

2. The Authority will make no use of the proceeds of the Series 2012A Bonds which would cause the Series 2012A Bonds to be arbitrage bonds within the meaning of Section 148(a) of the Code; and the Authority will direct the Trustee and all officers having custody or control of

the proceeds of the Series 2012A Bonds, throughout the term of the Bonds, to comply with applicable requirements of Section 148(a) of the Code and Treasury Regulations §1.148-1 through §1.148-10, to extent applicable to the Series 2012A Bonds, so that none of the Series 2012A Bonds will be or become an arbitrage bond; provided that the Trustee, in following the directions of the Authority, shall have no responsibility to determine whether such investment is in violation of such regulations

3. The Authority covenants that it shall require that neither the County, or any member of the same controlled group (within the meaning of the Treasury Regulations §1.150-1(e)) as the County, shall purchase the Series 2012A Bonds pursuant to an arrangement, formal or informal, in an amount related to the amount of the obligations acquired under the program from such persons by the Authority.

4. In order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2012A Bonds, the Authority shall comply with the provisions of the Code applicable to the Series 2012A Bonds, including without limitation the provisions of the Code relating to computation of the yield on investments of the Gross Proceeds (as defined in the Letter of Instructions) of the Series 2012A Bonds, reporting of earnings on the Gross Proceeds of the Series 2012A Bonds, and rebate of excess earnings to the Department of the Treasury of the United States of America. In furtherance of the foregoing, the Authority shall comply with the Letter of Instructions, to be delivered by Bond Counsel at the time the Bonds are issued, as to compliance with the Code with respect to the Series 2012A Bonds, as such letter may be amended from time to time, as a source of guidance for compliance with the Code.

5. The Authority shall not take or permit any action or fail to take any action which would cause the interest on the Series 2012A Bonds to lose the exclusion from gross income for federal income tax purposes under Section 103 of the Code or cause the interest on the Series 2012A Bonds to be treated as an item of tax preference under Section 57 of the Code.

6. Notwithstanding any other provision of the General Resolution or this Supplemental Bond Resolution to the contrary, the covenants contained in this Section shall survive the payment of the Series 2012A Bonds and the interest thereon, as long as necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2012A Bonds.

## ARTICLE V MISCELLANEOUS

5.1 Preliminary Official Statement. (a). The Chairperson of the Authority is hereby authorized to execute a certificate addressed to the underwriters of the Series Bonds stating that the preliminary official statement to be prepared by the Authority with respect to the Series 2012A Bonds is "deemed final" as of its date within the meaning of Rule 15c2-12 of the Securities and Exchange Commission.

(b) The Preliminary Official Statement to be prepared in connection with the Series 2012A Bonds is hereby authorized, subject to review and approval of the final form thereof by the Chairperson and/or Executive Director of the Authority and the distribution of the Preliminary Official Statement in connection with the pricing of the Series 2012A Bonds is hereby authorized

The Chairperson, Executive Director and/or such other appropriate officials of the Authority as necessary or hereby authorized to prepare the final Official Statement in connection with the issuance of the Series 2012A Bonds in substantially the form in conjunction herewith or with such other changes as approved by Bond Counsel and the Chairperson, Executive Director and/or such other appropriate officials of the Authority, to be used by the Underwriter in connection with the sale of the bonds. The Chairperson, Executive Director and/or such other appropriate officials of the Authority are authorized to execute any certificates necessary in connection with the distribution of the Official Statement.

5.2 The Chairperson, Executive Director and/or such other appropriate officials of the Authority are hereby authorized and directed to do any and all acts, and to make, execute and deliver any and all certificates, documents, and instruments, deemed necessary or useful and convenient by the, subject to the advice of Bond Counsel to the Authority, in furtherance of the issuance of the Series 2012A Bonds and the uses of the proceeds thereof and other related transactions.

5.3 Underwrite and Purchase Agreement. The Series 2012A Bonds are hereby authorized to be sold to NW Capital, Inc., as the Underwriter (the "Underwriter") at the purchase price to be stated in Contract of Purchase (the "Purchase Contract"), which shall not exceed \$21,654,000 plus accrued interest, and at an interest rate not to exceed 5.00%. The Chairperson and/or Executive Director are hereby authorized to execute the Purchase Agreement in accordance with the terms of this Supplemental Bond Resolution.

5.4 Trustee/Paying Agent/Registrar/Escrow Agent. The Authority shall appoint the Trustee, Paying Agent, Registrar, and Escrow Agent by separate resolution of the Authority.

5.5 Severability of Invalid Provisions. If any one or more of the provisions contained in this Supplemental Bond Resolution or in the Series 2012A Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Supplemental Bond Resolution or in the Series 2012A Bonds and such invalidity, illegality or enforceability shall not affect any other provision of this Supplemental Bond Resolution, and this Supplemental Bond Resolution shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority hereby declares that it would have entered into this Supplemental Bond Resolution and each and every section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Series 2012A Bonds pursuant thereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses or phrases of this Supplemental Bond Resolution may be held illegal, invalid or unenforceable.

5.6 Effective Date. This Supplemental Bond Resolution shall take effect immediately upon adoption.

The foregoing resolution was adopted by the following roll call vote:

**Recorded Vote**

NAMES	AYE	NO	ABSTAIN	ABSENT
Anthony R. Scutari, Chairperson	✓			
Carolyn Vollero, V. Chairperson	✓			
John Salerno, Secretary	✓			
Joseph W. Miskiewicz, Treasurer				✓
Walter Boright, Member				✓
Sebastian D'Elia, Member	✓			
Linda Hines, Member				✓
Samuel T. McGhee, Member				✓
Cherron Rountree, Member	✓			

**CERTIFICATION**

I, JOHN SALERNO, Secretary of the Union County Improvement Authority, HEREBY CERTIFY that the foregoing **RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY AUTHORIZING THE ISSUANCE OF LEASE REVENUE REFUNDING BONDS, SERIES 2012A (TAX-EXEMPT) (CITY OF PLAINFIELD-PARK MADISON REDEVELOPMENT PROJECT) AND ADDITIONAL BONDS OF THE UNION COUNTY IMPROVEMENT AUTHORITY** is a true copy of a resolution adopted by the governing body of the Authority on April 26, 2012.

**UNION COUNTY IMPROVEMENT AUTHORITY**

By:   
JOHN SALERNO, Secretary

Dated: April 26, 2012

[SEAL]



**RESOLUTION NO. 40-2012**

Member Vollero introduced and moved the adoption of the following resolution and Member Salerno seconded the motion:

**SUPPLEMENTAL RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY AUTHORIZING THE ISSUANCE OF REVENUE BONDS (CORRECTIONAL FACILITY PROJECT, SERIES 2012)**

**WHEREAS**, the Union County Improvement Authority (the "Authority") has been duly created by an ordinance of the Board of Chosen Freeholder (the "Board of Freeholders") of the County of Union, New Jersey (the "County"), as public body corporate and politic of the State of New Jersey (the "State") pursuant to and in accordance with the county improvement authorities law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, as amended and supplemented from time to time (the "Act") and

**WHEREAS**, the Authority issued its \$51,644,485.75 principal amount of Revenue Bonds (Correctional Facility Project, Series 1987) the "1987 Bonds") to finance the construction of a correctional facility (the "Correctional Facility") for the County, which 1987 Bonds were secured by a Lease and Agreement, dated as of June 15, 1987 between the County and the Authority (the "Agreement"); and

**WHEREAS**, the Authority refunded the 1987 Bonds with the Authority's \$35,891,556.80 Revenue Refunding Bonds (Correctional Facility Project, Series 1992) (the "1992 Bonds") which were secured under the Agreement as amended and supplemented by a Consent and Amendment dated January 31, 1992 (the "First Consent", and together with the Agreement, the 'Amended Agreement:'); and

**WHEREAS**, the County requested that the Authority restructure existing debt service and the County lease payments within the original useful life of the Correctional Facility; and

**WHEREAS**, the County, in accordance with Section 3.5 of the Amended Agreement and pursuant to a resolution adopted by the Board of Freeholders on May 9, 2002 requested that the Authority issued Additional Bonds (as defined in the Amended Agreement) for the purpose of refunding the principal and interest payments of the 1992 Bonds coming due on June 15, 2002; and

**WHEREAS**, the Authority issued its \$5,125,000 Refunding Revenue Bonds, dated June 1, 2002 (the "2002 Bonds" and together with the 1987 Bonds and the 1992 Bonds the "Prior Bonds"), to currently refund the 1992 Bonds maturing on June 15, 2002; and

**WHEREAS**, the Authority has determined that it is in the best interest of the Authority, the County to undertake a refunding of the 2002 Bonds which will result in a debt service savings to the County and Authority (the "Refunding"); and

**WHEREAS**, the Authority plans to issue not to exceed \$5,000,000 in Revenue Refunding Bonds, (Correctional Facility Project, Series 2012) to refund all or a portion of the 2002 Bonds (the "Refunding Bonds"); and

**WHEREAS**, the County, in accordance with Section 3.5 of the Amended Agreement and pursuant to a resolution to be adopted by the Board of Freeholders on April 5, 2012, in requesting and consenting to the Authority's issuance Additional Bonds (as defined in the Amended Agreement) for the purpose of refunding the principal and interest payments of the 2002 Bonds coming due on and after June 15, 2012; and

**WHEREAS** the Authority desires to use its best efforts to issue refunding Additional Bonds in order to comply with the request of the County;

**NOW THEREFORE, BE IT RESOLVED BY THE UNION COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:**

## **ARTICLE I DEFINITION AND AUTHORITY**

**1.1 Definition.** All terms defined in Section 101 of the Resolution Authorizing the Issuance of Revenue Bonds (Correctional Facility Project) of the Union County Improvement Authority, adopted by the members of the Authority on April 2, 1987, as amended and supplemented on May 14, 1987, June 25, 1987, October 30, 1991, January 8, 1992, April 24, 2002 and May 14, 2003 (the "General Resolution"), shall have the same meanings in this Supplemental Resolution as such terms are given in the General Resolution, unless the context shall otherwise require, the following terms shall have the following meaning in this Supplemental Resolution:

"Series 2012 Bonds" shall mean the Additional Bonds of the Authority of the Series authorized by this Supplemental Resolution and herein designated "Revenue Refunding Bonds (Correctional Facility Project, Series 2012)".

**1.2 Authority for this Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Act and the General Resolution.

## **ARTICLE II AUTHORIZATION AND TERMS OF SERIES 2012 BOND**

**2.1 Authorization for Series 2012 Bonds; Principal Amount, Designation and Series.** The Series 2012 Bonds are authorized to be issued pursuant to the provisions of the Act, the General Resolution and this Supplemental Resolution. The Series 2012 shall be issued in an



aggregate principal amount not exceeding \$5,000,000 and shall be designated "Revenue Refunding Bonds (Correctional Facility Project, Series 2012)".

**2.2 Purposes.** The Series 2012 Bonds shall be issued for the purposes of providing funds (A) to pay interest on the 2002 Bonds payable on the Interest Payment Date of June 15, 2012 and to refund the principal amount of the 2002 Bonds maturing on June 15, 2002 through June 15, 2022 (collectively, the "Refunded Bonds") at the redemption price of 100% of the principal amount thereof, (B) to pay all or a portion of the costs and expenses incurred by the Authority in connection with the issuance of the Series 2012 Bonds and (C) to pay accrued interest, if any, on the Series 2012 Bonds from their dated date to their date of issuance. The proceeds of the Series 2012 Bonds shall be applied for the purposes stated in the preceding sentence in accordance with the terms of the General Resolution and this Supplemental Resolution.

### **2.3 Terms of the Series 2012 Bonds.**

1. The Series 2012 Bonds shall be issued upon the terms and conditions and in the manner provided by the General Resolution, this Supplemental Resolution and a Certificate of an Authorized Officer of the Authority setting forth: (i) the authorized principal amount of the Series 2012 Bonds; (ii) the purposes for which such Series 2012 Bonds are being issued, which shall be one of the purposes set forth in this Supplemental Resolution and the General Resolution; (iii) the date and the maturity date or dates of the Series 2012 Bonds, provided that each maturity date shall fall upon either the first or fifteenth day of a month as determined in such certificate; (iv) the interest rate or rates of the Series 2012 Bonds and the initial Interest Payment Date therefor, provided that the interest rate or rate of the Series 2012 Bonds shall be identical for all such Series 2012 Bonds of like maturity; (v) the denomination of, and the manner of dating, numbering and lettering, the series 2012 Bonds, provided that such Series 2012 Bonds shall be in denominations of \$5,000 or any integral multiple thereof; (vi) the Paying Agent or Paying Agents and the place or places of payment of the principal and Redemption Price, if any, of, and interest on, the Series 2012 Bonds, (vii) the Redemption Price or Prices, if any, and, subject to the provisions of this Supplemental Resolution, the redemption terms for the Series 2012 Bonds; (viii) the form of Series 2012 Bonds and of the Trustee's certificate of authentication, which shall be substantially in the form set forth herein with such variations, insertions or omissions as are appropriate and not inconsistent therewith; (ix) the provisions for the application of proceeds of the Series 2012 Bonds; and (x) upon the advice of the Authority's counsel and professional advisors and subject to the parameters set forth herein and the terms set forth in the Authority's application to the Local Finance Board filed with the Division of Local Government Services of the Department of Community affairs dated March 21, 2012 with respect to the Series 2012 Bonds, the addition to, deletion from or modification of any provision of this Supplemental Resolution, as originally adopted on April 26, 2012, and the General Resolution, the contents of which certificate may be incorporated in this Supplemental Resolution and the General Resolution without the compliance with any other provision herein or in the General Resolution. The Authorized Officer executing any such certificate shall report the substance of such certificate to the Authority at the Authority's next public meeting;

provided, however, that the terms of such Supplemental Resolution or Certificate of an Authorized Officer shall be consistent with the provisions of the General Resolution, as supplemented and amended by this Supplemental Resolution.

2. The Bonds shall be dated, and shall bear interest from the dated date thereof, on the basis of a 360 day year consisting of twelve 30-day months, and shall be payable as to principal and interest semiannually as set forth in the Certificate of an Authorized Officer in accordance with Section 2.3(1) hereof

3. The Series 2012 Bonds shall bear interest at the rates per annum set forth in the Certificate of an Authorized Officer in accordance with Section 2.3(1) hereof, provided that the interest rate on the Series 2012 Bonds shall not exceed seven per centum (7%) per annum.

4. The Series 2012 Bonds shall be issued in the denomination of \$5,000 or any integral multiples of \$5,000. Unless the Authority shall otherwise direct, the Series 2012 Bonds shall be lettered and numbered from one upward in order of maturities preceded by the letter R and such other letter determined by the Trustee prefixed to the number. Subject to the provisions of this Supplemental Resolution and the General Resolution, the form of the Series 2012 Bonds and the Trustee's certificate or authentication shall be substantially in the form set forth in this Supplemental Resolution and the General Resolution.

5. The principal and Redemption Price of the Series 2012 Bonds shall be payable at the principal corporate trust office of the Trustee appointed pursuant to this Supplemental Resolution, or a subsequent resolution of the Authority. The principal and Redemption Price of all Series 2012 Bonds shall also be payable at any other place which may be provided for such payment by the appointment of any other Trustee as permitted by this Supplemental Resolution and the General Resolution. Interest on the Series 2012 Bonds shall be payable by check or draft of the Paying Agent, mailed or transmitted, respectively, to the Holders thereof as the same appear as of the Record date on the books of the Authority maintained by the Trustee. However, so long as the Series 2012 Bonds are held in book-entry form pursuant to Section 2.5 hereof, the provisions of Section 2.5 shall govern the payments and principal and Redemption Price, if any, of, and interest on, the Series 2012 Bonds.

6. The Bonds may be subject to mandatory, extraordinary or optional redemption as set forth in the Certificate of an Authorized Officer in accordance with Section 2.3(1) hereof in accordance with this Supplemental Resolution and General Resolution.

7. All other terms with respect to the Series 2012 Bonds shall be set forth in the General Resolution.

2.4. Execution and Authentication. The Series 2012 Bonds shall be executed in the name of the Authority by the manual or facsimile signature of the Chairperson or Vice Chairperson and the corporate seal of the Authority or a facsimile thereof shall be impressed or imprinted on each 2012 Bonds and attested by the manual or facsimile signature of the Secretary. The Series 2012 Bonds shall bear thereon a certificate of authentication, in the form set forth in this Supplemental Resolution, executed manually by the Trustee. Only such Series 2012 Bonds as shall thereon such certificate or authentication shall be entitled to any right or

benefit under this Supplemental Resolution and the General Resolution, and no Series 2012 Bond shall be valid or mandatory for any purpose until such certificate of authentication shall have been duly executed by and authorized Officer of the Trustee. Such certificate of the Trustee upon any Series 2012 Bond authenticated has been duly authenticated and delivered under this Supplemental Resolution and the General Resolution and that the Holder thereof is entitled to the benefits of this Supplemental Resolution and the General Resolution.

## **2.5    Book Entry System.**

1.     Except as provided in subparagraph 3 of Section 2.5, the registered holder of all of the Series 2012 Bonds shall be, and the Series 2012 Bonds shall be registered in the name of, Cede & Co., as nominee of DTC. Payment of semiannual interest for any Initial Bond shall be made by wire transfer to the account of Cede & Co. On the Interest Payment Date for the Series 2012 Bonds at the address indicated for Cede & Co., in the registry books of the Authority kept by the Applicable Trustee.

2.     The Series Bonds shall be issued initially in the form of a separate single fully registered Bond in the amount of each separate stated maturity of the Series 2012 Bonds. Upon initial issuance, the ownership of each such Series 2012 Bond shall be registered in the registry books of the Authority kept by the Applicable Trustee in the name of Cede & Co., as nominee of DTC. With respect to Series 2012 Bonds, registered in the registry books kept by the Applicable Trustee in the name of Cede & Co., as nominee of DTC, the Authority and any Fiduciary shall have no responsibility or obligation to any Participant or to any beneficial owner of such Series 2012 Bonds. Without limiting the immediately preceding sentence, the Authority and any Fiduciary shall have no responsibility or obligation with respect to (I) the accuracy of the records of DTC, Cede & Co. Or any participant with respect to any beneficial ownership interest in the Series 2012 Bonds, (ii) the delivery to any participant, any beneficial owner or any other person, other than DTC or any notice with respect to the Series 2012 Bonds, including any notice of redemption, or (iii) the payment to any participant, any beneficial owner or any other person, other than DTC, of any amount with respect to the principal or Redemption Price of, or interest on, the Series 2012 Bonds. The Authority and any Fiduciary may treat as, and deem DTC to be; the absolute owner of each 2012 Bond for the purpose of payment of the principal or Redemption Price of, and interest on, each such Series 2012 Bond, for the purpose of giving notice of redemption and other matters with respect to such Series 2012 Bonds, for the purpose of registering transfers with respect to such Series 2012 Bonds and for all purposes whatsoever. The Applicable Paying Agent shall pay all principal or Redemption Price of, and interest on, the Series 2012 Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to the principal or Redemption Price of, and interest on, the Series 2012 Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive a Series 2012 Bond evidencing the obligation of the Authority to make payments of principal or Redemption Price of and interest on, the Series 2012 Bond pursuant to this Bond Resolution. Upon delivery by DTC to the Applicable Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the transfer provisions hereof, the terms "Cede & Co." in this Bond

Resolution shall refer to such new nominee of DTC.

3. (a) DTC may determine to discontinue providing its services with respect to the Series 2002 Bonds at any time by giving written notice to the Authority and the Fiduciaries and discharging its responsibilities with respect thereto under applicable law.

(b) The Authority, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Series 2012 Bonds if the Authority determines, and shall terminate the services of DTC with respect to the Series 2012 Bonds upon receipt by the Authority and the Fiduciaries of written notice from DTC to the effect that DTC has received written notice from participants having interests, as shown in the records of DTC in an aggregate principal amount of not less than fifty percent (50%) of the aggregate principal amount of the then Outstanding Series 2012 Bonds to the effect that: (I) DTC is unable to discharge its responsibilities with respect to the Series 2012 Bonds be registered in the registrants books kept by the Applicable Trustee in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the Series 2012 Bonds.

(c) Upon the termination of the services of DTC with respect to the Series 2012 Bonds pursuant to subsection 2.5(3)(b) (ii) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Series 2012 Bonds pursuant to subsection 2.5(3)(a) or subsection 2.5(3)(b)(I) hereof, after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found, which, in the opinion of the Authority, is willing and able to undertake such functions upon reasonable and customary terms, the Series 2012 Bonds shall no longer be restricted to being registered in the registration books kept by the Applicable Trustee in the name of Cede & Co. As nominee of DTC, but may be registered in whatever name or names Bondholders transferring or exchanging Series 2012 Bonds shall designate, in accordance with the provisions of Article II hereof.

4. Notwithstanding any other provisions of this Bond Resolution to the contrary, as long as any Series 2012 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal or Redemption Price of, and interest on, such Series 2012 Bond and all notices with respect to such Series 2012 Bond shall be made and given, respectively, to DTC as provided in the representation letter of the Authority and the Applicable Trustee addressed to DTC with respect to the Series 2012 Bonds.

5. In connection with any notice or other communication to be provided to Bondholders pursuant to this Supplemental Resolution and the General Resolution by the Authority or the Trustee with respect to any consent or other action to be taken by Bondholders, the Authority or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

**ARTICLE III  
BOND FORM**

**3.01 Form of 2012 Bonds, Trustee's Authentication Certificate.** Subject to the provisions of this General Resolution, the form of the Refunding Bonds and any other Series of Bonds designated by this Supplemental Resolution, with any appropriate changes as set forth in any supplemental resolution and the Trustee's certificate of authentication shall be in substantially the following form:

**UNITED STATES OF AMERICA  
STATE OF NEW JERSEY  
COUNTY OF UNION**

No. R \_\_\_\_\_ \$ \_\_\_\_\_

**THE UNION COUNTY IMPROVEMENT AUTHORITY**

**REVENUE REFUNDING BONDS  
(CORRECTIONAL FACILITY PROJECT 2012)**

Interest Rate	Maturity Date	Dated Date	Cusip No.
_____ %	_____ 20__	_____ 2012	_____

**Registered Owner CEDE & Co.**

**Principal Sum:** \_\_\_\_\_ (\$ \_\_\_\_\_) ..... Dollars

THE UNION COUNTY IMPROVEMENT AUTHORITY (the "Authority"), a public body corporate and politic created and existing under the laws of the State of New Jersey (the "State"), including the county improvement authorities law, constituting chapter 183 of the Pamphlet Laws of 1960 of the State, as amended and supplemented (the "Act"), acknowledges itself indebted to, and for value received hereby promises to pay to, the Registered Owner stated hereon or registered assigns, on the Maturity Date stated hereon, but solely from the funds pledged therefor, upon presentation and surrender of this bond at the principal corporate trust office of such bank and any successors thereto being herein called the "Trustee" and "Paying Agent"), the Principal Sum stated hereon in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and to pay from such pledged funds on \_\_\_\_\_ and \_\_\_\_\_ in each year, commencing \_\_\_\_\_, until the Authority's obligation with respect to the payment of such Principal Sum shall be discharged to the Registered Owner hereof, interest from the Dated Date stated hereon on such Principal Sum by check or draft of the Paying Agent mailed to such Registered Owner who shall appear as of the fifteenth (15th) day (whether or not such day shall be a Business Day) of the month preceding the month in which such interest payment date occurs on the books of the Authority maintained by the Trustee. However, so long as the Bonds (as hereinafter defined) are held in book entry form pursuant to the Bond Resolution (as hereinafter defined), the provisions of the Bond Resolution governing such book entry form shall govern repayment of principal or Redemption Price and interest of the Bonds.

The terms and provisions of this bond and definitions of certain terms used herein may be continued on these following pages of this bond and such continued terms and provisions and definitions shall for all purposes have the same effect as though fully set forth on the first page of this bond.

This bond is one of a duly authorized Series of Bonds of the Authority designated "Revenue Refunding Bonds (Correctional Facility Project, Series 2012, in the aggregate principal amount of not to exceed \$5,000,000 issued under and in full compliance with the Constitution and statutes of the State, including the Act, and under and pursuant to a resolution authorizing the Series 2012 Bonds adopted by the Board of the Authority on April 2, 1987 entitled "RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE BONDS (CORRECTIONAL FACILITY PROJECT) OF THE UNION COUNTY IMPROVEMENT AUTHORITY" as amended on as amended and supplemented on May 14, 1987, June 25, 1987, October 30, 1991, January 8, 1992, April 24, 2002 and May 14, 2003 (collectively the "General Resolution"), as further supplemented and amended by a resolution adopted on April \_\_, 2012, entitled "Supplemental Resolution Authorizing the Issuance of Revenue Refunding Bonds (Correctional Facility Project, Series 2012)" and amended and supplemented by the "Supplemental Certificate of an Authorized Officer of the Authority pursuant to Section 2.3(1) of the Resolution" dated April 26, 2012 (together with any further amendments thereof or supplements therefor herein collectively called the "Bond Resolution").

All capitalized terms not defined herein or in the attachments hereto shall have the meanings set forth in the Bond Resolution as if fully set forth herein.

As provided in the Bond Resolution, the Bonds, and all other Bonds issued on a parity with the Bonds under the Bond Resolution (herein collectively called the "Bonds"), are direct and special obligations of the Authority payable solely from and secured as payment of the principal or Redemption Price and interest thereon, in accordance with their terms and the provisions of the Bond Resolution solely by the Trust Estate, subject only to the provisions of the Bond Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Bond Resolution.

Copies of the Bond Resolution are on file at the office of the Authority and at the above mentioned office of the Trustee, and reference is hereby made to the Act and to the Bond Resolution including any and all supplements thereto and modifications and amendments thereof for a description of the pledge and assignment and covenants securing the Bonds, the nature, extent and manner of enforcement or such pledge, the rights and remedies of the holders of the Bonds with respect thereto, the terms and conditions upon which the Bonds are issued and may be issued thereunder, the terms and provisions upon which this bond shall cease to be entitled to any lien, benefit or security under the Bond Resolution and for the other terms and provisions thereof. All duties, covenants, agreements and obligations of the Authority under the Bond Resolution may be discharged and satisfied at or prior to the maturity or redemption of this bond if moneys or certain specified securities shall have been deposited with the Trustee.

As provided in the Bond Resolution, Bonds may be issued from time to time pursuant to Supplemental Resolutions in one or more Series, in various principal amounts, may mature at

different times, may bear interest at different rates and may otherwise vary as in the Bond Resolution provided. The aggregate principal amount of Bonds which may be issued under the Bond Resolution is not limited, and all Bonds issued and to be issued under the Bond Resolution are and will be equally secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in the Bond Resolution.

To the extent and in the manner permitted by the terms of the Bond Resolution, the provisions of the Bond Resolution, including any resolution amendatory thereof or supplemental thereto, may be modified or amended by the Authority, (i) without the consent of the Bondholders as provided in the Bond Resolution or (ii) with the written consent of the holders of at least two-thirds (2/3) in principal amount of the Bonds Outstanding under the Bond Resolution at the time such consent is given, and, in case less than all of the several Series of Bonds then Outstanding are affected thereby, two-thirds (2/3) in principal amount of the Bonds so affected and outstanding; provided, however, that, if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series and maturity remain outstanding under the Bond Resolution, the consent of the holders of such Bonds shall not be required and such Bonds shall not be deemed to be outstanding for the purpose of the calculation of outstanding Bonds. No such modification or amendment shall permit a change in the terms of redemption (including Sinking Fund Installments) or maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or Redemption Price thereof or in the rate of interest thereon without the consent of the holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds, the consent of the holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Trustee or of the Paying Agent without its written assent thereto.

This bond is transferable, as provided in the Bond Resolution, only upon the books of the Authority kept for that purpose at the above mentioned office of the Trustee, as bond registrar, by the Registered Owner hereof in person, or by such Registered Owner's attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer satisfactory to the Trustee, as bond registrar, duly executed by the Registered Owner or such Registered Owner's duly authorized attorney, and thereupon a new fully registered bond or Bonds in the same aggregate principal amounts, shall be issued to the transferee in exchange therefor as provided in the Bond Resolution, and upon payment of the charges therein prescribed. The Authority, the Trustee and the Paying Agent may deem and treat the Registered Owner as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or Redemption Price of, and interest due hereon, and for all other purposes.

The Bonds shall be subject to redemption prior to their stated maturities thereof in accordance with the terms of the Bond Resolution.

The Bonds are payable upon redemption at the above mentioned office of the Paying Agent. Notice of redemption, setting forth the place of payment, shall be mailed by the Trustee, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the redemption date, to the registered owner of any Bonds or portions of Bonds which are to be redeemed, at their last addresses, if any, appearing upon the registry books, all in the manner and upon the terms and

conditions set forth in the Bond Resolution. If notice of redemption shall have been mailed as aforesaid, the Bonds or portions thereof specified in said notice shall become due and payable on the redemption date therein fixed, and if, on the redemption date, moneys for the redemption of all the Bonds and portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date then from and after the redemption date interest on such Bonds or portions thereof so called for redemption shall cease to accrue and be payable. Failure of the registered owner of any Bonds which are to be redeemed to receive any such notice shall not affect the validity of the proceedings for the redemption of Bonds.

The principal or Redemption Price and interest of the Bonds are payable by the Authority solely from the Trust Estate and neither the State, the County, the City (except to the extent of payments under the Lease, which shall not secure the payment of any redemption premium), nor any political subdivision thereof, other than the Authority (but solely to the extent of the Trust Estate), is obligated to pay the principal or Redemption Price, if any or interest of this bond and the issue of which it is one and neither the full faith and credit nor the taxing power of the State, the County or any political subdivision thereof, including the Authority (which has no taxing power) is pledged to the payment of the principal or Redemption Price of, or interest on, this bond or the issue of which it is one.

It is hereby certified and recited that all conditions, acts and things required by law and the Bond Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this bond exist, have happened and have been performed and that the Series of Bonds of which this is one, together with all other indebtedness of the Authority, complies in all respects with the laws of the State, including, particularly, the Act.

This bond shall not be entitled to any benefit under the Bond Resolution nor be valid or become obligatory for any purpose until this bond shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

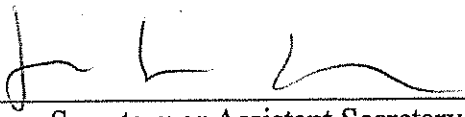


IN WITNESS WHEREOF, The Union County Improvement Authority has caused this bond to be executed in its name and on behalf by the manual or facsimile signature of its Chairman or Vice Chairman, and its seal to be impressed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual or facsimile signature of its Secretary or Assistant Secretary, all as of the date hereof.

THE UNION COUNTY IMPROVEMENT AUTHORITY

By: \_\_\_\_\_  
Chairman or Vice Chairman

(SEAL)  
Attest:

By:  \_\_\_\_\_  
Secretary or Assistant Secretary

FORM OF CERTIFICATE OF AUTHENTICATION ON SERIES 2012  
BONDS  
TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2012 issued pursuant to the within mentioned Bond Resolution.

\_\_\_\_\_  
as Trustee  
Bonds delivered

BY: \_\_\_\_\_  
Authorized Signatory

The following abbreviations, when used in the inscription on this bond, shall be construed as though they were written out in full according to laws or regulations (additional abbreviations may also be used not in the following list)

- as tenants in common
- as tenant by the
- entireties (Oust)

as joint tenants with right or survivorship and not as tenants in common

UNIF GIFT MIN ACT

\_\_\_\_ Custodian \_\_\_\_\_

(Minor)

under Uniform Gifts to

Minor Act

(State)

ASSIGNMENT

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF  
ASSIGNEE (FOR COMPUTER RECORD ONLY): \_\_\_\_\_

FOR VALUE RECEIVED The undersigned hereby sells, assigns and transfers unto

(Please Print or Typewrite Name and Address of Transferee)

the within bond, and all rights thereunder and hereby irrevocably constitutes and appoints  
Attorney, to transfer the within bond on the books kept for the registration thereof, with full  
power of substitution in the premises.

Dated:

\_\_\_\_\_  
Signature Guaranty:

NOTICE: Signature(s) • must be guaranteed by an approved eligible guarantor institution which is  
a City in a Securities Transfer Association

NOTICE: The signature of this Assignment must correspond with the name that appears upon the  
first page of the within bond in every particular, without alteration or enlargement or any change  
whatsoever.

## ARTICLE IV GENERAL COVENANTS

4.1 Payment of Bonds: Special Obligations of Authority. The Authority shall pay or cause to be paid the principal or Redemption Price, if any, and interest of the Series 2012 Bonds on the date, at the place and in the manner provided in this Supplemental Resolution and in the Series 2012 Bonds, according to the true intent and meaning thereof; provided, however, that the Series 20102 Bonds are special obligations of the Authority, the principal or Redemption Price of and interest on which are payable solely from the Trust Estate. The Series 2012 Bonds shall not be payable from the general fund of the Authority and shall not constitute a legal or equitable pledge of, or lien or encumbrance upon, any of the assets or property of the Authority (other than the Trust Estate) or upon any of its income, receipts or revenues, except as provided in the General Resolution and this Supplemental Resolution. The full faith and credit of the Authority are not pledged, either expressly or by implication, to the payment of the Series 2012 Bonds. The Authority has no taxing power and has no claim on any revenues or receipts of the State or the County (except as expressly provided in the Agreement regarding Lease Payments) or any agency or political subdivision thereof.

4.2 Observance and Performance of Duties, Covenants, Obligations and Agreements: Representations as to Authorization and Validity of the Series 2012 Bonds. The Authority shall faithfully observe and perform at all times all of its duties, covenants, obligations and agreements contained in the General Resolution and this Supplemental Resolution or in any Series 2012 Bonds executed, authenticated and delivered under this Supplemental Resolution or in any proceedings of the Authority pertaining thereto. The Authority represents and covenants that: (i) it is duly authorized under the Constitution and laws of the State, particularly the Act, to issue the Series 2012 Bonds, to pledge the Trust Estate in the manner and to the extent set forth in this General Resolution and this Supplemental Resolution; (ii) all action on its part for the issuance of the Series 2012 Bonds will be duly and effectively taken; and (iii) the Series 2012 Bonds in the hands of the Holders thereof will be valid and binding special obligations of the Authority enforceable according to their terms.

4.3 Further Assurance. The Authority will pass, make, do, execute, acknowledge and deliver any and all such further resolutions, indentures, actions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Supplemental Resolution and for the better assuring and confirming unto the Holders of the Series 2012 Bonds the rights and benefits provided in the General Resolution and this Supplemental Resolution.

### 4.4 Tax Covenants.

1. In connection with the issuance of the Series 2012 Bonds an Authorized Officer of the Authority is hereby authorized to execute on behalf of the Authority (i) the Tax Certificate and (ii) any similar documents relating to the characterization of the Series 2012 Bonds are not being "arbitrage bonds" within the meaning of Sections 103(a) (2) and 148 of the Code.

2. The Authority will make no use of the proceeds of the Series 2012 Bonds which would cause the Series 2012 Bonds to be arbitrage bonds within the meaning of Section 148(a) of the Code; and the Authority will direct the Trustee and all officers having custody or control of the proceeds of the Series 2012 Bonds, throughout the term of the Bonds, to comply with applicable requirements of Section 148(a) of the Code and Treasury Regulations §1.148-1 through §1.148-10, to extent applicable to the Series 2012 Bonds, so that none of the Series 2012 Bonds will be or become an arbitrage bond; provided that the Trustee, in following the directions of the Authority, shall have no responsibility to determine whether such investment is in violation of such regulations

3. The Authority covenants that it shall require that neither the County, or any member of the same controlled group (within the meaning of the Treasury Regulations §1.150-1(e)) as the County, shall purchase the Series 2012 Bonds pursuant to an arrangement, formal or informal, in an amount related to the amount of the obligations acquired under the program from such persons by the Authority.

4. In order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2012 Bonds, the Authority shall comply with the provisions of the Code applicable to the Series 2012 Bonds, including without limitation the provisions of the Code relating to computation of the yield on investments of the Gross Proceeds (as defined in the Letter of Instructions) of the Series 2012 Bonds, reporting of earnings on the Gross Proceeds of the Series 2012 Bonds, and rebate of excess earnings to the Department of the Treasury of the United States of America. In furtherance of the foregoing, the Authority shall comply with the Letter of Instructions, to be delivered by Bond Counsel at the time the Bonds are issued, as to compliance with the Code with respect to the Series 2012 Bonds, as such letter may be amended from time to time, as a source of guidance for compliance with the Code.

5. The Authority shall not take or permit any action or fail to take any action which would cause the interest on the Series 2012 Bonds to lose the exclusion from gross income for federal income tax purposes under Section 103 of the Code or cause the interest on the Series 2012 Bonds to be treated as an item of tax preference under Section 57 of the Code.

6. Notwithstanding any other provision of the General Resolution or this Supplemental Resolution to the contrary, the covenants contained in this Section shall survive the payment of the Series 2012 Bonds and the interest thereon, as long as necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2012 Bonds.

## ARTICLE V MISCELLANEOUS

5.1 Preliminary Official Statement. (a). The Chairperson of the Authority is hereby authorized to execute a certificate addressed to the underwriters of the Series Bonds stating that the preliminary official statement to be prepared by the Authority with respect to the Series 2012 Bonds is "deemed final" as of its date within the meaning of Rule 15c2-12 of the Securities and Exchange Commission.

(b) The Preliminary Official Statement to be prepared in connection with the Series 2012 Bonds is hereby authorized, subject to review and approval of the final form thereof by the Chairperson and/or Executive Director of the Authority and the distribution of the Preliminary Official Statement in connection with the pricing of the Series 2012 Bonds is hereby authorized. The Chairperson, Executive Director and/or such other appropriate officials of the Authority as necessary or hereby authorized to prepare the final Official Statement in connection with the issuance of the Series 2012 Bonds in substantially the form in conjunction herewith or with such other changes as approved by Bond Counsel and the Chairperson, Executive Director and/or such other appropriate officials of the Authority, to be used by the Underwriter in connection with the sale of the bonds. The Chairperson, Executive Director and/or such other appropriate officials of the Authority are authorized to execute any certificates necessary in connection with the distribution of the Official Statement,.

5.2 The Chairperson, Executive Director and/or such other appropriate officials of the Authority are hereby authorized and directed to do any and all acts, and to make, execute and deliver any and all certificates, documents, and instruments, deemed necessary or useful and convenient by the, subject to the advice of Bond Counsel to the Authority, in furtherance of the issuance of the Series 2012 Bonds and the uses of the proceeds thereof and other related transactions.

5.3 Underwrite and Purchase Agreement. The Series 2012 Bonds are hereby authorized to be sold to NW Capital Markets, Inc., as the Underwriter (the "Underwriter") at the purchase price to be stated in Contract of Purchase (the "Purchase Contract"), which shall not exceed \$5,000,000 plus accrued interest, and at an interest rate not to exceed 5.00%. The Chairperson and/or Executive Director are hereby authorized to execute the Purchase Agreement in accordance with the terms of this Supplemental Resolution.

5.4 Trustee/Paying Agent/Registrar/Escrow Agent. The Authority shall appoint the Trustee, Paying Agent, Registrar, and Escrow Agent by separate resolution of the Authority.

5.5 Severability of Invalid Provisions. If any one or more of the provisions contained in this Supplemental Resolution or in the Series 2012 Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Supplemental Resolution or in the Series 2012 Bonds and such invalidity, illegality or enforceability shall not affect any other provision of this Supplemental Resolution, and this Supplemental Resolution shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority hereby declares that it would have entered into this Supplemental Resolution and each and every section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Series 2012 Bonds pursuant thereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses or phrases of this Supplemental Resolution may be held illegal, invalid or unenforceable.

5.6 Effective Date. This Supplemental Resolution shall take effect immediately upon adoption.

The foregoing resolution was adopted by the following roll call vote:

**Recorded Vote**

NAMES	AYE	NO	ABSTAIN	ABSENT
Anthony R. Scutari, Chairperson	✓			
Carolyn Vollero, V. Chairperson	✓			
John Salerno, Secretary	✓			
Joseph W. Miskiewicz, Treasurer				✓
Walter Boright, Member				✓
Sebastian D'Elia, Member	✓			
Linda Hines, Member				✓
Samuel T. McGhee, Member				✓
Cherron Rountree, Member	✓			

**CERTIFICATION**

I, JOHN SALERNO, Secretary of the Union County Improvement Authority, HEREBY CERTIFY that the foregoing **SUPPLEMENTAL RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY AUTHORIZING THE ISSUANCE OF REVENUE BONDS (CORRECTIONAL FACILITY PROJECT, SERIES 2012)** is a true copy of a resolution adopted by the governing body of the Authority on April 26, 2012.

**UNION COUNTY IMPROVEMENT AUTHORITY**

By:   
JOHN SALERNO, Secretary

Dated: April 26, 2012  
[SEAL]

**RESOLUTION NO. 41-2012**

Member Vollero introduced and moved the adoption of the following resolution and Member Salerno seconded the motion:

**SUPPLEMENTAL RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY AUTHORIZING THE ISSUANCE OF COUNTY OF UNION GENERAL OBLIGATION LEASE REVENUE REFUNDING BONDS, SERIES 2012 (JUVENILE DETENTION CENTER FACILITY PROJECT) AND ADDITIONAL BONDS OF THE UNION COUNTY IMPROVEMENT AUTHORITY**

**WHEREAS**, the UNION COUNTY IMPROVEMENT AUTHORITY (together with any successor thereto, the "Authority") has been duly created by an ordinance of the Board of Chosen Freeholders (together with any successor legislative body, the "Board of Freeholders") of the County of Union, State of New Jersey (together with any successor thereto, the "County") duly adopted as a public body corporate and politic of the State of New Jersey (the "State") pursuant to and in accordance with the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, and the acts amendatory thereof and supplemental thereto (the "Act"); and

**WHEREAS**, the Authority is authorized by law, specifically Section 11 of the Act (N.J.S.A. 40:37A-54(a)), to provide public facilities for the use of the County, including, without limitation, the provision for the acquisition of land (the "Property") for and the construction of a juvenile detention center facility (the "Juvenile Detention Center Facility") located in the City of Linden, New Jersey; and

**WHEREAS**, pursuant to the Act, specifically Section 35 thereof (N.J.S.A. 40:37A-78), the Authority is authorized to enter into and perform any lease or other agreement with the County for the lease to or use by the County of all or any part of any public facility or facilities as determined in Section 11 of the Act (N.J.S.A. 40:37A-54); and

**WHEREAS**, the Authority financed the acquisition of the Property and the construction of the Juvenile Detention Center Facility (collectively, the "Initial Project") through the issuance of its County of Union General Obligation Lease Revenue Bonds, Series 2004 (Juvenile Detention Center Facility Project) (the "Series 2004 Bonds"); and

**WHEREAS**, the Authority acquired the Property from the owners thereof; and

**WHEREAS**, in accordance with N.J.S.A. 40:37A-78, the Authority leased the Initial Project to the County pursuant to the terms of that certain "Lease Purchase Agreement (Juvenile Detention Center Facility Project)" dated as of the first day of the month of issuance of the Series 2004 Bonds between the Authority, as lessor, and the County, as lessee (the "Lease Agreement"); and

**WHEREAS**, during the term of the Lease Agreement, title to the Initial Project resides with the Authority; and

**WHEREAS**, immediately prior to the expiration of the terms of the Lease Agreement, the County will purchase all of the Authority's right, title and interest in and to the Initial Project for a nominal fee; and

**WHEREAS**, the County and the Authority entered into that certain Interlocal Services Agreement dated December 22, 2003 (the "Interlocal Services Agreement") which sets forth certain duties of the County and the Authority with respect to, among other things, the development, financing and implementation of the Initial Project; and

**WHEREAS**, the Series 2004 Bonds were issued pursuant to the terms of the Act, other applicable law and this "Resolution Authorizing the Issuance of County of Union General Obligation Lease Revenue Bonds, Series 2004 (Juvenile Detention Center Facility Project) and Additional Bonds of the Union County Improvement Authority", as amended and supplemented, including specifically as shall be supplemented and amended by a Certificate of the Executive Director in accordance with Section 2.02(1)(e) hereof (the "Bond Resolution"); and

**WHEREAS**, the proceeds of the Series 2004 Bonds were applied to, inter alia, the payment of the (a) costs of the acquisition of the Property, including reimbursing the County for any amount previously loaned to the Authority in connection therewith, (b) costs of the demolition of existing structures on the Property, (c) costs of the construction of the Juvenile Detention Center Facility, (d) costs of issuing the Series 2004 Bonds, (e) capitalized interest on the Series 2004 Bonds and (f) any other costs set forth in this Bond Resolution; and

**WHEREAS**, the principal of, redemption premium, if any, and the interest on the Series 2004 Bonds are secured by general obligation lease payments of the County under the Lease Agreement in scheduled lease payment amounts sufficient to pay in a timely manner the principal and redemption premium, if any, of and the interest on the Series 2004 Bonds, pursuant to the terms of which Lease Agreement the County shall be obligated, if necessary, to make such lease payments from the levy of ad valorem taxes upon all of the taxable property within the County, without limitation as to rate or amount; and

**WHEREAS**, pursuant to the terms of the Lease Agreement, the County entered into that certain "Continuing Disclosure Agreement (Juvenile Detention Center Facility Project)" with the Authority and the bond trustee to be appointed by the Authority (the "Bond Trustee") dated as of the first day of the month of issuance of the Series 2004 Bonds (the "Continuing Disclosure Agreement") in order to satisfy the secondary market disclosure requirements of Rule 15c2-12 ("Rule 15c-12") promulgated by the Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended and supplemented; and

**WHEREAS**, in accordance with Section 13 of the Act (N.J.S.A. 40:37A-56), prior to the issuance of the Series 2004 Bonds the Authority made a detailed report of the Initial Project and the financing to the Board of Freeholders, which report included, without limitation, the Bond Resolution, the Series 2004 Bonds, the Lease Agreement, and the Continuing Disclosure Agreement (collectively, the "Financing Documents"); and

**WHEREAS**, in view of certain market conditions, the County has request that the Authority restructure and refinance the debt service to provide for certain savings; and

**WHEREAS**, the Authority is desirous of assisting in the refinancing of the Series 2004 Bonds, to the extent permitted by law; and



**WHEREAS**, the Authority expects to obtain funds to assist in the refunding of the Series 2004 Bonds (the "Refunded Bonds") through the issuance of its Series 2012 Bonds in an amount not to exceed \$24,690,000 **GENERAL OBLIGATION LEASE REVENUE REFUNDING BONDS, SERIES 2012 (JUVENILE DETENTION CENTER FACILITY PROJECT)** (the "Refunding Bonds") issued pursuant to a Bond Resolution to be adopted by the Authority entitled **"SUPPLEMENTAL RESOLUTION AUTHORIZING THE ISSUANCE OF COUNTY OF UNION GENERAL OBLIGATION LEASE REVENUE REFUNDING BONDS, SERIES 2012 (JUVENILE DETENTION CENTER FACILITY PROJECT) AND ADDITIONAL BONDS OF THE UNION COUNTY IMPROVEMENT AUTHORITY"** (the "Supplemental Bond Resolution"); and

**WHEREAS**, in accordance with Section 13 ("Section 13") of the Act (N.J.S.A. 40:37A-56), prior to the issuance of the Bonds, the Authority shall make a detailed report with respect to such financing to the Board of Chosen Freeholders of the County, which report shall include copies or a description of, without limitation, the various financing documents; and

**WHEREAS**, in accordance with N.J.S.A 40A:5A-6 the Authority shall make application, on behalf of the Authority and the County, to the Local Finance Board in the Division of Local Government Services of the Department of Community Affairs of the State (the "Local Finance Board") for the Local Finance Board's review of the financing, including, *inter alia*, the Supplemental Bond Resolution, the Supplemental Lease Agreement, and Continuing Disclosure Agreements (the "Financing Documents"); and

**WHEREAS**, the Authority believes: (a) it is in the public interest to accomplish such purpose; (b) said purpose is for the health, welfare, convenience or betterment of the inhabitants of the County; (c) the amounts to be expended for said purpose are not unreasonable or exorbitant; and (d) the proposal is an efficient and feasible means of providing services for the needs of the inhabitants of the County and will not create an undue financial burden to be placed upon the Authority or the County.

**NOW THEREFORE, BE IT RESOLVED** by the Authority as follows:

## **ARTICLE I DEFINITIONS**

**1.01.** All terms defined in Section 1.01 of the Bond Resolution of the Union County Improvement Authority authorizing the issuance of its General Obligation Lease Revenue Bonds, Series 2004 (Juvenile Detention Center Facility Project) adopted by the members of the Authority on August 4, 2004, as amended by a certificate of the Executive Director of the Authority dated December 29, 2004; a supplemental bond resolution of the Authority adopted July 20, 2005, as amended by a certificate of the Executive Director of the Authority dated September 20, 2005 (the "General Resolution"), shall have the same meanings in this Supplemental Resolution as such terms are given in the General Resolution, unless the context shall otherwise require, the following terms shall have the following meaning in this Supplemental Bond Resolution:

Terms used in this Supplemental Bond Resolution and not otherwise defined herein or in the General Resolution shall have the meaning assigned to them in the Lease Agreement, as amended and supplemented.

1. The following terms set forth in this Supplemental Bond Resolution shall have the meanings specified in the recitals hereto:

- Act
- Authority
- Board of Freeholders
- Bond Resolution
- Continuing Disclosure Agreement
- County
- Financing Documents
- Initial Bonds
- Initial Project
- Interlocal Services Agreement
- Juvenile Detention Center Facility
- Lease Agreement
- Local Finance Board
- Project
- Property
- Rule 15c2-12
- Refunded Bonds
- Refunding Bonds
- SEC
- Section 13
- Series 2004 Bonds
- Series 2012 Bonds
- State
- Supplemental Bond Resolution
- Supplemental Lease Agreement

2. In addition, as used in this Supplemental Bond Resolution, unless the context requires otherwise, the following terms shall have the following meanings:

"Administrative Fee" shall mean, (i) for the Initial Bonds, (a) \$50,000 initial administrative fee payable at closing plus (b) for the Initial Bonds only, .00125 of the par amount of the Initial Bonds, payable to the Authority from a portion of the proceeds of the Initial Bonds that have been deposited in the Costs of Issuance Account of the Administrative Fund pursuant to Section 2.03 hereof to pay the Initial Administrative Fee, plus the Administrative Fee for the first Bond Year, (c) for all Bond Years thereafter, a sum of money equal to .00125 of the Outstanding Series 2012 Bonds calculated on an annual basis, with a minimum annual fee of not less than \$2,500 payable by the County to the Trustee on the Lease Payment date immediately preceding the first day of any payment, and (ii) for all Bonds other than the Initial Bonds, a sum of money as determined by any supplemental resolution.

"Initial Administrative Fee" shall mean the sum payable at closing as shall be determined and set forth in a Certificate of the Executive Director.

"Series 2012 Bonds" shall mean the Additional Bonds of the Authority of one or more Series designation authorized by this Supplemental Resolution and herein designated "General Obligation Lease Revenue Refunding Bonds, Series 2012[ ] (Juvenile Detention Center Facility Project)" however the Authority may in its digression change the Series year designation to reflect the year of issuance if other than 2012.

"Series [ ] Bonds" shall mean the Series 2012[ ] Bonds and any other Series of Additional Bonds authorized and issued pursuant to Section 2.04 hereof and secured by the Trust Estate.

**1.02. Rules of Interpretation.** For all purposes of this Supplemental Bond Resolution, except as otherwise expressly provided or unless the context otherwise requires:

(a) "This Supplemental Bond Resolution" means this instrument as originally adopted and as it may be supplemented, modified or amended from time to time by any supplemental Resolution or the Certificate of an authorized officer of the Authority executed and delivery pursuant to Section 2.02(1) (e) of the General Resolution, unless in the case of any one or more supplemental Resolutions the context requires otherwise.

(b) The words "herein", "hereof", "hereunder" and "herewith" and other words of similar import refer to this Supplemental Bond Resolution as a whole and not to any particular Article, Section or other subdivision hereof.

(c) The terms defined in this Supplemental Bond Resolution include the plural as well as the singular.

(d) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(e) The table of contents and the headings or captions used in this Supplemental Bond Resolution are for convenience of reference only and shall not define, limit or prescribe any of the provisions hereof or the scope or intent hereof.

**1.03. Authority for this Bond Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Act and the General Resolution.

## ARTICLE II AUTHORIZATION AND ISSUANCE OF REFUNDING BONDS

### 2.1 Authorization for Series 2012 Bonds; Principal Amount, Designation and Series.

The Series 2012 Bonds are authorized to be issued pursuant to the provisions of the Act, the General Resolution and this Supplemental Bond Resolution. The Series 2012 shall be issued, in one or more series, in an aggregate principal amount not exceeding \$24,690,000 and shall be designated "General Obligation Lease Revenue Refunding Bonds, Series 201[2][ ] (Juvenile Detention Center Facility Project)" with such further series designation as appropriate..

2.2 Purposes. The Series 2012 Bonds shall be issued for the purposes of providing funds (A) to pay interest on the Refunded Bonds payable on the Interest Payment Dates subsequent to the issuance of the Series 2012 Bonds until redemption and to refund the principal amount of the Refunded Bonds maturing on or after May 1, 2016 at the redemption price of 100% of the principal amount thereof, (B) to pay all or a portion of the costs and expenses incurred by the Authority in connection with the issuance of the Series 2012 Bonds and ( C) to pay accrued interest, if any, on the Series 2012 Bonds from their dated date to their date of issuance. The proceeds of the Series 2012 Bonds shall be applied for the purposes stated in the preceding sentence in accordance with the terms of the General Resolution and this Supplemental Bond Resolution.

### 2.3 Terms of the Series 2012 Bonds.

1. The Series 2012 Bonds shall be issued upon the terms and conditions and in the manner provided by the General Resolution, this Supplemental Bond Resolution and a Certificate of an Authorized Officer of the Authority setting forth: (i) the authorized principal amount of the Series 2012 Bonds; (ii) the purposes for which such Series 2012 Bonds are being issued, which shall be one of the purposes set forth in this Supplemental Bond Resolution and the General Resolution; (iii) the date and the maturity date or dates of the Series 2012 Bonds, provided that each maturity date shall fall upon either the first or fifteenth day of a month as determined in such certificate; (iv) the interest rate or rates of the Series 2012 Bonds and the initial Interest Payment Date therefor, provided that the interest rate or rate of the Series 2012 Bonds shall be identical for all such Series 2012 Bonds of like maturity; (v) the denomination of, and the manner of dating, numbering and lettering, the series 2012 Bonds, provided that such Series 2012 Bonds shall be in denominations of \$5,000 or any integral multiple thereof; (vi) the Paying Agent or Paying Agents and the place of places of payment of the principal and Redemption Price, if any, of, and interest on, the Series 2012 Bonds, (vii) the Redemption Price or Prices, if any, and, subject to the provisions of this Supplemental Resolution, the redemption terms for the Series 2012 Bonds; (viii) the form of Series 2012 Bonds and of the Trustee's certificate of authentication, which shall be substantially in the form set forth herein with such variations, insertions or omissions as are appropriate and not inconsistent therewith; (ix) the provisions for the application of proceeds of the Series 2012 Bonds; and (x) upon the advice of the Authority's counsel and professional advisors and subject to the parameters set forth herein and the terms set forth in the Authority's application to the Local Finance Board filed with the Division of Local Government Services of the Department of Community affairs dated March 21, 2012 with respect to the Series 2012 Bonds, the addition to, deletion from or modification of any provision of this Supplemental Bond Resolution, as originally adopted on April 26, 2012, and the General Resolution, the contents of which certificate may be incorporated in this Supplemental Bond Resolution and the General Resolut8oin without the compliance with any

other provision herein or in the General Resolution. The Authorized Officer executing any such certificate shall report the substance of such certificate to the Authority at the Authority's next public meeting; provided, however, that the terms of such Supplemental Bond Resolution or Certificate of an Authorized Officer shall be consistent with the provisions of the General Resolution, as supplemented and amended by this Supplemental Bond Resolution.

2. The Series 2012 Bonds shall be dated, and shall bear interest from the dated date thereof, on the basis of a 360 day year consisting of twelve 30-day months, and shall be payable as to principal and interest semiannually as set forth in the Certificate of an Authorized Officer in accordance with Section 2.3(1) hereof

3. The Series 2012 Bonds shall bear interest at the rates per annum set forth in the Certificate of an Authorized Officer in accordance with Section 2.3(1) hereof, provided that the interest rate on the Series 2012 Bonds shall not exceed seven per centum (7%) per annum.

4. The Series 2012 Bonds shall be issued in the denomination of \$5,000 or any integral multiples of \$5,000. Unless the Authority shall otherwise direct, the Series 2012 Bonds shall be lettered and numbered from one upward in order of maturities preceded by the letter R and such other letter determined by the Trustee prefixed to the number. Subject to the provisions of this Supplemental Bond Resolution and the General Resolution, the form of the Series 2012 Bonds and the Trustee's certificate or authentication shall be substantially in the form set forth in this Supplemental Bond Resolution and the General Resolution.

5. The principal and Redemption Price of the Series 2012 Bonds shall be payable at the principal corporate trust office of the Trustee appointed pursuant to this Supplemental Bond Resolution, or a subsequent resolution of the Authority. The principal and Redemption Price of all Series 2012 Bonds shall also be payable at any other place which may be provided for such payment by the appointment of any other Trustee as permitted by this Supplemental Bond Resolution and the General Resolution. Interest on the Series 2012 Bonds shall be payable by check or draft of the Paying Agent, mailed or transmitted, respectively, to the Holders thereof as the same appear as of the Record date on the books of the Authority maintained by the Trustee. However, so long as the Series 2012 Bonds are held in book-entry form pursuant to Section 2.5 hereof, the provisions of Section 2.5 shall govern the payments and principal and Redemption Price, if any, of, and interest on, the Series 2012 Bonds.

6. The Bonds may be subject to mandatory, extraordinary or optional redemption as set forth in the Certificate of an Authorized Officer in accordance with Section 2.3(1) hereof in accordance with this Supplemental Bond Resolution and General Resolution.

7. All other terms with respect to the Series 2012 Bonds shall be set forth in the General Resolution.

**2.4. Execution and Authentication.** The Series 2012 Bonds shall be executed in the name of the Authority by the manual or facsimile signature of the Chairperson or Vice Chairperson and the corporate seal of the Authority or a facsimile thereof shall be impressed or imprinted on each Series 2012 Bonds and attested by the manual or facsimile signature of the Secretary. The Series 2012 Bonds shall bear thereon a certificate of authentication, in the form set forth in this Supplemental Resolution, executed manually by the Trustee. Only such Series 2012 Bonds as shall thereon such certificate or authentication shall be entitled to any right or benefit under this Supplemental Bond Resolution and the General Resolution, and no Series

2012 Bond shall be valid or mandatory for any purpose until such certificate of authentication shall have been duly executed by and authorized Officer of the Trustee. Such certificate of the Trustee upon any Series 2012 Bond authenticated has been duly authenticated and delivered under this Supplemental Bond Resolution and the General Resolution and that the Holder thereof is entitled to the benefits of this Supplemental Bond Resolution and the General Resolution.

## 2.5 Book Entry System.

1. Except as provided in subparagraph 3 of Section 2.5, the registered holder of all of the Series 2012 Bonds shall be, and the Series 2012 Bonds shall be registered in the name of, Cede & Co., as nominee of DTC. Payment of semiannual interest for any Initial Bond shall be made by wire transfer to the account of Cede & Co. On the Interest Payment Date for the Series 2012 Bonds at the address indicated for Cede & Co., in the registry books of the Authority kept by the Applicable Trustee.

2. The Series Bonds shall be issued initially in the form of a separate single fully registered Bond in the amount of each separate stated maturity of the Series 2012 Bonds. Upon initial issuance, the ownership of each such Series 2012 Bond shall be registered in the registry books of the Authority kept by the Applicable Trustee in the name of Cede & Co., as nominee of DTC. With respect to Series 2012 Bonds, registered in the registry books kept by the Applicable Trustee in the name of Cede & Co., as nominee of DTC, the Authority and any Fiduciary shall have no responsibility or obligation to any Participant or to any beneficial owner of such Series 2012 Bonds. Without limiting the immediately preceding sentence, the Authority and any Fiduciary shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. Or any participant with respect to any beneficial ownership interest in the Series 2012 Bonds, (ii) the delivery to any participant, any beneficial owner or any other person, other than DTC or any notice with respect to the Series 2012 Bonds, including any notice of redemption, or (iii) the payment to any participant, any beneficial owner or any other person, other than DTC, of any amount with respect to the principal or Redemption Price of, or interest on, the Series 2012 Bonds. The Authority and any Fiduciary may treat as, and deem DTC to be; the absolute owner of each 2012 Bond for the purpose of payment of the principal or Redemption Price of, and interest on, each such Series 2012 Bond, for the purpose of giving notice of redemption and other matters with respect to such Series 2012 Bonds, for the purpose of registering transfers with respect to such Series 2012 Bonds and for all purposes whatsoever. The Applicable Paying Agent shall pay all principal or Redemption Price of, and interest on, the Series 2012 Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to the principal or Redemption Price of, and interest on, the Series 2012 Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive a Series 2012 Bond evidencing the obligation of the Authority to make payments of principal or Redemption Price of and interest on, the Series 2012 Bond pursuant to this Bond Resolution. Upon delivery by DTC to the Applicable Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the transfer provisions hereof, the terms "Cede & Co." in this Bond Resolution shall refer to such new nominee of DTC.

3. (a) DTC may determine to discontinue providing its services with respect to the Series 2012 Bonds at any time by giving written notice to the Authority and the Fiduciaries and discharging its responsibilities with respect thereto under applicable law.

(b) The Authority, in its sole discretion and without the consent of any other

person, may terminate the services of DTC with respect to the Series 2012 Bonds if the Authority determines, and shall terminate the services of DTC with respect to the Series 2012 Bonds upon receipt by the Authority and the Fiduciaries of written notice from DTC to the effect that DTC has received written notice from participants having interests, as shown in the records of DTC in an aggregate principal amount of not less than fifty percent (50%) of the aggregate principal amount of the then Outstanding Series 2012 Bonds to the effect that: (I) DTC is unable to discharge its responsibilities with respect to the Series 2012 Bonds be registered in the registrants books kept by the Applicable Trustee in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the Series 2012 Bonds.

(c) Upon the termination of the services of DTC with respect to the Series 2012 Bonds pursuant to subsection 2.5(3)(b) (ii) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Series 2012 Bonds pursuant to subsection 2.5(3)(a) or subsection 2.5(3)(b)(I) hereof, after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found, which, in the opinion of the Authority, is willing and able to undertake such functions upon reasonable and customary terms, the Series 2012 Bonds shall no longer be restricted to being registered in the registration books kept by the Applicable Trustee in the name of Cede & Co. As nominee of DTC, but my registered in whatever name or names Bondholders transferring or exchanging Series 2012 Bonds shall designate, in accordance with the provisions of Article II hereof.

4. Notwithstanding any other provisions of this Bond Resolution to the contrary, as long as any Series 2012 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal or Redemption Price of, and interest on, such Series 2012 Bond and all notices with respect to such Series 2012 Bond shall be made and given, respectively, to DTC as provided in the representation letter of the Authority and the Applicable Trustee addressed to DTC with respect to the Series 2012 Bonds.

5. In connection with any notice or other communication to be provided to Bondholders pursuant to this Supplemental Bond Resolution and the General Resolution by the Authority or the Trustee with respect to any consent or other action to be taken by Bondholders, the Authority or the Trustee, as the case may be, shall establish a record date for such consent or

other action and give DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

**ARTICLE III  
BOND FORM**

3.01. Form of Bonds, Applicable Trustee's Authentication Certificate. Subject to the provisions of this General Resolution, the form of the Refunding Bonds and any other Series of Bonds designated by this Supplemental Bond Resolution, with any appropriate changes as set forth in any Supplemental Resolution and the Applicable Trustee's certificate of authentication shall be in substantially the following form:

**UNITED STATES OF AMERICA  
STATE OF NEW JERSEY  
COUNTY OF UNION**

*No. R* \_\_\_\_\_ \$ \_\_\_\_\_

**THE UNION COUNTY IMPROVEMENT AUTHORITY**

**GENERAL OBLIGATION LEASE REVENUE REFUNDING BONDS, SERIES 201[2]  
[ ](JUVENILE DETENTION CENTER FACILITY)**

Interest Rate	Maturity Date	Dated Date	Cusip No.
_____ %	_____ 20__	_____ 2012	_____

**Registered Owner CEDE & Co.**

**Principal Sum:** \_\_\_\_\_ (\$ \_\_\_\_\_) ..... **Dollars**

THE UNION COUNTY IMPROVEMENT AUTHORITY (the "Authority"), a public body corporate and politic created and existing under the laws of the State of New Jersey (the "State"), including the county improvement authorities law, constituting chapter 183 of the Pamphlet Laws of 1960 of the State, as amended and supplemented (the "Act"), acknowledges itself indebted to, and for value received hereby promises to pay to, the Registered Owner stated hereon or registered assigns, on the Maturity Date stated hereon, but solely from the funds pledged therefor, upon presentation and surrender of this bond at the principal corporate trust office of such bank and any successors thereto being herein called the "Trustee" and "Paying Agent", the Principal Sum stated hereon in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and to pay from such pledged funds on \_\_\_\_\_ and \_\_\_\_\_ in each year, commencing \_\_\_\_\_, until the Authority's obligation with respect to the payment of such Principal Sum shall be discharged to the Registered Owner hereof, interest from the Dated Date stated hereon on such Principal Sum by check or draft of the Paying Agent mailed to such Registered Owner who shall appear as of the fifteenth (15th) day (whether or not such day shall be a Business Day) of the month preceding the month in which such interest payment date occurs on the books of the Authority maintained by the Trustee. However, so long as the Bonds (as hereinafter defined) are held in book entry form pursuant to the Bond Resolution (as hereinafter defined), the provisions of the Bond Resolution governing such book entry form shall govern



repayment of principal or Redemption Price and interest of the Bonds.

The terms and provisions of this bond and definitions of certain terms used herein may be continued on these following pages of this bond and such continued terms and provisions and definitions shall for all purposes have the same effect as though fully set forth on the first page of this bond.

This bond is one of a duly authorized Series of Bonds of the Authority designated "General Obligation Lease Revenue Refunding Bonds, Series 201[2][ ] (Juvenile Detention Center Facility)", in the aggregate principal amount of not to exceed \$ \_\_\_\_\_ issued under and in full compliance with the Constitution and statutes of the State, including the Act, and under and pursuant to a resolution Bond Resolution of the Union County Improvement Authority authorizing the issuance of its General Obligation Lease Revenue Bonds, Series 2004 (Juvenile Detention Center Facility Project) adopted by the members of the Authority on August 4, 2004, as amended by a certificate of the Executive Director of the Authority dated December 29, 2004; a supplemental bond resolution of the Authority adopted July 20, 2005, as amended by a certificate of the Executive Director of the Authority dated September 20, 2005 (the "General Resolution") and a resolution entitled: "Supplemental Resolution Authorizing The Issuance Of County Of Union General Obligation Lease Revenue Refunding Bonds, Series 2012 (Juvenile Detention Center Facility Project) And Additional Bonds Of The Union County Improvement Authority" authorizing the Series 2012 Bonds adopted by the Board of the Authority on April 26, 2012 as amended on \_\_\_\_\_ by the "Supplemental Certificate of an Authorized Officer of the Authority pursuant to Section 2.04\_\_\_ of the General Resolution (together with any further amendments thereof or supplements therefor herein collectively called the "Bond Resolution").

All capitalized terms not defined herein or in the attachments hereto shall have the meanings set forth in the Bond Resolution as if fully set forth herein.

As provided in the Bond Resolution, the Bonds, and all other Bonds issued on a parity with the Bonds under the Bond Resolution (herein collectively called the "Bonds"), are direct and special obligations of the Authority payable solely from and secured as payment of the principal or Redemption Price and interest thereon, in accordance with their terms and the provisions of the Bond Resolution solely by the Trust Estate, subject only to the provisions of the Bond Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Bond Resolution.

Copies of the Bond Resolution are on file at the office of the Authority and at the above mentioned office of the Trustee, and reference is hereby made to the Act and to the Bond Resolution including any and all supplements thereto and modifications and amendments thereof for a description of the pledge and assignment and covenants securing the Bonds, the nature, extent and manner of enforcement or such pledge, the rights and remedies of the holders of the Bonds with respect thereto, the terms and conditions upon which the Bonds are issued and may be issued thereunder, the terms and provisions upon which this bond shall cease to be entitled to any lien, benefit or security under the Bond Resolution and for the other terms and provisions thereof. All duties, covenants, agreements and obligations of the Authority under the Bond Resolution may be discharged and satisfied at or prior to the maturity or redemption of this bond if moneys or certain specified securities shall have been deposited with the Trustee.

As provided in the Bond Resolution, Bonds may be issued from time to time pursuant to Supplemental Resolutions in one or more Series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as in the Bond Resolution provided. The aggregate principal amount of Bonds which may be issued under the Bond Resolution is not limited, and all Bonds issued and to be issued under the Bond Resolution are and will be equally secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in the Bond Resolution.

To the extent and in the manner permitted by the terms of the Bond Resolution, the provisions of the Bond Resolution, including any resolution amendatory thereof or supplemental thereto, may be modified or amended by the Authority, (i) without the consent of the Bondholders as provided in the Bond Resolution or (ii) with the written consent of the holders of at least two-thirds ( $\frac{2}{3}$ ) in principal amount of the Bonds Outstanding under the Bond Resolution at the time such consent is given, and, in case less than all of the several Series of Bonds then Outstanding are affected thereby, two-thirds ( $\frac{2}{3}$ ) in principal amount of the Bonds so affected and outstanding; provided, however, that, if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series and maturity remain outstanding under the Bond Resolution, the consent of the holders of such Bonds shall not be required and such Bonds shall not be deemed to be outstanding for the purpose of the calculation of outstanding Bonds. No such modification or amendment shall permit a change in the terms of redemption (including Sinking Fund Installments) or maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or Redemption Price thereof or in the rate of interest thereon without the consent of the holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds, the consent of the holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Trustee or of the Paying Agent without its written assent thereto.

This bond is transferable, as provided in the Bond Resolution, only upon the books of the Authority kept for that purpose at the above mentioned office of the Trustee, as bond registrar, by the Registered Owner hereof in person, or by such Registered Owner's attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer satisfactory to the Trustee, as bond registrar, duly executed by the Registered Owner or such Registered Owner's duly authorized attorney, and thereupon a new fully registered bond or Bonds in the same aggregate principal amounts, shall be issued to the transferee in exchange therefor as provided in the Bond Resolution, and upon payment of the charges therein prescribed. The Authority, the Trustee and the Paying Agent may deem and treat the Registered Owner as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or Redemption Price of, and interest due hereon, and for all other purposes.

The Bonds shall be subject to redemption prior to their stated maturities thereof in accordance with the terms of the Bond Resolution.

The Bonds are payable upon redemption at the above mentioned office of the Paying Agent Notice of redemption, setting forth the place of payment, shall be mailed by the Trustee, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the redemption date, to the registered owner of any Bonds or portions of Bonds which are to be redeemed, at their last addresses, if any, appearing upon the registry books, all in the manner and upon the terms and conditions set forth in the Bond Resolution. If notice of redemption shall have been mailed as aforesaid, the Bonds or portions thereof specified in said notice shall become

due and payable on the redemption date therein fixed, and if, on the redemption date, moneys for the redemption of all the Bonds and portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date then from and after the redemption date interest on such Bonds or portions thereof so called for redemption shall cease to accrue and be payable. Failure of the registered owner of any Bonds which are to be redeemed to receive any such notice shall not affect the validity of the proceedings for the redemption of Bonds.

The principal or Redemption Price and interest of the Bonds are payable by the Authority solely from the Trust Estate and neither the State, the County, the City (except to the extent of payments under the Lease, which shall not secure the payment of any redemption premium), nor any political subdivision thereof, other than the Authority (but solely to the extent of the Trust Estate), is obligated to pay the principal or Redemption Price, if any or interest of this bond and the issue of which it is one and neither the full faith and credit nor the taxing power of the State, the County or any political subdivision thereof, including the Authority (which has no taxing power) is pledged to the payment of the principal or Redemption Price of, or interest on, this bond or the issue of which it is one.

It is hereby certified and recited that all conditions, acts and things required by law and the Bond Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this bond exist, have happened and have been performed and that the Series of Bonds of which this is one, together with all other indebtedness of the Authority, complies in all respects with the laws of the State, including, particularly, the Act.

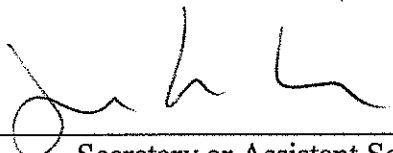
This bond shall not be entitled to any benefit under the Bond Resolution nor be valid or become obligatory for any purpose until this bond shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

IN WITNESS WHEREOF, The Union County Improvement Authority has caused this bond to be executed in its name and on behalf by the manual or facsimile signature of its Chairman or Vice Chairman, and its seal to be impressed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual or facsimile signature of its Secretary or Assistant Secretary, all as of the date hereof.

THE UNION COUNTY IMPROVEMENT AUTHORITY

By: \_\_\_\_\_  
Chairman or Vice Chairman

(SEAL)  
Attest:

By:  \_\_\_\_\_  
Secretary or Assistant Secretary

FORM OF CERTIFICATE OF AUTHENTICATION ON Series 2012  
BONDS  
TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2012 issued pursuant to the within mentioned Bond Resolution.

\_\_\_\_\_  
as Trustee  
Bonds delivered

BY: \_\_\_\_\_  
Authorized Signatory

The following abbreviations, when used in the inscription on this bond, shall be construed as though they were written out in full according to laws or regulations (additional abbreviations may also be used not in the following list)

- as tenants in common
- as tenant by the
- entireties (Oust)

as joint tenants with right or survivorship and not as tenants in common

UNIF GIFT MIN ACT

\_\_\_\_ Custodian \_\_\_\_\_

(Minor)

under Uniform Gifts to

Minor Act

(State)

ASSIGNMENT

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF  
ASSIGNEE (FOR COMPUTER RECORD ONLY): \_\_\_\_\_

FOR VALUE RECEIVED The undersigned hereby sells, assigns and transfers unto

(Please Print or Typewrite Name and Address of Transferee)

the within bond, and all rights thereunder and hereby irrevocably constitutes and appoints  
Attorney, to transfer the within bond on the books kept for the registration thereof, with full  
power of substitution in the premises.

Dated:

\_\_\_\_\_  
Signature Guaranty:

NOTICE: Signature(s) • must be guaranteed by an approved eligible guarantor institution which is  
a City in a Securities Transfer Association

NOTICE: The signature of this Assignment must correspond with the name that appears upon the  
first page of the within bond in every particular, without alteration or enlargement or any change  
whatsoever.

## ARTICLE IV GENERAL COVENANTS

4.1 Payment of Bonds: Special Obligations of Authority. The Authority shall pay or cause to be paid the principal or Redemption Price, if any, and interest of the Series 2012 Bonds on the date, at the place and in the manner provided in this Supplemental Bond Resolution and in the Series 2012 Bonds, according to the true intent and meaning thereof; provided, however, that the Series 20102 Bonds are special obligations of the Authority, the principal or Redemption Price of and interest on which are payable solely from the Trust Estate. The Series 2012 Bonds shall not be payable from the general fund of the Authority and shall not constitute a legal or equitable pledge of, or lien or encumbrance upon, any of the assets or property of the Authority (other than the Trust Estate) or upon any of its income, receipts or revenues, except as provided in the General Resolution and this Supplemental Bond Resolution. The full faith and credit of the Authority are not pledged, either expressly or by implication, to the payment of the Series 2012 Bonds. The Authority has no taxing power and has no claim on any revenues or receipts of the State or the County (except as expressly provided in the Agreement regarding Lease Payments) or any agency or political subdivision thereof.

4.2 Observance and Performance of Duties, Covenants, Obligations and Agreements: Representations as to Authorization and Validity of the Series 2012 Bonds. The Authority shall faithfully observe and perform at all times all of its duties, covenants, obligations and agreements contained in the General Resolution and this Supplemental Resolution or in any Series 2012 Bonds executed, authenticated and delivered under this Supplemental Bond Resolution or in any proceedings of the Authority pertaining thereto. The Authority represents and covenants that: (i) it is duly authorized under the Constitution and laws of the State, particularly the Act, to issue the Series 2012 Bonds, to pledge the Trust Estate in the manner and to the extent set forth in this General Resolution and this Supplemental Bond Resolution; (ii) all action on its part for the issuance of the Series 2012 Bonds will be duly and effectively taken; and (iii) the Series 2012 Bonds in the hands of the Holders thereof will be valid and binding special obligations of the Authority enforceable according to their terms.

4.3 Further Assurance. The Authority will pass, make, do, execute, acknowledge and deliver any and all such further resolutions, indentures, actions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Supplemental Bond Resolution and for the better assuring and confirming unto the Holders of the Series 2012 Bonds the rights and benefits provided in the General Resolution and this Supplemental Bond Resolution.

### 4.4 Tax Covenants.

1. In connection with the issuance of the Series 2012 Bonds an Authorized Officer of the Authority is hereby authorized to execute on behalf of the Authority (I) the Tax Certificate and (ii) any similar documents relating to the characterization of the Series 2012 Bonds are not being "arbitrage bonds" within the meaning of Sections 103(a) (2) and 148 of the Code.

2. The Authority will make no use of the proceeds of the Series 2012 Bonds which would cause the Series 2012 Bonds to be arbitrage bonds within the meaning of Section 148(a) of the Code; and the Authority will direct the Trustee and all officers having custody or control of the proceeds of the Series 2012 Bonds, throughout the term of the Bonds, to comply with applicable requirements of Section 148(a) of the Code and Treasury Regulations §1.148-1

through §1.148-10, to extent applicable to the Series 2012 Bonds, so that none of the Series 2012 Bonds will be or become an arbitrage bond; provided that the Trustee, in following the directions of the Authority, shall have no responsibility to determine whether such investment is in violation of such regulations

3. The Authority covenants that it shall require that neither the County, or any member of the same controlled group (within the meaning of the Treasury Regulations §1.150-1(e)) as the County, shall purchase the Series 2012 Bonds pursuant to an arrangement, formal or informal, in an amount related to the amount of the obligations acquired under the program from such persons by the Authority.

4. In order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2012 Bonds, the Authority shall comply with the provisions of the Code applicable to the Series 2012 Bonds, including without limitation the provisions of the Code relating to computation of the yield on investments of the Gross Proceeds (as defined in the Letter of Instructions) of the Series 2012 Bonds, reporting of earnings on the Gross Proceeds of the Series 2012 Bonds, and rebate of excess earnings to the Department of the Treasury of the United States of America. In furtherance of the foregoing, the Authority shall comply with the Letter of Instructions, to be delivered by Bond Counsel at the time the Bonds are issued, as to compliance with the Code with respect to the Series 2012 Bonds, as such letter may be amended from time to time, as a source of guidance for compliance with the Code.

5. The Authority shall not take or permit any action or fail to take any action which would cause the interest on the Series 2012 Bonds to lose the exclusion from gross income for federal income tax purposes under Section 103 of the Code or cause the interest on the Series 2012 Bonds to be treated as an item of tax preference under Section 57 of the Code.

6. Notwithstanding any other provision of the General Resolution or this Supplemental Bond Resolution to the contrary, the covenants contained in this Section shall survive the payment of the Series 2012 Bonds and the interest thereon, as long as necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2012 Bonds.

## ARTICLE V MISCELLANEOUS

5.1. Preliminary Official Statement. (a). The Chairperson of the Authority is hereby authorized to execute a certificate addressed to the underwriters of the Series Bonds stating that the preliminary official statement to be prepared by the Authority with respect to the Series 2012 Bonds is "deemed final" as of its date within the meaning of Rule 15c2-12 of the Securities and Exchange Commission.

(b) The Preliminary Official Statement to be prepared in connection with the Series 2012 Bonds is hereby authorized, subject to review and approval of the final form thereof by the Chairperson and/or Executive Director of the Authority and the distribution of the Preliminary Official Statement in connection with the pricing of the Series 2012 Bonds is hereby authorized. The Chairperson, Executive Director and/or such other appropriate officials of the Authority as necessary or hereby authorized to prepare the final Official Statement in connection with the issuance of the Series 2012 Bonds in substantially the form in conjunction herewith or with such other changes as approved by Bond Counsel and the Chairperson, Executive Director and/or such other appropriate officials of the Authority, to be used by the Underwriter in connection with the sale of the bonds. The Chairperson, Executive Director and/or such other appropriate officials of the Authority are authorized to execute any certificates necessary in connection with the distribution of the Official Statement,.

5.2. The Chairperson, Executive Director and/or such other appropriate officials of the Authority are hereby authorized and directed to do any and all acts, and to make, execute and deliver any and all certificates, documents, and instruments, deemed necessary or useful and convenient by the, subject to the advice of Bond Counsel to the Authority, in furtherance of the issuance of the Series 2012 Bonds and the uses of the proceeds thereof and other related transactions.

5.3. Underwrite and Purchase Agreement. The Series 2012 Bonds are hereby authorized to be sold to NW Capital, Inc., as the Underwriter (the "Underwriter") at the purchase price to be stated in Contract of Purchase (the "Purchaser Contract"), which shall not exceed \$24,690,000 plus accrued interest, and at an interest rate not to exceed 5.00%. The Chairperson and/or Executive Director are hereby authorized to execute the Purchase Agreement in accordance with the terms of this Supplemental Bond Resolution.

5.4. Trustee/Paying Agent/Registrar/Escrow Agent. The Authority shall appoint the Trustee, Paying Agent, Registrar, and Escrow Agent by separate resolution of the Authority.

5.5 Severability of Invalid Provisions. If any one or more of the provisions contained in this Supplemental Bond Resolution or in the Series 2012 Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Supplemental Bond Resolution or in the Series 2012 Bonds and such invalidity, illegality or enforceability shall not affect any other provision of this Supplemental Bond Resolution, and this Supplemental Bond Resolution shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority hereby declares that it would have entered into this Supplemental Bond Resolution and each and every section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Series 2012 Bonds pursuant thereto irrespective of the fact that any



one of more sections, paragraphs, sentences, clauses or phrases of this Supplemental Bond Resolution may be held illegal, invalid or unenforceable.

**5.6. Effective Date.** This Supplemental Bond Resolution shall take effect immediately upon adoption.

**Recorded Vote**

NAMES	AYE	NO	ABSTAIN	ABSENT
Anthony R. Scutari, Chairperson	✓			
Carolyn Vollero, V. Chairperson	✓			
John Salerno, Secretary	✓			
Joseph W. Miskiewicz, Treasurer				✓
Walter Boright, Member				✓
Sebastian D'Elia, Member	✓			
Linda Hines, Member				✓
Samuel T. McGhee, Member				✓
Cherron Rountree, Member	✓			

**CERTIFICATION**

I, JOHN SALERNO, Secretary of the Union County Improvement Authority, HEREBY CERTIFY that the foregoing **SUPPLEMENTAL RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY AUTHORIZING THE ISSUANCE OF COUNTY OF UNION GENERAL OBLIGATION LEASE REVENUE REFUNDING BONDS, SERIES 2012 (JUVENILE DETENTION CENTER FACILITY PROJECT) AND ADDITIONAL BONDS OF THE UNION COUNTY IMPROVEMENT AUTHORITY** is a true copy of a resolution adopted by the governing body of the Authority on April 26, 2012.

**UNION COUNTY IMPROVEMENT AUTHORITY**

By:   
JOHN SALERNO, Secretary

Dated: April 26, 2012  
[SEAL]



Member Vollero introduced and moved the adoption of the following resolution and Member Salerno seconded the motion:

**RESOLUTION OF THE UNION COUNTY IMPROVEMENT  
AUTHORITY ADDING ARD APPRAISAL COMPANY TO  
THE LIST OF FIRMS QUALIFIED TO PERFORM VARIOUS  
SERVICES TO THE AUTHORITY PURSUANT TO A  
REQUEST FOR QUALIFICATIONS PROCESS**

**WHEREAS**, the Union County Improvement Authority (the "Authority") has been duly created by ordinance of the Union County Board of Chosen Freeholders as a public body corporate and politic of the State of New Jersey pursuant to and in accordance with the County Improvement Authorities Law, N.J.S.A. 40:37A-44, *et seq.*; and

**WHEREAS**, in order to carry out the stated purposes and goals for which the Authority was created, the Authority requires, from time to time, consulting and professional services relating to and in furtherance of its activities; and

**WHEREAS**, the Authority undertook a fair and open process through the issuance, on January 9, 2012, of a Request for Qualifications ("RFQ") for various services, including appraisal services, and received proposals from various firms in response to the RFQ on January 24, 2012, but no response by an appraisal services firm was submitted; and

**WHEREAS**, the Authority therefore re-issued an RFQ for appraisal services on March 7, 2012, and on March 21, 2012, the Authority received a proposal from ARD Appraisal Company; and has reviewed and evaluated the proposal; and

**WHEREAS**, the Authority wishes to include ARD Appraisal Company in the list of firms designated on February 22, 2012 by Resolution No 16-2012 as qualified to perform services on an as-needed basis.

**NOW, THEREFORE, BE IT RESOLVED THAT THE UNION COUNTY IMPROVEMENT AUTHORITY** approves ARD Appraisal Services as qualified to perform appraisal services for the Authority, as needed, for the year ending on the date of the Authority's Annual Meeting in February 2013.

The foregoing resolution was adopted by the following roll call vote:

**Recorded Vote**

NAMES	AYE	NO	ABSTAIN	ABSENT
Anthony R. Scutari, Chairperson	✓			
Carolyn Vollero, V. Chairperson	✓			
John Salerno, Secretary	✓			
Joseph W. Miskiewicz, Treasurer				✓
Walter Boright, Member				✓
Sebastian D'Elia, Member	✓			
Linda Hines, Member				✓
Samuel T. McGhee, Member				✓
Cherron Rountree, Member	✓			

**CERTIFICATION**

I, JOHN SALERNO, Secretary of the Union County Improvement Authority, HEREBY CERTIFY that the foregoing **RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY ADDING ARD APPRAISAL COMPANY TO THE LIST OF FIRMS QUALIFIED TO PERFORM VARIOUS SERVICES TO THE AUTHORITY PURSUANT TO A REQUEST FOR QUALIFICATIONS PROCESS** is a true copy of a resolution adopted by the governing body of the Authority on April 26, 2012.

**UNION COUNTY IMPROVEMENT AUTHORITY**

By: \_\_\_\_\_

John Salerno, Secretary

Dated: April 26, 2012

(SEAL)

**RESOLUTION NO. 43-2012**

Member Vollero introduced and moved the adoption of the following resolution and Member Salerno seconded the motion:

**RESOLUTION OF THE UNION COUNTY IMPROVEMENT  
AUTHORITY AUTHORIZING AN AMENDMENT TO THE  
CONTRACT WITH TRC RAVIV, INC. TO PERFORM  
ENVIRONMENTAL ENGINEERING SERVICES IN  
CONNECTION WITH A SUPPLEMENTAL HEARING  
CONCERNING THE REDEVELOPMENT DESIGNATION  
OF THE DUPONT AND THE ISP REDEVELOPMENT  
AREAS IN THE CITY OF LINDEN**

**WHEREAS**, the Union County Improvement Authority (the "Authority") has been duly created by ordinance of the Union County Board of Chosen Freeholders ("Board"), as public body corporate and politic of the State of New Jersey pursuant to and in accordance with the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, as amended and supplemented from time to time; and

**WHEREAS**, the City of Linden (the "City") has previously determined that the area known as Block 586, Lots 8 and 9 and the area known as Block 587, Lots 1 and 2.01 to be areas in need of redevelopment pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A 1, (the "Redevelopment Area") and has previously adopted a redevelopment plan for the Redevelopment Area (the "DuPont/ISP Redevelopment Plan"); and

**WHEREAS**, in order to, among other things, provide for the development of the Redevelopment Area and implementation of the DuPont/ISP Redevelopment Plan (the "Project"), by Ordinance adopted on July 19, 2005, the City has designated the Authority as the Redevelopment Entity for the Project so that the Authority can implement the Project and exercise all of the powers granted under the Redevelopment Law; and

**WHEREAS**, the Superior Court of New Jersey, Law Division, Union County, by Order dated July 23, 2008, remanded the City's determination that a portion of the Redevelopment Area qualified as an area in need of redevelopment to the Planning Board of the City of Linden for a supplemental hearing on the designation; and

**WHEREAS**, pursuant to Resolution 85-2005, adopted August 3, 2005, the Authority retained TRC Raviv, Inc. ("TRC") to perform environmental consulting services for the Redevelopment Area for the sum of \$60,000; and

**WHEREAS**, in April 2009, TRC and the Authority agreed that due to an increase in the scope of work beyond the services set forth in its July 27, 2005 proposal TRC required an increase in the compensation he due for its services, and the Authority, via Resolution No. 43-2009 amended the contract with TRC consistent with TRC's proposal dated April 27, 2009; and

**WHEREAS**, because the Linden Planning Board has determined to hold a supplemental hearing on the designation of a portion of the Redevelopment Area, and the Authority requires

that TRC provide pre-hearing environmental evaluation and consulting services and also testimony at the Planning Board hearing, the Authority wishes to again amend its contract with TRC in the amount of \$7500.00, pursuant to which amendment TRC will perform the additional, necessary environmental services for the Project; and

**NOW, THEREFORE BE IT RESOLVED** by the Union County Improvement Authority, that the contract for professional services with TRC be amended in the amount of \$7500.00; and

**BE IT FURTHER RESOLVED** that this resolution shall take effect immediately.

The foregoing resolution was adopted by the following roll call vote:

**Recorded Vote**

NAMES	AYE	NO	ABSTAIN	ABSENT
Anthony R. Scutari, Chairperson	✓			
Carolyn Vollero, V. Chairperson	✓			
John Salerno, Secretary	✓			
Joseph W. Miskiewicz, Treasurer				✓
Walter Boright, Member				✓
Sebastian D'Elia, Member	✓			
Linda Hines, Member				✓
Samuel T. McGhee, Member				✓
Cherron Rountree, Member	✓			

**CERTIFICATION**

I, JOHN SALERNO, Secretary of the Union County Improvement Authority, HEREBY CERTIFY that the foregoing **RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY AUTHORIZING AN AMENDMENT TO THE CONTRACT WITH TRC RAVIV, INC. TO PERFORM ENVIRONMENTAL ENGINEERING SERVICES IN CONNECTION WITH A SUPPLEMENTAL HEARING CONCERNING THE REDEVELOPMENT DESIGNATION OF THE DUPONT AND THE ISP REDEVELOPMENT AREAS IN THE CITY OF LINDEN** is a true copy of a resolution adopted by the governing body of the Improvement Authority on April 26, 2012.

**UNION COUNTY IMPROVEMENT AUTHORITY**

By: \_\_\_\_\_

John Salerno, Secretary

Dated: April 26, 2012

[Seal]

## Catherine E. Tamasik

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**From:** Alexander Hemsley III  
**Sent:** Thursday, April 19, 2012 4:45 PM  
**To:** Catherine E. Tamasik  
**Subject:** FW: UCIA

See below, in furtherance of the reso we need to authorize TRC's continued work on the ISP matter

---

**From:** Pompeo, Dawn (Millburn,NJ-US) [<mailto:DPompeo@trcsolutions.com>]  
**Sent:** Thursday, April 19, 2012 4:35 PM  
**To:** Alexander Hemsley III  
**Cc:** Siet, Ken (Millburn,NJ-US); Rabah, Nidal (Millburn,NJ-US)  
**Subject:** UCIA

Alex,

As counsel for the Union County Improvement Authority (UCIA), could you please confirm that we are being retained by the UCIA to prepare for and attend the Linden Planning Board hearings on behalf of UCIA? Tasks will also include meetings and conference calls with attorneys and preparation for testimony (by Ken Siet).

We will bill the UCIA on a time and materials basis. A total of \$3,765 has already been invoiced towards this effort. We propose an initial budget of \$7,500 for these activities and require authorization to continue working on this project.

Please let me know if you need any additional information. We look forward to receiving the authorization.

Thank you,

Dawn

Dawn M. Pompeo  
*Vice President*  
TRC Environmental Corp.



57 E. Willow Street, Millburn, NJ 07041  
T: (973) 564-6006 ext. 268 | F: (973) 564-6442 | C: (973) 715-8451

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Member Vollero introduced and moved the adoption of the following resolution and Member Salerno seconded the motion:

**RESOLUTION OF THE UNION COUNTY IMPROVEMENT  
AUTHORITY AMENDING THE CONTRACT WITH  
LANGAN ENGINEERING TO PERFORM GEOTECHNICAL  
ENGINEERING SERVICES FOR THE IMPLEMENTATION  
OF THE REDEVELOPMENT PLAN FOR THE DUPONT AND  
ISP REDEVELOPMENT AREAS IN THE CITY OF LINDEN**

**WHEREAS**, the Union County Improvement Authority (the "Authority") has been duly created by ordinance of the Union County Board of Chosen Freeholders ("Board"), as a public body corporate and politic of the State of New Jersey pursuant to and in accordance with the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, as amended and supplemented from time to time; and

**WHEREAS**, the City of Linden (the "City") has previously determined that the area known as Block 586, Lots 8 and 9 and the area known as Block 587, Lots 1 and 2.01 to be areas in need of redevelopment pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A 1, (the "Redevelopment Area") and has previously adopted a redevelopment plan for the Redevelopment Area (the "DuPont/ISP Redevelopment Plan"); and

**WHEREAS**, in order to, among other things, provide for the development of the Redevelopment Area and implementation of the DuPont/ISP Redevelopment Plan (the "Project"), by Ordinance adopted on July 19, 2005, the City has designated the Authority as the Redevelopment Entity for the Project so that the Authority can implement the Project and exercise all of the powers granted under the Redevelopment Law; and

**WHEREAS**, in connection with its obligations as the Redevelopment Entity, in 2005, the Authority, by Resolution No. 123-2005, dated December 7, 2005, retained Langan Engineering ("Langan") to perform geotechnical engineering services and evaluations of the DuPont Redevelopment Area and the ISP Redevelopment Area (the "Services") for an amount not to exceed \$60,000; and

**WHEREAS**, in February 2006, the Authority agreed, due to an increase in the scope of Langan's work then required, to amend the contract with Langan in the amount of \$52,500, which amendment was approved by the Authority on February 27, 2006 by Resolution No. 14-2006; and

**WHEREAS**, at this time the Authority requires additional Services from Langan in connection with the Linden Planning Board supplemental hearing and overall Project development and Langan has submitted a proposal for additional Services in an amount not to exceed \$45,000,

**NOW, THEREFORE BE IT RESOLVED** by the Union County Improvement Authority, that Langan's proposal in the form attached hereto and made a part hereof be approved, and the Contract between the Authority and Langan be amended to reflect the increased cost not to exceed \$45,000 for the Services; and

**BE IT FURTHER RESOLVED** that this resolution shall take effect immediately.

The foregoing resolution was adopted by the following roll call vote:

**Recorded Vote**

NAMES	AYE	NO	ABSTAIN	ABSENT
Anthony R. Scutari, Chairperson	✓			
Carolyn Vollero, V. Chairperson	✓			
John Salerno, Secretary	✓			
Joseph W. Miskiewicz, Treasurer				✓
Walter Boright, Member				✓
Sebastian D'Elia, Member	✓			
Linda Hines, Member				✓
Samuel T. McGhee, Member				✓
Cherron Rountree, Member	✓			

**CERTIFICATION**

I, JOHN SALERNO, Secretary of the Union County Improvement Authority, HEREBY CERTIFY that the foregoing **RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY AMENDING THE CONTRACT WITH LANGAN ENGINEERING TO PERFORM GEOTECHNICAL ENGINEERING SERVICES FOR THE IMPLEMENTATION OF THE REDEVELOPMENT PLAN FOR THE DUPONT AND ISP REDEVELOPMENT AREAS IN THE CITY OF LINDEN** is a true copy of a resolution adopted by the governing body of the Improvement Authority on April 26, 2012.

**UNION COUNTY IMPROVEMENT AUTHORITY**

By: \_\_\_\_\_

John Salerno, Secretary

Dated: April 26, 2012

[Seal]

**RESOLUTION NO. 45-2012**

Member Vollero introduced and moved the adoption of the following resolution and Member Salerno seconded the motion:

**RESOLUTION OF THE UNION COUNTY IMPROVEMENT  
AUTHORITY APPROVING CHANGE ORDER NO. 2 TO THE  
CONTRACT WITH W.D. SNYDER CO. FOR RENOVATIONS  
TO LINDEN FIRE STATION NO. 4 LOCATED AT 2400  
SOUTH WOOD AVENUE, LINDEN, NEW JERSEY**

**WHEREAS**, the Union County Improvement Authority (the "Authority") has been duly created by ordinance of the Union County Board of Chosen Freeholders ("Board"), as public body corporate and politic of the State of New Jersey pursuant to and in accordance with the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, as amended and supplemented from time to time (the "Act"); and

**WHEREAS**, the Authority and the City have previously entered into an Interlocal Services Agreement By And Between The Union County Improvement Authority And The City Of Linden ("City") dated May 18, 2005 (the "Agreement"), pursuant to which the Authority City agreed that the Authority would be responsible for the implementation of renovations and construction of Linden Fire Stations Nos. 1, 2, 3 and 4; and

**WHEREAS**, in accordance with the Agreement, the Authority sought bids pursuant to New Jersey Local Public Contracts Law, N.J.S.A. 40A:11-1 *et seq.* for renovations to Linden Fire Station No. 4 (the "Project"), and on August 3, 2011, awarded a contract in the amount of \$949,100 (the "Contract") for the Project to W. D. Snyder Co (the "Contractor"); and

**WHEREAS**, during the course of the Project, certain miscellaneous additions, deletions, and corrections to the scope of work became necessary resulting in a net increase in the cost of the Project, as reflected on Change Order No. 2 proposed by the Contactor in the amount of \$58,638.00, which shall increase the total cost of the Contract to \$1,042,282.00.

**NOW, THEREFORE BE IT RESOLVED** by the Union County Improvement Authority, that Change Order No. 2 to the Fire Station No. 4 Project in the form attached hereto and made a part hereof be approved, and the Contract between the Authority and the Contractor be modified to reflect the additional cost of \$58,638.00 for the Project, bringing total Project costs to \$1,042,282.00; and

**BE IT FURTHER RESOLVED** that this resolution shall take effect immediately.

The foregoing resolution was adopted by the following roll call vote:

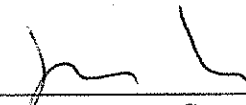
**Recorded Vote**

NAMES	AYE	NO	ABSTAIN	ABSENT
Anthony R. Scutari, Chairperson	✓			
Carolyn Vollero, V. Chairperson	✓			
John Salerno, Secretary	✓			
Joseph W. Miskiewicz, Treasurer				✓
Walter Boright, Member				✓
Sebastian D'Elia, Member	✓			
Linda Hines, Member				✓
Samuel T. McGhee, Member				✓
Cherron Rountree, Member	✓			

**CERTIFICATION**

I, JOHN SALERNO, Secretary of the Union County Improvement Authority, HEREBY CERTIFY that the foregoing **RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY APPROVING CHANGE ORDER NO. 2 TO THE CONTRACT WITH W.D. SNYDER CO. FOR RENOVATIONS TO LINDEN FIRE STATION NO. 4 LOCATED AT 2400 SOUTH WOOD AVENUE, LINDEN, NEW JERSEY** is a true copy of a resolution adopted by the governing body of the Improvement Authority on April 26, 2012.

**UNION COUNTY IMPROVEMENT AUTHORITY**

By:  \_\_\_\_\_  
John Salerno, Secretary

Dated: April 26, 2012

[Seal]

# Union County Improvement Authority

Administration Building  
Elizabeth Town Plaza  
Elizabeth, NJ 07207

Phone: 908-527-4805

Fax: 908-527-4875

CHANGE ORDER

No. 00002

**TITLE:** Misc. Additions to Scope of Work

**DATE:** 4/20/2012

**PROJECT:** Linden Firehouse #4

**JOB:** 25516D

**TO:** Attn: Anthony DeMaio  
W. D. Snyder Co.  
706 South Michigan Avenue  
Kenilworth, NJ 07033  
Phone: 908-245-9140 Fax: 908-245-1841

**CONTRACT NO:** 1

## DESCRIPTION OF CHANGE

This Change Order is for Miscellaneous additions to the scope of work. Change Order 2 includes the correction of some existing site drainage conditions via regrading and the addition of Top Soil and Landscaping for proper drainage. There were also some Life Safety, Code Compliance scope adds that were necessary per the City of Linden's inspection department. In addition, additional Steel Roof Decking needed to be replaced due to unforeseen rust and deterioration that was discovered during the Roof Demolition Phase and the following W.D. Snyder Change Order Requests, are attached:

WDS COR #23-Replace domestic hot water circulator: \$1,023.00  
WDS COR #24-Delete Washer Extractor from contract: -\$7,250.00  
WDS COR #25-Supply and install (2) 2x4 radiant ceiling panel 208 volt with one electric thermostat: \$1,444.00  
WDS COR #26-Connect water to refrigerator: \$940.00  
WDS COR #27-Replace 110 gal high recovery commercial gas water heater: \$7,186.00  
WDS COR #28-Replace laundry sink and move washing machine: \$1,289.00  
WDS COR #29-Remove all existing brown receptacles and switches in office area and truck bay and replace with new ivory type in same locations. Truck bay and eye wash area receptacles need to be GFCI type: \$4,778.00  
WDS COR #30-Supply and install (4) cable TV cables: \$1,761.00  
WDS COR #31-Supply and install (2) Cat 6 one for each monitor, one in Chief's Office and one at front desk dispatch. Also, install (1) 110 receptacle for monitor in Chief's Office: \$1,221.00  
WDS COR #32-Run (1) Cat 6 to rear to building over exterior door of electrical room for new camera, camera to be supplied, installed and tested by others: \$2,508.00  
WDS COR #33-Install power for new washer/dryer in main electric room: \$541.00  
WDS COR #34-Remove existing switch for exhaust fan in bath/locker room and relocate in locker room stand alone, also remove (1) three-way switch in bathroom and install in locker room wall, rewire all switch existing lights. Remove exhaust fan from light switch in Chief's bathroom and install stand alone switch on the wall and rewire fan to new switch location: \$599.00  
WDS COR #35-Furnish and install labor and material for installation of return grilles and reconnection of the hose dryer ductwork: \$4,043.00  
WDS COR #37-Install 1/2" EMT for door buttons and photo eyes and edge: \$1,943.00  
WDS COR #38-Perform miscellaneous carpentry work requested by Chief Callahan: \$8,934.00  
WDS COR #39-Spread fill and top soil at parking lot edge, add topsoil to eliminate ponding in low areas: \$8,198.00  
WDS COR #41-Furnish and install (4) window sills in Truck Bay: \$368.00  
WDS COR #43-Replace fence fabric with new mesh: \$1,733.00  
WDS COR #44-Additional steel roof decking: \$8,279.00  
WDS COR #45-Mounted wood backing for four buttons for the garage doors (open/close/stop). Install control panel above floor entrance door and supply with 120 volt, wire to voltage into control pack for panic bar: \$1,049.00  
WDS COR #46-Install (2) smoke heads and annunciator per Inspector: \$2,167.00  
WDS COR #47-Furnish and install aluminum handrail at front entrance: \$709.00  
WDS COR #48-Provide (150) access cards as per proposal from Integrated Systems & Services: \$1,321.00  
WDS COR #49-Provide landscaping for drainage control: \$1,733.00  
WDS COR #50-Relocate ceiling mounted lights in the bays. Install new high voltage thermostats for ceiling heater per Chief: \$1,394.00  
WDS COR #51-Terminate cable TV wiring in the teledate closet, rework wiring at TV Locations: \$657.00  
WDS COR #52-Furnish and install (10) blackout shades: \$1,443.00  
WDS COR #53-Furnish and assemble additional workbench: \$1,198.00  
WDS COR #54-Jingoli Trailer Repair/Usage Charges: \$1,135.00

Total for Change Order #2: \$58,638.00

# Union County Improvement Authority

Administration Building  
Elizabeth Town Plaza  
Elizabeth, NJ 07207

Phone: 908-527-4805  
Fax: 908-527-4875

## CHANGE ORDER

No. 00002

Item	Description	Quantity	Units	Unit Price	Tax Rate	Tax Amount	Net Amount
00001	Miscellaneous Additions to the Scope of Work	1.000		\$58,638.00	0.00%	\$0.00	\$58,638.00

Unit Cost: \$58,638.00

Unit Tax: \$0.00

Total: \$58,638.00

The Original Contract Sum was	\$949,100.00
Net Change by Previously Authorized Requests and Changes	\$34,544.00
The Contract Sum Prior to This Change Order was	\$983,644.00
The Contract Sum Will be Increased	\$58,638.00
The New Contract Sum Including This Change Order	\$1,042,282.00
The Contract Time Will Not Be Changed	
The Date of Substantial Completion as of this Change Order Therefore is	...

### ACCEPTED:

W. D. Snyder Co.

By: \_\_\_\_\_

Anthony DeMaio

Date: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Union County Improvement Authority

By: \_\_\_\_\_

Charlotte DeFilippo

Date: \_\_\_\_\_

Joseph Jingoli & Son, Inc.

By: Neil J. Pelullo

Neil J. Pelullo

Date: 4.20.12.

Member Vollero introduced and moved the adoption of the following resolution and Member Shelley seconded the motion:

**RESOLUTION OF THE UNION COUNTY IMPROVEMENT  
AUTHORITY AUTHORIZING A CONTACT WITH DONALD  
M. MOLIVER FOR A FISCAL REVIEW AND EXPERT  
OPINION OF THE ISP REDEVELOPMENT PROJECT IN  
THE CITY OF LINDEN**

**WHEREAS**, the Union County Improvement Authority (the "Authority") has been duly created by ordinance of the Union County Board of Chosen Freeholders ("Board"), as a public body corporate and politic of the State of New Jersey pursuant to and in accordance with the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, as amended and supplemented from time to time; and

**WHEREAS**, the City of Linden (the "City") has previously determined that the area known as Block 586, Lots 8 and 9 and the area known as Block 587, Lots 1 and 2.01 to be areas in need of redevelopment pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A 1, (the "Redevelopment Area") and has previously adopted a redevelopment plan for the Redevelopment Area (the "DuPont/ISP Redevelopment Plan"); and

**WHEREAS**, to, among other things, provide for the development of the Redevelopment Area and implementation of the DuPont/ISP Redevelopment Plan (the "Project"), by Ordinance adopted on July 19, 2005, the City designated the Authority as the Redevelopment Entity for the Project to implement the Project in accordance with its powers granted under the Redevelopment Law; and

**WHEREAS**, in connection with its obligations as the Redevelopment Entity, the Authority has, from time to time, retained experts in, for example, engineering, environmental assessment and remediation, surveying, planning, and other areas of expertise needed to plan and undertake the Project; and

**WHEREAS**, in connection with hearings before the City Planning Board and the City Council, the Authority requires the services of an expert to develop a preliminary market-based financial model for the Project based on the proposed zoning and in a manner consistent with the environmental constraints on the area, and all other relevant factors and conditions; and

**WHEREAS**, the Authority has received a proposal from Donald M. Moliver, Ph.D., MAI, to prepare the required model and opinion for a sum not to exceed \$17,500;

**NOW, THEREFORE BE IT RESOLVED** by the Union County Improvement Authority, that the proposal of Donald M. Moliver, in the form attached hereto and made a part hereof, be approved, and a contract with Donald M. Moliver for the services described therein be executed, for a cost not to exceed \$17,500; and

**BE IT FURTHER RESOLVED** that this resolution shall take effect immediately.

The foregoing resolution was adopted by the following roll call vote:

**Recorded Vote**

NAMES	AYE	NO	ABSTAIN	ABSENT
Anthony R. Scutari, Chairperson	✓			
Carolyn Vollero, V. Chairperson	✓			
John Salerno, Secretary	✓			
Joseph W. Miskiewicz, Treasurer				✓
Walter Boright, Member				✓
Sebastian D'Elia, Member	✓			
Linda Hines, Member				✓
Samuel T. McGhee, Member				✓
Cherron Rountree, Member	✓			

**CERTIFICATION**

I, JOHN SALERNO, Secretary of the Union County Improvement Authority, HEREBY CERTIFY that the foregoing **RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY AUTHORIZING A CONTACT WITH DONALD M. MOLIVER FOR A FISCAL REVIEW AND EXPERT OPINION OF THE ISP REDEVELOPMENT PROJECT IN THE CITY OF LINDEN** is a true copy of a resolution adopted by the governing body of the Improvement Authority on April 26, 2012.

**UNION COUNTY IMPROVEMENT AUTHORITY**

By: \_\_\_\_\_

John Salerno, Secretary

Dated: April 26, 2012

[Seal]



Donald M. Moliver, Ph.D., MAI  
35 Buena Vista Avenue  
Rumson, NJ 07760  
732 245 8331

April 24, 2012

Via Electronic [AHemsley@decotiislaw.com] and Regular Mail  
Alexander Hemsley, III, Esq.  
Glenpointe Centre West  
500 Frank W. Burr Boulevard  
Teaneck, NJ 07666

re: Professional Consulting Services  
Fiscal Review and Opinion  
ISP Redevelopment  
Linden, NJ  
Our file #A12064

Dear Mr. Hemsley:

Thank you for the opportunity to present this proposal for professional services related to a fiscal review of a proposed redevelopment area. We have extensive experience in guiding communities through the redevelopment process, particularly in evaluating financial considerations. It is our understanding that the subject property is currently undergoing an analysis to determine if it qualifies under the prescribed criteria as "An Area in Need of Redevelopment". The Redevelopment Authority is seeking opinions to support the planner's conclusions included in the designation study. One of the core issues, as we understand it, is the ability to develop the property without financial assistance or the benefit of a "public/private" relationship. Evidence presented to the Board should include a preliminary financial model and expert opinion, perhaps referencing case studies, commenting upon whether reasonable, market based assumptions would support the development of the referenced property without local, county or state government assistance through such instruments and programs as: PILOTs; subsidized financing; grants; or any other such incentives available to properties designated as Areas in Need of Redevelopment as defined by New Jersey's Local Redevelopment and Housing Law. Towards that end I am pleased to submit this proposal for professional services concerning the above project as follows:

### Scope of Services

#### A. Preliminary Analysis

We will, upon being retained, develop our opinions and a preliminary, market based financial model for the development of the property pursuant to proposed zoning and in a manner consistent with the environmental restrictions and any other material constraints imposed upon the property. Utilizing available studies and documentation of physical, fiscal and environmental constraints, and applying

market assumptions relative to potential rents, construction costs and extraordinary burdens, we will develop a basic project pro-forma demonstrating the potential returns that may be realized through the development of the property. We will further opine whether such returns would commonly provide sufficient incentive to proceed without assistance or if the returns warrant considerations outside those available through conventional means. It is our understanding that certain project specific financial information related to the environmental condition of the property will be provided by the Redevelopment Authority, and that this information will serve as a key component in the financial analysis. Is our further understanding that our assumptions will be limited to the yield derived from the strict interpretation of the redevelopment plan. We will opine regarding the entrepreneurial risk associated with developing an environmentally constrained property and the adequacy of the returns to offset any extra-ordinary risks. In the event returns are deemed inadequate to justify the endeavor, we will further opine regarding the benefits of introducing financial incentives to mitigate the deficit and prompt an active redevelopment effort.

Prior to commencing, we will require access to: the redevelopment plan; documentation of environmental constraints; information related to the financial assumptions related to the environmental condition of the property, including estimates to complete remediation and estimates of extraordinary expenses burdening the property related to the environmental condition i.e. cap maintenance, well monitoring, utility encapsulation, gas venting, etc.; information pertaining to the geotechnical condition of the property and any extraordinary measures that may be required to develop the tract; a constraints study defining any limiting physical features i.e. wetlands, limited utility availability, streams, protected habitats, riparian restrictions, etc.; a yield analysis; and any other such information that you may have in your possession that may be utilized in preparing our opinion.

#### B. Meeting Attendance

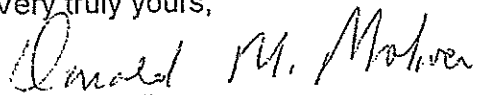
We will be available to attend meetings with you and representatives of the Redevelopment Authority and to present testimony before the City of Linden Planning Board and Council. Meeting attendance will be on an as needed basis at the request of the Authority.

Professional services will be provided on a Time and Material basis with pursuant to the General Terms and Conditions attached hereto and incorporated into this proposal for professional services. Monthly invoicing will be provided indicating hours billed. When possible and practical, we will utilize staff at lower hourly billing rates in order to maximize services. While it is not possible to provide an exact estimate of our time commitment because of the inconclusive nature of the information anticipated to be available, we estimate our fee should not exceed \$17,500.00 for our modeling and written opinion. Additional services, including meeting attendance and presentations, will be invoiced on a Time and Material Basis.

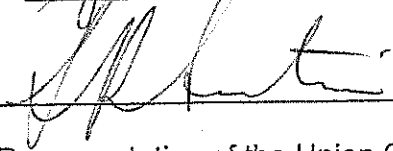
We will rely on the accuracy of any and all information submitted to us by you or your representatives in performance of our services, and will not be held responsible for errors or inaccuracies contained in information provided to us.

We appreciate the opportunity to submit this proposal and look forward to working with you on this project. If you would like to proceed as outlined, please sign where indicated below and return a copy of this Agreement, along with a retainer in the amount of \$5,000.00, to our attention. Once again, thank you for your consideration.

Very truly yours,

  
Donald Moliver

Accepted and Agreed to this  
20th day of April, 2012

  
By: \_\_\_\_\_  
Authorized Representative of the Union County Improvement Authority

## 2012 SCHEDULE OF HOURLY RATES

Principals	\$240.00 per hour
Project Professional	\$195.00 per hour
Project Assistant	\$105.00 per hour
Administrative Support	\$55.00 per hour
Fax	\$0.25 per page
Standard reproduction (letter or legal size)	\$0.10 per page
Out-of-pocket expenses	Cost
Outside services	Cost

## GENERAL CONDITIONS OF SERVICE

Client:	Union County Improvement Authority
Project:	ISP/Linden Financial Modeling
Project Number:	A12064
Date:	April 24, 2012

### 1.0 BILLING AND PAYMENT

**RETAINER.** The Client shall make an initial retainer payment of \$2,500.00 upon execution of this Agreement. We will hold and apply this retainer as defined in the proposal.

**REIMBURSABLE EXPENSES.** Client shall pay for reimbursable expenses, including application fees, printing and reproduction, courier and express delivery service, bulk and special mailings, facsimile transmissions, computer design technology, specialized equipment and laboratory charges, costs of acquiring materials specifically for Client and related charges. The reimbursable expenses will be added to each monthly invoice.

**INVOICES.** We shall submit invoices monthly and payment in full is due upon presentation. Our invoices are due and payable upon receipt since there is generally a relatively significant time lag between the rendering of our services and the submission of our statement.

**INTEREST.** If any invoice is not paid in full within thirty (30) days of receipt, the Client shall pay as interest an additional charge of one-and-one-half percent (1.5%) (or the maximum allowable by law, whichever is lower) per month of the PAST DUE amount. Payment after that shall first be applied to accrued interest and then to the unpaid principal.

**COLLECTION COSTS.** In the event legal action is necessary to enforce the payment provisions of this Agreement, we shall be entitled to recover from the Client the reasonable attorneys' fees, court costs and expenses incurred by us in connection therewith.

**SUSPENSION OF SERVICES.** If the Client fails to make payments when due or otherwise is in breach of this Agreement, we may suspend performance of services at any time after providing notice to the Client. We shall have no liability whatsoever to the Client for any costs or damages as a result of such suspension caused by any breach of this Agreement by the Client.

**PAYMENT OF INVOICES.** Payment of invoices is not subject to unilateral discounting or set-offs by the Client, and payment for actual services rendered is due despite suspension or termination of this Agreement by either party.

### 2.0 FEE DURATION

The proposed fees set forth in this Agreement shall be open for acceptance for sixty (60) days from the above date. If the Agreement is signed after that date, the proposed fees may be adjusted prior to commencement of services, subject to agreement by the Client and us.

The hourly rates charged for our employees are adjusted annually in January to reflect changes in the various elements that comprise such hourly rates. All adjustments will be in accordance with generally accepted accounting practices as applied on a consistent basis by us and consistent with our overall compensation practices and procedures.

Where Lump Sum Contracts are signed, and the services provided by us extends beyond a date months after the date of the execution of this Agreement, the quoted prices shall be subject to an increase in accordance with the NY/NJ Consumer Price Index, using the date of this Agreement as a base. In the event that a Lump Sum Contract item is partially completed at such time that the lump sum price is to be adjusted, the balance of the lump sum fee still to be billed as of the anniversary date shall be increased based on the NY/NJ Consumer Price Index as indicated above.

### 3.0 SCOPE OF SERVICES

Descriptions of the Services to be provided by us are set forth in the Proposal/Scope of Services. Services not set forth in the Scope of Services are excluded from the scope of our services and we assume no responsibility to perform such additional services under the base Contract. If additional work becomes necessary during the course of the project, we can perform such Additional Services in accordance with a written Agreement setting forth the additional services and fees.

#### 4.0 STANDARD OF CARE

The standard of care for services performed or furnished by us under this Agreement will be the care and skill ordinarily used by members of the same profession practicing under similar conditions at the same time and in the same locality based on facts and information available at the time services are provided.

#### 5.0 INSURANCE

We shall maintain, at its own expense, Workers Compensation Insurance, Comprehensive General Liability Insurance and Professional Liability Insurance at all times and will, upon request, furnish insurance certificates to the Client

#### 6.0 CONSTRUCTION OBSERVATION SERVICES

If the Scope of Services for this Agreement includes construction observation services, then the following provisions shall apply:

- A. During the project construction phase, we shall consult with and advise Client and act as Client's representative as provided in the Scope of Services. The extent and limitations of our duties, responsibilities and authority as outlined in the Scope of Services shall not be modified without our expressed written permission.
- B. Our services during the Construction phase are intended to provide Client a greater degree of confidence that the Completed work of Contractor will conform in general to the approved plans and related documents and to provide a general opinion of value of work-in-place based on published references typically utilized in the industry. We shall not, during visits to the project site or as a result of observation of Contractor's work in progress, supervise, direct or have control over Contractor's work nor shall we have authority over or responsibility for the means, methods, techniques; sequences or procedures of construction selected by Contractor, for safety precautions and programs incident to the work of Contractor or for any failure of Contractor to comply with laws, rules, regulations, ordinances, codes or orders applicable to Contractor's furnishing and performing the work. Accordingly, we neither guarantee the performance of any Contractor nor assume responsibility for any Contractor's failure to furnish and perform its work in accordance with the Contract Documents.

#### 7.0 INDEMNIFICATION

We agree subject to the provisions herein, to indemnify and hold the Client harmless from any damage, liability or cost to the extent caused solely by our negligent acts, errors or omissions in the performance of professional Services under this Agreement.

The Client agrees to indemnify and hold us harmless from any damage, liability or cost (including reasonable attorneys' fees and costs of defense) to the extent caused by the Client's negligent acts, errors or omissions and those of his or her contractors, subcontractors or consultants or anyone for whom the Client is legally liable. We are not obligated to indemnify the Client for the Client's own negligence.

#### 8.0 LIMITATION OF LIABILITY

The parties recognize and agree that our liability for any and all claims or actions, regardless of how arising, shall be limited to the total sum of \$25,000.00, or our total fee for services rendered on this project, whichever is less. Client hereby releases us from any liability above such amount. Such claims and causes include, but are not limited to negligence, professional error or omissions, strict liability, breach of contract or breach of warranty. In no event shall we be liable for any incidental, indirect or consequential damages, including commercial loss, or lost profits resulting from any Service furnished under this agreement.

#### 9.0 OWNERSHIP AND REUSE OF DOCUMENTS

All reports, plans, specifications, computer files, field data, notes and other documents and instruments prepared by us pursuant to this Agreement ("Documents") are and remain our property as instruments of service with respect to this Agreement. The Documents are not intended or represented to be suitable for reuse by the Client or others in extensions of this project or on any other project. Any reuse of the Documents without our written approval will be at the Client's sole risk and without liability or legal exposure to us. The Client shall indemnify, defend and hold us harmless from and against any claims, damages or losses including attorney's fees and costs, arising out of or resulting therefrom.

We grant to the Client and only the Client a non-exclusive, non-assignable and non-transferable license to reproduce, distribute and display the Documents, to the extent necessary for the Client to undertake the project. We shall retain all

common law, statutory and other reserved rights to the Documents, including the copyright thereto. Both parties agree that none of the services or Documents provided by us are "work made for hire" as defined in the Copyright Act.

## 10.0 CONSEQUENTIAL DAMAGES

Notwithstanding any other provision of the Agreement, neither party shall be liable to the other for any consequential damages incurred due to the fault of the other party, regardless of the nature of this fault or whether it was committed by either party, their employees, agents, subconsultants or subcontractors. Consequential damages include, but are not limited to, loss of use or profit.

## 11.0 DELAYS

We are not responsible for delays caused by factors beyond our reasonable control, including but not limited to delays because of strikes, lockouts, work slowdowns or stoppages, accidents, acts of God, failure of any governmental or other regulatory authority to act in a timely manner, failure of the Client to furnish timely information or to provide review comments promptly; or delays caused by faulty performance by the Client or by contractors of any level. When such delays beyond our reasonable control occur, the Client agrees that we are not responsible for damages, nor shall we be deemed to be in default of this Agreement.

## 12.0 CORPORATE PROTECTION

It is intended by the parties to this Agreement that our services in connection with the project shall not subject our individual employees, officers or directors to any personal legal exposure for the risks associated with this project. Therefore, the Client agrees that as the Client's sole and exclusive remedy, any claim, demand or suit shall be directed and/or asserted only against us, a New Jersey corporation, and not against any of our employees, officers or directors.

## 13.0 OVERTIME SERVICES

For professional services billed on an hourly basis, we shall bill all overtime services performed by hourly wage earners (non-exempt employees) at one and one-half (1 1/2) times the standard hourly rate.

## 14.0 OPINIONS OF PROBABLE COST OR VALUE OF WORK-IN-PLACE

In reviewing our opinions of probable construction cost or opinion of value of work-in-place, the Client understands that we have no control over costs or the price of labor, equipment or materials, or over the Contractor's method of pricing, and that any opinions of probable construction costs or value of work-in-place provided by us are to be made based on our qualifications and experience as well as on published standards typically utilized in the industry. We make no warranty, expressed or implied, as to the accuracy of such opinions as compared to bid or actual costs.

## 15.0 HAZARDOUS MATERIALS

It is acknowledged by both parties that our scope of services does not include any services related to asbestos or hazardous or toxic materials. In the event we or any other party encounters asbestos or hazardous or toxic materials at the job site, or should it become known in any way that such materials may be present at the job site or any adjacent areas that may affect the performance of our services, we may, at our sole option and without liability for consequential or any other damages, suspend performance of services on the project until the Client takes steps to identify, abate and/or remove the asbestos or hazardous or toxic materials, and to warrant that the job site is in full compliance with applicable laws.

## 16.0 GOVERNING LAW

The laws of the State of New Jersey will govern the validity of this Agreement, its interpretation and performance. Any litigation arising in any way from this Agreement shall be brought in the Courts of New Jersey.

## 17.0 SURVIVAL

All express representations, indemnifications or limitations of liability made in or given in this Agreement will survive the completion of all our services under this Agreement or the termination of this Agreement for any reason.

## 18.0 ENTIRE AGREEMENT

This Agreement (consisting of (1) Proposal Scope of Services and (2) General Conditions) comprises the final and complete agreement between the parties. It supersedes all prior or contemporaneous communications, representations, or

Agreements, whether oral or written, relating to the subject matter of this Agreement. Execution of this Agreement signifies that each party has read the document thoroughly, has had the opportunity to have questions explained by independent counsel and is satisfied with the terms and conditions Contained herein. Amendments to this Agreement shall not be binding unless made in writing and signed by both parties.



**RESOLUTION NO. 47-2012**

Member Vollero introduced and moved the adoption of the following resolution and Member Salerno seconded the motion:

**RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY APPOINTING A FINANCIAL ADVISOR IN CONNECTION WITH THE AUTHORITY'S LEASE REVENUE REFUNDING BONDS, SERIES 2012A (TAX-EXEMPT) (CITY OF PLAINFIELD-PARK MADISON REDEVELOPMENT PROJECT) AND THE COUNTY OF UNION GENERAL OBLIGATION LEASE REVENUE REFUNDING BONDS, SERIES 2012 (JUVENILE DETENTION CENTER FACILITY PROJECT)**

**WHEREAS**, The UNION COUNTY IMPROVEMENT AUTHORITY (together with any successor thereto, the "Authority") has been duly created by an Ordinance of the Board of Chosen Freeholders together with any successor legislative body, the ("Board of Freeholders") of the County of Union, State of New Jersey (together with any successor thereto, the "County") duly adopted as a public body corporate and politic of the State of New Jersey (the "State") pursuant to and in accordance with the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, and the acts amendatory thereof and supplemental thereto (the "Act"); and

**WHEREAS**, the Authority proposes to issue Lease Revenue Refunding Bonds Series 2012A (Tax Exempt) in a sum not to exceed \$21,645,000 in connection with the City of Plainfield-Park Madison Redevelopment Project; and

**WHEREAS**, the Authority proposes also to assist in the refunding of the Series 2004 Juvenile Detention Center Facility Project Bonds through the issuance of its Series 2012 Bonds in an amount not to exceed \$24,690,000; and

**WHEREAS**, the Authority has made application for the aforesaid bond issuances to Local Finance Board, which has recommended that the Authority retain a financial advisor in connection with these bonds (the "Bonds"); and

**WHEREAS**, the Authority has received a proposal from Kim Whalen of Acacia Financial to provide services as a Financial Advisor for the Bonds for a cost not to exceed \$28,000.00; and

**WHEREAS**, Ms. Whalen has the experience and expertise to provide the Services;

**NOW, THEREFORE BE IT RESOLVED** by the Union County Improvement Authority, that the proposal of Kim Whalen be approved, and that Ms. Whalen be engaged as Financial Advisor for the Bonds for a cost not to exceed \$28,000.00; and

**BE IT FURTHER RESOLVED** that this resolution shall take effect immediately.

The foregoing resolution was adopted by the following roll call vote:

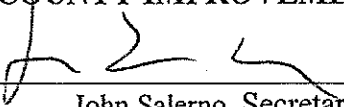
**Recorded Vote**

NAMES	AYE	NO	ABSTAIN	ABSENT
Anthony R. Scutari, Chairperson	✓			
Carolyn Vollero, V. Chairperson	✓			
John Salerno, Secretary	✓			
Joseph W. Miskiewicz, Treasurer				✓
Walter Boright, Member				✓
Sebastian D'Elia, Member	✓			
Linda Hines, Member				✓
Samuel T. McGhee, Member				✓
Cherron Rountree, Member	✓			

**CERTIFICATION**

I, JOHN SALERNO, Secretary of the Union County Improvement Authority, HEREBY CERTIFY that the foregoing **RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY APPOINTING A FINANCIAL ADVISOR IN CONNECTION WITH THE AUTHORITY'S LEASE REVENUE REFUNDING BONDS, SERIES 2012A (TAX-EXEMPT) (CITY OF PLAINFIELD-PARK MADISON REDEVELOPMENT PROJECT) AND THE COUNTY OF UNION GENERAL OBLIGATION LEASE REVENUE REFUNDING BONDS, SERIES 2012 (JUVENILE DETENTION CENTER FACILITY PROJECT)** is a true copy of a resolution adopted by the governing body of the Improvement Authority on April 26, 2012.

**UNION COUNTY IMPROVEMENT AUTHORITY**

By:   
John Salerno, Secretary

Dated: April 26, 2012

[Seal]

**RESOLUTION NO. 48-2012**

Member Vollero introduced and moved the adoption of the following resolution and Member Salerno Seconded the Motion

**RESOLUTION OF THE UNION COUNTY IMPROVEMENT  
AUTHORITY APPOINTING A TRUSTEE IN CONNECTION  
WITH THE AUTHORITY'S GUARANTEED LEASE REVENUE  
BONDS, SERIES 2012 (UNION COUNTY FAMILY COURT  
BUILDING PROJECT-ELIZABETH)**

**WHEREAS**, the Union County Improvement Authority (the "Authority") has been duly created by an ordinance of the Board of Chosen Freeholders (the "Board of Freeholders") of the County of Union, New Jersey (the "County"), as public body corporate and politic of the State of New Jersey (the "State") pursuant to and in accordance with the county improvement authorities law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, as amended and supplemented from time to time (the "Act"); and

**WHEREAS**, the County has requested that the Authority undertake and provide financing for the design and construction of a Union County Family Court Building and Office Facility to be located, in part, at 10 Cherry Street, Elizabeth, New Jersey, which is a facility owned and operated by the Authority, and on adjoining lands currently owned by the County (the "Project"); and

**WHEREAS**, the Project is expected to provide new Family Court facilities for the Union County Superior Court, and office facilities for the Authority and the County, and will include a parking structure; and

**WHEREAS**, the Authority is desirous of assisting in the financing of such Project, to the extent permitted by law and expects to obtain funds with which to finance the Project through the issuance of its bonds (the "Bonds"); and

**WHEREAS**, in order to undertake the issuance of bonds and the Project, the services of a Bank are required to serve as Trustee, Registrar and Paying Agent for the Bonds, and

**WHEREAS**, Wells Fargo Corporate Trust Services is an banking entity recognized for providing such services; and

**WHEREAS**, Wells Fargo Corporate Trust Services, has agreed to act as Trustee, Registrar and Paying Agent for the Authority for this bond issue.

**NOW, THEREFORE BE IT RESOLVED** by the Union County Improvement Authority as follows:

**Section 1.** That the Authority hereby appoints Wells Fargo Corporate Trust Services as Trustee, Registrar and Paying Agent of the Authority's Guaranteed Lease Revenue Bonds,

Series 2012 (Union County Family Court Building Project-Elizabeth), subject to an agreement being reached as to the annual trustee fee;

**Section 2.** That all fees of the Trustee shall be payable by the lessee in accordance with the Financing Documents;

**Section 3.** That this resolution shall take effect immediately upon its adoption.

The foregoing resolution was adopted by the following roll call vote:

**Recorded Vote**

NAMES	AYE	NO	ABSTAIN	ABSENT
Anthony R. Scutari, Chairperson	✓			
Carolyn Vollero, V. Chairperson	✓			
John Salerno, Secretary	✓			
Joseph W. Miskiewicz, Treasurer				✓
Walter Boright, Member				✓
Sebastian D'Elia, Member	✓			
Linda Hines, Member				✓
Samuel T. McGhee, Member				✓
Cherron Rountree, Member	✓			

**CERTIFICATION**

I, JOHN SALERNO, Secretary of the Union County Improvement Authority, HEREBY CERTIFY that the foregoing **RESOLUTION OF THE UNION COUNTY IMPROVEMENT AUTHORITY APPOINTING A TRUSTEE IN CONNECTION WITH THE AUTHORITY'S GUARANTEED LEASE REVENUE BONDS, SERIES 2012 (UNION COUNTY FAMILY COURT BUILDING PROJECT-ELIZABETH)** is a true copy of a resolution adopted by the governing body of the Authority on April \_\_, 2012

**UNION COUNTY IMPROVEMENT AUTHORITY**

By: \_\_\_\_\_

John Salerno, Secretary

Dated: April 26, 2012

(SEAL)

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