

**PENNFIELD CHARTER TOWNSHIP
SPECIAL MEETING MINUTES
MAY 1, 2015**

Supervisor Behnke called the meeting to order at 9:00 AM at the Pennfield Charter Township Office. Present were Supervisor Behnke, Clerk Case, Trustees Beard, Damerow, Harris and Skelding. Treasurer Phillips was excused. There were no residents present.

NEW BUSINESS

1. Hiring of Paid on Call Firefighters

It was moved by Trustee Beard and supported by Trustee Damerow to approve the hiring of the following Paid on Call Firefighters: Joshua Tassos, Tyler Wilkens, Michael Lashley and Nicholas Schafer effective May 1, 2015. **Motion carried.**

2. Pennfield Charter Township Resolution 15-37

**PENNFIELD CHARTER TOWNSHIP 15-37
A RESOLUTION AUTHORIZING ISSUANCE AND SALE OF
2015 GENERAL OBLIGATION UNLIMITED TAX BONDS**

A RESOLUTION TO PROVIDE FOR:

- Issuance of \$5,000,000 of Bonds approved by the voters to finance road improvements;
- Levy of property taxes for payment of Bonds to begin in 2015;
- Property taxes levied for payment of Bonds to be deposited to Debt Retirement Fund;
- Township pledge of full faith and credit for the payment of the Bonds;
- Delegation of Sale of Bonds to Township Supervisor without further approval of Township Board;
- Other matters necessary to prepare for sale and delivery of Bonds.

PREAMBLE

WHEREAS, the qualified electors of the Charter Township of Pennfield, County of Calhoun, Michigan (the "Township") at the general election held on Tuesday, November 4, 2014, did by more than the required majority of those voting approve the following proposition:

**PENNFIELD CHARTER TOWNSHIP
ROAD REPAIR MILLAGE PROPOSAL**

Shall Pennfield Charter Township, Michigan, borrow the principal sum of not to exceed five million dollars (\$5,000,000.00) and issue its general obligation unlimited tax bonds, in one or more series, payable in not to exceed eleven (11) years from the date of issue of each series, for the purpose of paying the cost of maintenance and improvement of county roads in the Township, including necessary rights of way and appurtenances and attachments thereto? If approved, the estimated millage to be levied in 2015 is 2.7292 mills (\$2.7292 per \$1,000 of taxable value) and the estimated simple average annual millage rate required to retire this bond is 2.8211 mills (\$2.8211 per \$1000 of taxable value).

AND WHEREAS, it is the determination of the Township Board that at this time the unlimited tax general obligation bonds authorized under the proposition (the "Bonds") should be issued and sold for the purpose of paying the cost of local road repairs of county roads within the Township (the "Project") as described in the proposition;

WHEREAS, the Township Board wishes to authorize the Township Treasurer (the "Authorized Officer") to select a date for sale of the Bonds and to prepare the Bonds for sale; and

WHEREAS, the Township Board wishes to authorize the Authorized Officer to sell and deliver and receive payment for the Bonds without the necessity of the Township Board taking further action prior to sale and delivery of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Bonds are authorized to be issued in the aggregate principal sum of not to exceed Five Million Dollars (\$5,000,000) for the purpose of paying the costs of constructing the Project, including the costs incidental to the issuance, sale and delivery of the Bonds. The Bonds shall be designated as the 2015 GENERAL OBLIGATION UNLIMITED TAX BONDS.

The Bonds shall consist of bonds in fully-registered form of the denomination of \$5,000, or integral multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, numbered as determined by the Transfer Agent (as hereinafter defined). The Bonds shall bear interest at the rates determined upon sale of the Bonds but in any event not to exceed 6.00% per annum. The Bonds shall bear interest, mature as serial or term bonds, and be payable at the times and in the manner set forth in the Notice of Sale for the Bonds set forth in Section 12 of this resolution (the "Notice of Sale"), provided, however, that if it is determined to be in the best interests of the Township, the Authorized Officer, acting on advice of the Municipal Advisor and Bond Counsel (both as defined below), may reduce the aggregate principal amount issued and revise the principal maturity schedule set forth in the Notice of Sale at the time of sale of the Bonds. The Bonds shall be dated as of the date of delivery thereof, or such other date as provided in the Notice of Sale as it may be revised at the time of publication.

The Bonds shall be subject to redemption prior to maturity at the option of the Township as provided in the Notice of Sale as it may be revised at the time of publication. The Bonds may be subject to mandatory redemption prior to maturity at the times and prices

and in the manner as may be determined by the Authorized Officer at the time of sale of the Bonds.

The Bonds may be issued in book-entry only form through The Depository Trust Company in New York, New York (“DTC”) and the Authorized Officer is authorized to execute such custodial or other agreement with DTC as may be necessary to accomplish the issuance of the Bonds in book-entry only form, and to make such changes in the form of the Bonds within the parameters of this resolution as may be required to accomplish the foregoing.

Interest on the Bonds shall be payable to the registered owner of record as of the 15th day of the month prior to the payment date for each interest payment. The record date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the Township to conform to market practice in the future. Interest shall be payable by check or draft drawn on the Transfer Agent mailed to the registered owner at the registered address, as shown on the registration books of the Township maintained by the Transfer Agent. The principal of the Bonds shall be payable upon presentation and surrender of such Bonds to the Transfer Agent. Notwithstanding the foregoing, if the Bonds are held in book-entry form by DTC, payment shall be made in the manner prescribed by DTC.

The Huntington National Bank, Grand Rapids, Michigan, is hereby appointed to act as bond registrar, paying agent and transfer agent (the “Transfer Agent”) for the Bonds; provided, however, in consultation with the initial purchaser of the Bonds the Authorized Officer may appoint the Township Treasurer as Transfer Agent. The Authorized Officer is hereby authorized to execute one or more agreements with the Transfer Agent on behalf of the Township. The Township reserves the right to replace the Transfer Agent at any time, provided written notice of such replacement is given to the registered owners of record of the Bonds not less than sixty (60) days prior to an interest payment date.

2. The Bonds of this issue shall be executed in the name of the Township with the manual or facsimile signatures of the Supervisor and the Township Clerk, and the corporate seal of the Township shall be manually impressed or a facsimile thereof shall be printed on the Bonds. No Bond shall be valid until authenticated by an authorized representative of the Transfer Agent, unless the purchaser thereof does not require the Bonds to be authenticated. If the Bonds are not authenticated, then at least one signature on the Bonds shall be a manual signature. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by the Transfer Agent to the purchaser or other person in accordance with instructions from the Authorized Officer.

3. The Transfer Agent shall keep the books of registration for this issue on behalf of the Township. Any Bond may be transferred upon such registration books by the registered owner of record, in person or by the registered owner’s duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the Township shall execute and the Transfer Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The Transfer Agent shall require the payment by the bondholder

requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer.

If in the future the Township calls bonds for redemption prior to maturity then official notice of redemption shall be given by the Transfer Agent on behalf of the Township unless receipt of notice is waived by any registered owner of Bonds to be redeemed. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate numbers (and in the case of partial redemption) the called amounts of each certificate; the place where the Bonds called for redemption are to be surrendered for payment; and that interest on the Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

4. The Township Treasurer is authorized and directed to open a separate depository or trust account with a bank or trust company to be designated as the 2015 GENERAL OBLIGATION UNLIMITED TAX BONDS DEBT RETIREMENT FUND (the "Debt Retirement Fund"). The Debt Retirement Fund may be pooled or combined with other debt retirement funds for issues of bonds of like character as provided by the Revised Municipal Finance Act, Act 34, Public Acts of Michigan, 2001 ("Act 34") or other state law. The moneys to be deposited into the Debt Retirement Fund will be specifically earmarked and used solely for the purpose of paying principal of and interest on the Bonds.

All proceeds from taxes levied for the Debt Retirement Fund shall be deposited into the Debt Retirement Fund as collected. Commencing with the year 2015, each year there shall be levied upon the tax rolls of the Township for the purpose of the Debt Retirement Fund, in the manner required by the provisions of Act 34 or other state law, an amount sufficient so that the estimated collection therefrom will be sufficient to pay promptly, when due, the principal of and interest on the Bonds becoming due prior to the next annual tax levy, which tax levies shall not be subject to limitation as to rate or amount; provided, however, that if at the time of making any such annual tax levy there shall be surplus moneys on hand in the Debt Retirement Fund for the payment of principal of and interest on the Bonds, then credit therefor may be taken against such annual levy for the Debt Retirement Fund.

The Township may provide for the payment of principal of any of the Bonds issued as term bonds through the purchase of municipal securities in the open market at a price not greater than that payable on the next redemption date in order to satisfy all or part of the next succeeding scheduled mandatory redemption.

In the event a deposit of trust is made of cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier

optional or mandatory redemption, the principal of, premium, if any, and interest on the Bonds, this Resolution shall be defeased and the owners of the Bonds shall have no further rights under this Resolution except to receive payment of the principal of, premium, if any, and interest of the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

5. The Township Treasurer is authorized and directed to create a fund designated as the 2015 GENERAL OBLIGATION UNLIMITED TAX BONDS CONSTRUCTION FUND (the "Construction Fund"). The Township Treasurer shall deposit the proceeds of the Bonds into the Construction Fund, less accrued interest and premium, if any, which shall be deposited into the Debt Retirement Fund. The moneys in the Construction Fund shall be used solely to pay the costs of the Project and to pay the costs of issuance of the Bonds and, if necessary, to rebate arbitrage earnings to the United States Department of Treasury as required by the Internal Revenue Code. Moneys remaining in the Construction Fund after completion of the Project may be used for any purpose permitted by law.

6. The Bonds shall be in substantially the following form with such revisions, additions and deletions as may be advisable or necessary to comply with the final terms of the Bonds established upon sale thereof:

(FORM OF BOND TO BE COMPLETED AFTER BOND SALE]

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF CALHOUN

CHARTER TOWNSHIP OF PENNFIELD
2015 GENERAL OBLIGATION UNLIMITED TAX BOND

<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
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Registered Owner:

Principal Amount:

The CHARTER TOWNSHIP OF PENNFIELD, County of Calhoun, State of Michigan (the "Township"), acknowledges itself to owe and for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Date of Maturity specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360-day year consisting of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on April 1, 2016 and semiannually thereafter. Principal of this bond is payable upon presentation and surrender hereof at the designated corporate trust office of The Huntington National Bank, Grand Rapids, Michigan, or such other transfer agent as the Township may hereafter designate by notice mailed to the registered owner of record not less than sixty (60) days prior to any

interest payment date (the “Transfer Agent”). Interest on this bond is payable by check or draft mailed by the Transfer Agent to the person or entity who or which is as of the fifteenth (15th) day of the month prior to each interest payment date, the registered owner of record, at the registered address.

For prompt payment of this bond, both principal and interest, the full faith, credit and resources of the Township are hereby irrevocably pledged. This bond and the interest hereon are payable out of the Township’s Debt Retirement Fund for this issue. The Township is obligated to levy annually ad valorem taxes on all taxable property within its boundaries in an amount sufficient to provide for the payment of principal of and interest on this bond as it matures, without limitation as to either rate or amount.

This bond is one of a series of bonds of even Date of Original Issue aggregating the principal sum of \$5,000,000, issued for the purpose of paying costs of **local road repairs** of county roads within the Township in pursuance of approval of a ballot proposal by vote of the qualified electors of the Township at the general election held on Tuesday, November 4, 2014.

Bonds of this issue maturing on or prior to April 1, 2025 are not subject to redemption prior to maturity.

Bonds or portions of bonds in multiples of \$5,000 of this issue maturing on April 1, 2026 shall be subject to redemption prior to maturity without a premium, at the option of the Township, in such order as the Township shall determine and within any maturity by lot, on any date on or after April 1, 2025, at par plus accrued interest to the date fixed for redemption.

MANDATORY REDEMPTION

The bonds maturing [date] and [date] (the “Term Bonds”) are subject to mandatory sinking fund redemption by lot prior to maturity on April 1, in the years and amounts set forth below, at a price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption.

<u>Term Bonds due [date]</u>	<u>Principal</u>	<u>Term Bonds due [date]</u>	<u>Principal</u>
<u>Redemption Dates</u>	<u>Amounts</u>	<u>Redemption Dates</u>	<u>Amounts</u>
[date]		[date]	
[date]		[date]	
[date] (maturity)		[date] (maturity)	

The principal amount of Term Bonds to be redeemed on the dates set forth above shall be reduced, in the order determined by the Township, by the principal amount of Term Bonds of the same maturity which have been previously redeemed (other than as a result of a previous mandatory redemption requirement), or purchased or acquired by the Township and delivered to the Transfer Agent for cancellation; provided, that each such Term Bond has not previously been applied as a credit against any mandatory redemption obligation.

In case less than the full amount of an outstanding bond is called for redemption, the Transfer Agent upon presentation of the bond called in part for redemption shall register, authenticate and deliver to the registered owner of record a new bond of the same maturity and in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given by the Transfer Agent to each registered owner of bonds or portions thereof to be redeemed by mailing such notice not less than thirty (30) days prior to the date fixed for redemption to the registered owner at the address of the registered owner as shown on the registration books of the Township kept by the Transfer Agent. Bonds shall be called for redemption in multiples of \$5,000, and bonds of denominations of more than \$5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bonds by \$5,000, and such bonds may be redeemed in part. The notice of redemption for bonds redeemed in part shall state that, upon surrender of the bond to be redeemed, a new bond or bonds in the same aggregate principal amount equal to the unredeemed portion of the bonds surrendered shall be issued to the registered owner thereof with the same interest rate and maturity. No further interest on bonds or portions of bonds called for redemption shall accrue after the date fixed for redemption, whether the bonds have been presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem the bonds or portion thereof.

Any bond may be transferred by the person in whose name it is registered, in person or by the registered owner's duly authorized attorney or legal representative, upon surrender of the bond to the Transfer Agent for cancellation, together with a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any bond is surrendered for transfer, the Transfer Agent shall authenticate and deliver a new bond or bonds, in like aggregate principal amount, interest rate and maturity. The Transfer Agent shall require the bondholder requesting the transfer to pay any tax or other governmental charge required to be paid with respect to the transfer. The Transfer Agent shall not be required to issue, register the transfer of, or exchange any bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of bonds selected for redemption and ending at the close of business on the day of that mailing.

It is hereby certified and recited that all acts, conditions and things required by law to be done, exist and happen, precedent to and in the issuance of this bond and the series of bonds of which this is one, in order to make them valid and binding obligations of the Township have been done, exist and have happened in regular and due form and time as provided by law, and that the total indebtedness of the Township, including this bond and the series of bonds of which this is one, does not exceed any constitutional, statutory, or charter debt limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the Charter Township of Pennfield, County of Calhoun, State of Michigan, by its Township Board, has caused this bond to be signed in the name of the Township by [the facsimile signatures of] its Supervisor and Clerk, and a facsimile of its corporate seal to be [manually impressed/printed] hereon, all as of the Date of Original Issue.

CHARTER TOWNSHIP OF PENNFIELD

By _____
Robert P. Behnke, Jr.
Township Supervisor

(Seal)

Countersigned:

By _____
Kathleen R. Case, Township Clerk

[Insert standard forms of Certificate of Authentication and Assignment]

7. The Township shall not invest, reinvest or accumulate any moneys deemed to be proceeds of the Bonds pursuant to the Internal Revenue Code of 1986, as amended (the "Code"), in such a manner as to cause the Bonds to be "arbitrage bonds" within the meaning of the Code. The Township hereby covenants that, to the extent permitted by law, it shall take all actions within its control and that it shall not fail to take any action necessary to maintain the exclusion of the interest on the Bonds from adjusted gross income for general federal income tax purposes under the Code, including, but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure of investment of Bond proceeds and moneys deemed to be Bond proceeds, all as more fully set forth in the Non-Arbitrage and Tax Compliance Certificate to be delivered by the Township with respect to the Bonds.

8. The Township hereby designates the Bonds as "qualified tax exempt obligations" for purposes of deduction of interest expense by financial institutions pursuant to the Internal Revenue Code.

9. The estimated period of usefulness of the Project to be constructed and acquired with proceeds of the Bonds is hereby declared to be not less than 11 years. The Township shall not issue the Bonds in an amount greater than the estimated total cost of constructing the Project, including costs incidental to the issuance, sale and delivery of the Bonds.

10. Bendzinski & Co., Municipal Advisors with the Municipal Securities Rulemaking Board (the "Municipal Advisor") is hereby retained to act as Registered Municipal Advisor to the Township for the Bonds.

11. The Township hereby requests that Miller, Canfield, Paddock and Stone, P.L.C. ("Bond Counsel") continue to serve as bond counsel for the Bonds. The Township Board acknowledges that Miller, Canfield, Paddock and Stone, P.L.C., represents various municipal

bond underwriters, banks, and financial institutions in connection with matters unrelated to issuance of the Bonds.

12. The Authorized Officer shall, in consultation with the Municipal Advisor, fix a date of sale for the Bonds and publish the Notice of Sale of the Bonds in *The Bond Buyer*, New York, New York, or such other newspaper as may fulfill the requirements of Act 34. The Notice of Sale for the Bonds shall be in substantially the following form, with such revisions as the Authorized Officer may determine to be in the best interests of the Township in consultation with the Municipal Advisor and Bond Counsel.

OFFICIAL NOTICE OF SALE

\$5,000,000*

(*Preliminary, subject to adjustment as described herein)

CHARTER TOWNSHIP OF PENNFIELD

County of Calhoun, State of Michigan

2015 GENERAL OBLIGATION UNLIMITED TAX BONDS

BID OPENING: Bids for the purchase of the above bonds (the "Bonds") will be publicly opened and read by an agent of the Charter Township of Pennfield on [date], until [time] Eastern Time.

SEALED BIDS for the purchase of the Bonds will be received at the office of Bendzinski & Co., Municipal Advisors, 615 Griswold Street, Suite 1225, Detroit, Michigan 48226.

FAXED BIDS, signed by the bidder may be submitted by fax to Bendzinski & Co. at fax number (313) 961-8220 provided that faxed bids must arrive before the time of bid opening, and the bidder bears all risks of transmission failure.

ELECTRONIC BIDS: Electronic bids will be received by Bidcomp/Parity as agent of the undersigned. Further information about Bidcomp/Parity, including any fee charged, may be obtained from Bidcomp/Parity, Anthony Leyden or Client Services, 1359 Broadway, Second Floor, New York, New York 10018, (212) 849-5021. If any provision of this Official Notice of Sale shall conflict with information provided by Bidcomp/Parity, as the approved provider of electronic bidding services, this Official Notice of Sale shall control. No change of the dated date will be allowed for the computation of the winning bid.

Bidders may choose any means to present bids but a bidder may not present a bid by more than one means. The authorized Township officials will award or reject bids on the date of the bid opening.

BOND DETAILS: The Bonds will be registered bonds of the denomination of \$5,000 or integral multiples thereof up to the amount of that maturity, originally dated as of the date of delivery thereof (currently anticipated to be [date]), and will bear interest from their date payable on April 1, 2016, and semiannually thereafter.

The Bonds will mature on April 1 of each year, as follows:

YEAR	PRINCIPAL AMOUNT	YEAR	PRINCIPAL AMOUNT	YEAR	PRINCIPAL AMOUNT
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2016	\$275,000	2020	\$ 450,000	2024	\$525,000
2017	350,000	2021	450,000	2025	550,000
2018	400,000	2022	500,000	2026	600,000
2019	400,000	2023	500,000		

***ADJUSTMENT TO MATURITY:** The Township reserves the right to increase or decrease the amount of any principal maturity of the Bonds after receipt of the bids and prior to the final award. Such adjustment, if necessary, will be made in increments of \$5,000.

INTEREST RATE AND BIDDING DETAILS: The Bonds shall bear interest at a rate or rates not exceeding 6.00% per annum, to be fixed by the bids therefor. The interest on any one Bond shall be at one rate only and all Bonds maturing in any one year must carry the same interest rate. The difference between the highest and lowest interest rate on the Bonds shall not exceed 2.00% per annum. No proposal for the purchase of less than all of the Bonds or at a price less than 99.00% of their par value will be considered. In submitting a bid for the Bonds, the bidder agrees to the representation of the Township by Miller, Canfield, Paddock and Stone, P.L.C. as bond counsel.

TERM BOND OPTION: Bidders shall have the option of designating the Bonds maturing in the years 2016 through 2026, inclusive, as term bonds or serial bonds or both. The bid must designate whether each of the principal amounts shown above for the years 2016 through 2026, inclusive, represent a serial maturity or a mandatory redemption requirement for a term bond maturity. In any event, the above principal amount schedule for the years 2016 through 2026, inclusive, shall be represented by either serial bond maturities or mandatory redemption requirements, or a combination of both. Any such designation must be made at the time bids are submitted.

If the term bond option is selected, then the principal amount of the term bonds of a maturity to be redeemed on the dates set forth above may be reduced by the principal amount of the term bonds of the same maturity which have been previously redeemed or called for redemption (other than as a result of a mandatory redemption) or purchased or acquired by the Township and delivered to the transfer agent. The Township may satisfy mandatory redemption requirements by the purchase and surrender of term bonds in lieu of the calling of such term bonds for redemption.

OPTIONAL PRIOR REDEMPTION: The Bonds maturing or subject to mandatory redemption on or before April 1, 2025 are not subject to optional redemption prior to maturity.

Bonds or portions of Bonds in multiples of \$5,000 maturing or subject to mandatory redemption on April 1, 2026 shall be subject to redemption prior to maturity at the option of the Township in such order of maturity as the Township shall determine and within any maturity by lot, on any date on or after April 1, 2025, at par and accrued interest to the date fixed for redemption.

Notice of redemption of any Bond or portion thereof shall be given by the transfer agent at least thirty (30) days prior to the date fixed for redemption by mail to the registered owner at the registered address shown on the registration books kept by the transfer agent. No further interest on a Bond or portion thereof called for redemption shall accrue after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand

with the transfer agent to redeem the Bond or portion thereof. In case less than the full amount of an outstanding Bond is called for redemption, the transfer agent, upon presentation of the Bond called for redemption, shall register, authenticate and deliver to the registered owner of record a new Bond in the principal amount of the portion of the original Bond not called for redemption.

AWARD OF BONDS - TRUE INTEREST COST: The Bonds will be awarded to the bidder whose bid produces the lowest true interest cost determined in the following manner: the lowest true interest cost will be the single interest rate (compounded on April 1, 2016 and semi-annually thereafter) necessary to discount the debt service payments from their respective payment date to [date], 2015 in an amount equal to the price bid. [Date], 2015 is the anticipated date of delivery of the Bonds. In the event there is an election to exercise the Term Bond option, true interest cost shall be calculated by applying the interest rate of such Term Bonds to each mandatory sinking fund redemption for such Term Bonds.

BOOK-ENTRY-ONLY: At the option of the purchaser of the Bonds, the Bonds will be issued in book-entry-only form as one fully registered Bond per maturity and will be registered in the name of Cede & Co., as bondholder and nominee for The Depository Trust Company ("DTC"), New York, New York. If this option is selected, then an authorized agent of DTC will act as securities depository for the Bonds, purchase of the Bonds will be made in book-entry only form, in the denomination of \$5,000 or any integral multiple of \$5,000, and bondholders will not receive certificates representing their interest in Bonds purchased. The book-entry-only system is described further in the preliminary Official Statement for the Bonds. It will be the responsibility of the purchaser to obtain DTC eligibility. Failure of the purchaser to obtain DTC eligibility shall not constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the Bonds.

TRANSFER AGENT AND REGISTRATION: Principal shall be payable at the corporate trust office of The Huntington National Bank, Grand Rapids, Michigan, or other designated office, or such other transfer agent as the Township may hereafter designate by notice mailed to the registered owner of record not less than 60 days prior to any interest payment date. As long as The Depository Trust Company or its nominee, Cede & Co., is the bondholder, payments will be made directly to DTC. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the beneficial owners of the Bonds is the responsibility of the DTC Participants and Indirect Participants as described in the preliminary official statement for the Bonds. Interest shall be paid by check or draft mailed to the registered owner of record as shown on the registration books kept by the transfer agent as of the 15th day of the month prior to an interest payment date. The Bonds will be transferred only upon the registration books of the Township kept by the transfer agent.

PURPOSE AND SECURITY: The Bonds were authorized by approval by the Township voters of a ballot proposal at the general election held on Tuesday, November 4, 2014, and are issued for the purpose of paying costs of local road repairs of county roads within the Township, and paying costs incidental to the issuance of the Bonds. The Bonds will pledge the full faith and credit of the Township for payment of the principal and interest thereon and will be payable from ad valorem taxes which may be levied without limitation as to rate or amount. The rights or remedies of bondholders may be affected by bankruptcy,

insolvency, fraudulent conveyance or other laws affecting creditors' rights generally, now existing or hereafter enacted, and by the application of general principles of equity including those relating to equitable subordination.

GOOD FAITH: A good faith deposit in the form of a certified or cashier's check drawn upon an incorporated bank or trust company, or wire transfer, in the amount of \$50,000 payable to the order of the Township Treasurer, will be required of the successful bidder. **THE SUCCESSFUL BIDDER IS REQUIRED TO SUBMIT ITS GOOD FAITH DEPOSIT TO THE TOWNSHIP AS INSTRUCTED BY THE TOWNSHIP OR THE MUNICIPAL ADVISOR NOT LATER THAN NOON, EASTERN TIME, ON THE NEXT BUSINESS DAY FOLLOWING THE SALE.** The good faith deposit will be applied to the purchase price of the Bonds. In the event the purchaser fails to honor its accepted bid, the good faith deposit will be retained by the Township. No interest shall be allowed on the good faith check. The good faith check of the successful bidder will be cashed and payment for the balance of the purchase price of the Bonds shall be made at the closing.

TAX MATTERS: In the opinion of Miller, Canfield, Paddock and Stone, P.L.C., bond counsel, under existing law, assuming compliance with certain covenants, interest on the Bonds is excludable from gross income for federal income tax purposes as described in the opinion, and the Bonds and interest thereon are exempt from all taxation by the State of Michigan or by any taxing authority within the State of Michigan except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof.

ISSUE PRICE CERTIFICATE: The successful bidder will be required to furnish, prior to the delivery of the Bonds, a certificate in a form acceptable to bond counsel as to the "issue price" of the Bonds within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended. Such certificate will include (i) for those maturities where 10% of each such maturity of the Bonds has been sold to members of the general public (excluding underwriters, brokers and dealers) prior to delivery of the Bonds, the price at which the first 10% of each such maturity was sold to members of the general public, and (ii) for those maturities where 10% of such maturity has not been sold to members of the general public (excluding underwriters, brokers and dealers) prior to delivery of the Bonds, an agreement by the successful bidder to provide bond counsel with the prices at which the first 10% of each such maturity is ultimately sold to members of the general public.

QUALIFIED TAX EXEMPT OBLIGATIONS: The Township has designated the Bonds as "qualified tax exempt obligations" for purposes of deduction of interest expense by financial institutions pursuant to the Internal Revenue Code of 1986, as amended.

LEGAL OPINION: Bids shall be conditioned upon the approving opinion of Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Lansing and Detroit, Michigan. The opinion will be furnished without expense to the purchaser of the Bonds at the delivery thereof. The fees of Miller, Canfield, Paddock and Stone, P.L.C., for services rendered in connection with such approving opinion are expected to be paid from Bond proceeds. Except to the extent necessary to issue its approving opinion as to the validity of the Bonds, Miller, Canfield, Paddock and Stone, P.L.C. has not been requested to examine or review and has not examined or reviewed any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the Bonds, and

accordingly will not express any opinion with respect to the accuracy or completeness of any such financial documents, statements or materials.

DELIVERY OF BONDS: The Township will furnish executed Bonds at its expense. Bonds will be delivered without expense to an authorized agent of DTC or at such other place to be agreed upon. The usual closing documents, including a certificate that no litigation is pending affecting the issuance of the Bonds, will be delivered at the time of delivery of the Bonds. If the Bonds are not tendered for delivery by twelve o'clock noon, Eastern Time, on the 45th day following the date of sale, or the first business day thereafter if said 45th day is not a business day, the successful bidder may on that day, or any time thereafter until delivery of the Bonds, withdraw its proposal by serving notice of cancellation, in writing, on the undersigned in which event the Township shall promptly return the good faith deposit. Payment for the Bonds shall be made in immediately available funds.

BOND INSURANCE AT PURCHASER'S OPTION: If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the bidder/purchaser, the purchase of any such insurance policy or the issuance of any such commitment shall be at the option and expense of the purchaser of the Bonds. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the purchaser, except that, if the Township has requested and received a rating on the Bonds from a rating agency, the Township will pay for the requested rating. Any other rating agency fees shall be the responsibility of the purchaser of the insurance. **FAILURE OF THE MUNICIPAL BOND INSURER TO ISSUE THE POLICY AFTER THE BONDS HAVE BEEN AWARDED TO THE PURCHASER SHALL NOT CONSTITUTE CAUSE FOR FAILURE OR REFUSAL BY THE PURCHASER TO ACCEPT DELIVERY OF THE BONDS FROM THE TOWNSHIP.**

CUSIP NUMBERS: CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds. The CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the purchaser of the Bonds.

OFFICIAL STATEMENT: A preliminary Official Statement that the Township deems to be final as of its date, except for the omission of information permitted to be omitted by Rule 15c2-12 of the Securities and Exchange Commission, has been prepared and may be obtained from the Township's Municipal Advisor, Bendzinski & Co., at the address and telephone listed under MUNICIPAL ADVISOR below. The Township will provide the winning bidder with 100 final Official Statements within 7 business days from the date of sale so as to permit the underwriter to comply with Rule 15c2-12. Additional copies of the Official Statement will be supplied by Bendzinski & Co. upon request and agreement by the purchaser of the Bonds to pay the cost of additional copies. Requests for additional copies should be made to Bendzinski & Co. within 24 hours of the date of sale.

CONTINUING DISCLOSURE: As described more fully in the Official Statement, the Township will execute and deliver prior to delivery of the Bonds a written continuing disclosure undertaking in order to enable the underwriters of the Bonds to comply with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

MUNICIPAL ADVISOR: Additional information may be obtained from the Township's Municipal Advisor, Bendzinski & Co., Municipal Advisors, 615 Griswold Street, Suite 1225, Detroit, Michigan 48226-3997. Telephone: 313/961-8222. Fax: 313/961-8220.

In submitting a bid for the Bonds, the bidder represents that it is not an "Iran linked business" within the meaning of the Iran Economic Sanctions Act, Act 517 of the Public Acts of Michigan of 2012.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

ENVELOPES containing the bids should be plainly marked "Proposal for General Obligation Unlimited Tax Bonds."

Kathleen R. Case, Township Clerk
Charter Township of Pennfield
Calhoun County, Michigan

13. The Authorized Officer is directed to approve circulation of a preliminary official statement describing the bonds and to deem such Preliminary Official Statement "final" for purposes of compliance with Securities and Exchange Commission Rule 15c2-12.

14. The Authorized Officer is authorized to apply for one or more ratings on the Bonds as shall be recommended by the Municipal Advisor. If the Municipal Advisor recommends that the Township consider purchase of municipal bond insurance, or consider qualification for approval for municipal bond insurance, then the Authorized Officer is hereby authorized and directed, on behalf of the Township, to apply for municipal bond insurance, to negotiate with insurers regarding acquisition of municipal bond insurance, and, in consultation with the Municipal Advisor, to select an insurer and determine which Bonds, if any, shall be insured.

15. The Authorized Officer is hereby authorized on behalf of the Township, subject to the provisions and limitations of this Resolution, to award sale of the Bonds to the bidder whose bid produces the lowest interest cost computed in compliance with the terms of the Notice of Sale as published, which bid shall comply with the requirements for bids specified in said Notice of Sale and shall be within the limitations contained in this Resolution.

16. The Bonds shall bear interest at a rate or rates not exceeding 6.00% per annum. The purchase price for the Bonds, exclusive of any original issue discount or premium, shall not be less than 99.00% of the principal amount of the Bonds plus accrued interest if any. In making such determinations the Township is authorized to rely upon data and computer runs provided by the Municipal Advisor.

17. After awarding sale of the Bonds, the Authorized Officer is authorized to prepare, execute and deliver a final Official Statement describing the Bonds.

18. The Township hereby agrees to execute a Continuing Disclosure Undertaking Agreement in order to enable the underwriters of the Bonds to comply with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

19. If the Authorized Officer determines, based on the advice of the Municipal Advisor, that due to market conditions a negotiated sale of the Bonds would enable the Township to better market the Bonds, then it is determined to be in the best interests of the Township to negotiate the sale of the Bonds, and an Authorized Officer is hereby authorized and directed on behalf of the Township to negotiate sale of the Bonds to an underwriter, financial institution or other investor, and to accept an offer to purchase the Bonds without further resolution of this Board. The Authorized Officer is authorized to sign a certificate of award of sale, acknowledgement of offer to purchase the Bonds, purchase agreement, or other document agreeing to sell the Bonds.

20. In the event that the Authorized Officer is not available at the time that it becomes necessary to take actions directed or authorized under this resolution, then the Township Supervisor is authorized to take the actions delegated to the Authorized Officer by this Resolution. The officers, administrators, agents and attorneys of the Township are authorized and directed to take all other actions necessary and convenient to facilitate sale and delivery of the Bonds and expenditure of Bond proceeds, and to execute and deliver all other agreements, documents and certificates and to take all other actions necessary or convenient to complete the issuance, sale, and delivery of the Bonds and expenditure of Bond proceeds in accordance with this resolution, including payment of costs of issuance including bond counsel fees, municipal advisor fees, rating agency fees, costs of printing the Bonds and the preliminary and final official statements, publication of the Notice of Sale, and any other costs necessary to accomplish sale and delivery of the Bonds.

21. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are hereby rescinded.

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the Township Board of the Charter Township of Pennfield, County of Calhoun, State of Michigan, at a Special Meeting held on May 1, 2015 at 9:00am, Eastern Time, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act 267.

I further certify that the following Members were present at said meeting: Supervisor Behnke, Clerk Case, Trustee Beard, Trustee Damerow, Trustee Harris & Trustee Skelding

And that the following Members were absent: Treasurer Phillips

MOVED BY: Trustee Damerow

SUPPORTED BY: Trustee Skelding

Supervisor Behnke – Yes

Trustee Beard – Yes

Clerk Case – Yes

Trustee Damerow – Yes

Treasurer Phillips – Excused

Trustee Skelding – Yes

Trustee Harris – Yes

Vote shows 6 yes, -0- no, and one excused. **Resolution 15-37 is adopted.**

3. Adoption of Pennfield Charter Township Resolution 15-38

**PENNFIELD CHARTER TOWNSHIP RESOLUTION #15-38
(a Resolution authorizing the use of IT Right for
IT administration and services)**

BE IT RESOLVED, that the Pennfield Charter Township Board hereby authorizes the use of I.T. Right for IT and administration, as well as Tier I and Tier II services, at an annual cost of \$4,688.00 to be divided appropriately among the Township Departments.

Moved by: Trustee Beard

Supported by: Trustee Damerow

Supervisor Behnke – Yes

Trustee Beard – Yes

Clerk Case – Yes

Trustee Damerow – Yes

Treasurer Phillips – Excused

Trustee Harris – Yes

Trustee Skelding – Yes

Vote shows 6 yes, -0- no, and one excused. **Resolution 15-38 is adopted.**

It was moved by Trustee Damerow and supported by Trustee Skelding to adjourn the meeting at 9:50 AM. **Motion carried.**

Robert P. Behnke, Jr. – Supervisor

Kathleen R. Case – Clerk