

THE GLOUCESTER COUNTY UTILITIES AUTHORITY

RESOLUTION NO. 2017-081

RESOLUTION OF THE GLOUCESTER COUNTY UTILITIES AUTHORITY CONSTITUTING A SUPPLEMENTAL RESOLUTION TO THE BOND RESOLUTION OF SAID AUTHORITY ADOPTED AUGUST 8, 1978, AS HERETOFORE AMENDED AND SUPPLEMENTED, AWARDED ONE SERIES OF THE AUTHORITY'S SEWER REVENUE REFUNDING BONDS PURSUANT TO A BOND PURCHASE PROPOSAL OF RAYMOND JAMES; AND TAKING RELATED ACTIONS

BACKGROUND

WHEREAS, The Gloucester County Utilities Authority ("Authority") is a public body corporate and politic organized by the County of Gloucester, New Jersey ("County") and presently subsisting under the Municipal and County Utilities Authorities Law, constituting Chapter 183 of the Laws of 1957 of the State of New Jersey, as amended and supplemented (*N.J.S.A. 40:14B-1 et seq.*) ("Act"), having the responsibilities, among others, for providing sewage conveyance and treatment services to an approximate 160-square-mile service area in the northwestern section of the County; and

WHEREAS, the Authority has heretofore issued and currently has outstanding senior-lien sewer revenue bonds (including sewer revenue refunding bonds) pursuant to the Act and a bond resolution of the Authority entitled: "Resolution Providing for the Issuance of Bonds of The Gloucester County Utilities Authority and for the Rights of the Holders Thereof", adopted August 8, 1978 ("1978 Bond Resolution"), as heretofore amended and supplemented (the 1978 Bond Resolution as heretofore amended and supplemented is hereinafter collectively referred to as the "General Bond Resolution"); and

WHEREAS, the Authority has previously issued its: (i) Sewer Revenue Refunding Bonds, Series 2003, currently outstanding in the aggregate principal amount of \$6,135,000, maturing on January 1 in the years 2017 through 2030, both dates inclusive ("2003 Callable Bonds"); (ii) Sewer Revenue Refunding Bonds, 2005 Series B, currently outstanding in the aggregate principal amount of \$7,725,000, maturing on January 1 in the years 2017 through 2024, both dates inclusive ("2005B Callable Bonds" and together with the 2003 Callable Bonds, the "Callable Bonds"); and

WHEREAS, in view of the low interest rates prevailing in the municipal bond market, the Authority has determined to issue its revenue refunding bonds in the aggregate principal amount of up to \$16,500,000 to refinance up to all of the Callable Bonds ("Refunding"); and

WHEREAS, on October 12, 2016, the Authority adopted a resolution constituting a Supplemental Resolution, as defined in and for purposes of the Authority's General Bond Resolution ("2016 Supplemental Resolution"), which 2016 Supplemental Resolution authorized up to \$16,500,000 aggregate principal amount, of the Authority's Sewer Revenue Refunding Bonds, 2017 Series ("2017 Refunding Bonds"). The 2017 Refunding Bonds are being issued to (i) currently refund, at par, all of the outstanding Callable Bonds for the purpose of achieving debt service savings ("Refunding Project"); (ii) make a deposit to the Bond Reserve Fund (as defined in the General Bond Resolution) in an amount equal to the Bond Reserve Requirement (as defined in the General Bond Resolution) for the 2017 Refunding Bonds, if necessary; and (iii) pay the costs of issuance of the 2017 Refunding Bonds.

WHEREAS, the Authority desires to adopt this resolution as a Supplemental Resolution (as defined in the General Bond Resolution) in order to issue the 2017 Refunding Bonds as Additional Bonds pursuant to the requirements of Article III of the General Bond Resolution, to establish the definitive terms thereof, and to award the 2017 Refunding Bonds to Raymond James & Associates, Inc., as underwriter ("Underwriter"), on the terms and conditions set forth in the bond purchase contract for the 2017 Refunding Bonds, dated March 23, 2017, by and between the Authority and the Underwriter ("Purchase Contract").

NOW, THEREFORE, BE IT RESOLVED BY THE GLOUCESTER COUNTY UTILITIES AUTHORITY AND THE MEMBERS THEREOF AS FOLLOWS:

ARTICLE I

INTERPRETATION

Section 1.01. General Bond Resolution Defined Terms to Apply.

All capitalized terms utilized herein as defined terms herein and not otherwise defined shall have the meanings ascribed thereto in the General Bond Resolution and/or the 2016 Supplemental Resolution unless the context shall clearly otherwise require.

Section 1.02. Specification of Dates.

Any day or date specified herein for the taking of any action, including, without limitation, the payment of money or the delivery of documents or instruments, shall refer to such day or date if the same shall be a Business Day, or if not (and not otherwise provided herein), to the preceding Business Day, unless otherwise specifically so stated herein.

ARTICLE II

CONCERNING THE REFUNDING AND THE 2017 REFUNDING BONDS

Section 2.01. Refunding; Authorization to Issue 2017 Refunding Bonds; Certain Terms Thereof.

The Authority hereby authorizes the issuance of its Sewer Revenue Refunding Bonds, 2017 Series ("2017 Refunding Bonds"), on the terms and conditions set forth in the General Bond Resolution, the 2017 Bonds Supplemental Resolution and herein. The 2017 Refunding Bonds shall be issued to effect the Refunding Project.

With respect to the 2017 Refunding Bonds, it is hereby specified and determined pursuant to Section 302(A)(1)-(5) of the General Bond Resolution as follows:

(a) The 2017 Refunding Bonds shall constitute Additional Bonds, as defined in the General Bond Resolution. The aggregate principal amount of the 2017 Refunding Bonds shall be \$12,475,000.

(b) The 2017 Refunding Bonds shall bear a Series issue date of April 6, 2017, shall have Interest Payment Dates of January 1 and July 1, commencing July 1, 2017, and shall mature on January 1 of the years, and in the annual amounts, set forth on Exhibit "A" attached hereto and made a part hereof.

(c) The 2017 Refunding Bonds shall bear interest at rates set forth on Exhibit "A" attached hereto and shall be payable in the manner set forth in the General Bond Resolution as heretofore amended and supplemented including hereby, on each Interest Payment Date or Special Payment Date, as applicable.

(d) The 2017 Refunding Bonds maturing prior to January 1, 2027 are not subject to redemption prior to their stated maturity dates. The 2017 Refunding Bonds maturing on and after January 1, 2028 are subject to redemption prior to their stated maturity dates at the option of the Authority, upon notice as set forth below, as a whole or in part (and, if in part, such maturities as the Authority shall determine and within any such maturity by lot) on any date on or after January 1, 2027, at a redemption price equal to 100% of the principal amount of 2017 Refunding Bonds to be redeemed, plus accrued interest to the redemption date.

(e) Upon issuance and delivery of the 2017 Refunding Bonds, the aggregate amount to be maintained by the Trustee in the Bond Reserve Fund in satisfaction of the Bond Reserve Requirement for all outstanding Bonds, including the 2017 Refunding Bonds, shall be \$3,998,355.18.

Section 2.02. Award of 2017 Refunding Bonds to Underwriter; Purchase Contract.

It is hereby determined that the terms of the 2017 Refunding Bonds set forth in the Purchase Contract annexed hereto as Exhibit "B" comply with the 2016 Supplemental Resolution and, accordingly, the 2017 Refunding Bonds are hereby awarded to the Underwriter, in the aggregate principal amount and on the other terms and conditions set forth in the Purchase Contract, and the Chairman and Vice-Chairman of the Authority are each hereby severally authorized and directed to execute the Purchase Contract in the name and on behalf of the Authority.

Section 2.03. Application of Proceeds of 2017 Refunding Bonds to Effect Refunding Project.

The current refunding of the Callable Bonds will be effected by the irrevocable deposit with The Bank of New York Mellon, as escrow agent ("Escrow Agent") of proceeds of the 2017 Refunding Bonds in an amount sufficient to optionally redeem, on May 9, 2017, the principal amount thereof at a redemption price of 100% of such principal amount, together with interest accrued on such Callable Bonds to such date. The Chairman and Vice-Chairman of the Authority are hereby severally authorized to take all such actions including, without limitation, with respect to calling the Callable Bonds for redemption, executing all documents and instruments, including an Escrow Deposit Agreement, to be dated the date of closing, with the Trustee ("Escrow Agreement"), necessary or appropriate to effect the refunding of the Callable Bonds, arranging for the purchase, on the open market, of direct obligations of, obligations unconditionally guaranteed as to full and timely payment of principal and interest by, the United States of America, which are not subject to redemption prior to maturity except at the option of the holder thereof.

ARTICLE III

MISCELLANEOUS

Section 3.01. Prior Actions Ratified.

All actions heretofore taken and all documents heretofore prepared and/or delivered by the Authority members and officers and the Authority's professional advisors in respect of the issuance and sale of the 2017 Refunding Bonds pursuant to the General Bond Resolution and the 2016 Supplemental Resolution are hereby ratified, confirmed, approved and adopted.

Section 3.02. Additional Actions.

The Commissioners of the Authority and the financial and administrative officers of the Authority are hereby jointly and severally authorized and directed to take such additional actions including the making of any determinations not made in the General Bond Resolution, the 2016 Supplemental Resolution or herein and to prepare, execute and file such documents and instruments, all as may be necessary or appropriate in connection with the issuance, sale and delivery of the 2017 Refunding Bonds, the accomplishment of the Refunding Project, the investment from time to time of moneys in any funds or accounts established under the General Bond Resolution, the Escrow Agreement or hereunder, the timely payment in full of the 2017 Refunding Bonds, and the payment of costs of issuance of the 2017 Refunding Bonds.

Section 3.03. Confirmation of Provisions of General Bond Resolution.

Except as supplemented or amended by the 2016 Supplemental Resolution and hereby, the General Bond Resolution is hereby ratified and confirmed in all respects and is applicable in all respects to the 2017 Refunding Bonds, the Holders thereof and the security therefor. The General Bond Resolution, as supplemented by the 2016 Supplemental Resolution and hereby, shall be read, taken and construed as one and the same instrument.

Section 3.04. Repeal of Inconsistent Provisions.

All resolutions or parts thereof, relating to the matters set forth herein, to the extent inconsistent with the General Bond Resolution as heretofore amended and supplemented, including as supplemented hereby and by the 2016 Supplemental Resolution, are hereby repealed and rescinded to the extent of any such inconsistency.

Section 3.05. Effective Date.

This 2017 Supplemental Resolution, adopted this 23rd day of March, 2017, shall take effect in accordance with the Act, specifically *N.J.S.A. 40:14B-14(e)*.

**THE GLOUCESTER COUNTY UTILITIES
AUTHORITY**

By: _____
HOWARD W. BRUNER, Chairman

[SEAL]

ATTEST:

WALTER BERGLUND, Secretary

EXHIBIT "A"

**\$12,475,000 Aggregate Principal Amount
The Gloucester County Utilities Authority
Sewer Revenue Refunding Bonds, 2017 Series**

MATURITY SCHEDULE

Maturity (January 1)	Principal Amount	Interest Rate
2018	\$1,715,000	3.00%
2019	1,780,000	4.00
2020	1,860,000	5.00
2021	1,950,000	5.00
2022	1,035,000	5.00
2023	1,080,000	5.00
2024	1,135,000	5.00
2025	575,000	4.00
2026	250,000	4.00
2027	260,000	4.00
2028	270,000	4.00
2029	280,000	3.00
2030	285,000	3.00

EXHIBIT "B"

Bond Purchase Contract

\$12,475,000
THE GLOUCESTER COUNTY UTILITIES AUTHORITY
(Gloucester County, New Jersey)
SEWER REVENUE REFUNDING BONDS,
2017 SERIES

BOND PURCHASE CONTRACT

March 23, 2017

Honorable Chairman and Members of
The Gloucester County Utilities Authority
2 Paradise Road
West Deptford, New Jersey 08066

Ladies and Gentlemen:

Raymond James & Associates, Inc. (the "Underwriter") hereby offers to enter into this Bond Purchase Contract (the "Purchase Contract") with The Gloucester County Utilities Authority (the "Authority") for the purchase by the Underwriter and the sale by the Authority of the 2017 Bonds as defined below. This offer is made subject to acceptance hereof by the Authority prior to 6:00 p.m. prevailing time in New York, New York, on the date hereof, and, upon such acceptance, evidenced by the signature of a duly authorized officer of the Authority in the space provided below, this Purchase Contract shall be in full force and effect in accordance with its terms and shall be binding upon the Authority and the Underwriter. All capitalized terms used herein and not otherwise defined shall have the meanings specified in the Official Statement (defined below).

1. Purchase Price.

- a. Upon the terms and conditions and upon the basis of the representations and warranties herein set forth, the Underwriter hereby agrees to purchase from the Authority, and the Authority hereby agrees to sell to the Underwriter, all (but not less than all) of the Authority's Sewer Revenue Refunding Bonds, 2017 Series, in the original aggregate principal amount of \$12,475,000 (the "2017 Bonds"), at an aggregate purchase price of \$13,628,297.40 (the "Purchase Price"), representing the original aggregate principal amount of the 2017 Bonds, less Underwriter's discount of \$48,108.65 plus net original issue premium of \$1,201,406.05. The 2017 Bonds shall be dated the date of issuance (the "Delivery Date"), shall mature on the dates and in the amounts, shall be subject to redemption prior to maturity

and shall bear interest at the rates specified in Exhibit A attached hereto and made a part hereof as though fully set forth herein.

2. Delivery of and Payment for the 2017 Bonds.

- a. At or prior to 10:00 a.m., prevailing time in New York, New York, on April 6, 2017 (the “Closing Date”), or at such other time or date as shall have been mutually agreed upon by the Authority and the Underwriter, the Authority will deliver or cause to be delivered to the Underwriter the 2017 Bonds, in definitive form, duly executed and authenticated by the Trustee, together with the other documents hereinafter mentioned; and, subject to the conditions contained herein, the Underwriter will accept such delivery and pay the Purchase Price, by wire transfer of immediately available funds payable to the order of the Trustee.
- b. The Authority and the Underwriter agree that there shall be a preliminary closing held at the offices of Parker McCay P.A., Mount Laurel, New Jersey (“Bond Counsel”), on April 5, 2017 or at such other time or place as the Authority and the Underwriter shall agree.
- c. Delivery of the definitive 2017 Bonds as aforesaid shall be in accordance with FAST delivery procedures of The Depository Trust Company, New York, New York (“DTC”). Payment for the 2017 Bonds shall be made as set forth in Section 2(a) hereof and delivery of the other documents shall be made at the offices of Bond Counsel on the Closing Date. Such payment and the related delivery is herein called the “Closing.” The 2017 Bonds will be delivered as fully-registered bonds, bearing proper CUSIP numbers, and registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the 2017 Bonds.
- d. After execution by the Authority and authentication by the Trustee, the 2017 Bonds shall be held in safe custody by the Trustee or any authorized agent for the Trustee in compliance with the FAST delivery procedures of DTC. The Trustee shall release or authorize the release of the 2017 Bonds from safe custody at the Closing upon receipt of payment of the Purchase Price as aforesaid.

3. Official Statement.

- a. The Authority hereby consents to and confirms the prior use by the Underwriter of the Preliminary Official Statement (in printed and electronic form) dated March 17, 2017, as amended and restated on March 22, 2017 (as amended and restated, the “Preliminary Official Statement”), in connection with the public offering of the 2017 Bonds by the Underwriter, and further confirms the authority of the Underwriter to use, and consents to the use of, a final Official Statement (in printed form) with respect to the 2017 Bonds, to be dated the date hereof, and any amendments or supplements thereto that shall be approved by the Authority (as so amended and supplemented, the “Official Statement”) in connection with the public offering and sale of the 2017 Bonds. The Authority

hereby represents and warrants that the Preliminary Official Statement previously furnished to the Underwriter was “deemed final” by the Authority as of its date for purposes of Rule 15c2-12 (“Rule 15c2-12”) promulgated by the Securities and Exchange Commission of the United States (the “SEC”) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), except for the omission of such information as is specified in Rule 15c2-12(b)(1).

- b. The Authority shall provide, or cause to be provided, to the Underwriter within seven (7) business days after the date of this Purchase Contract, or no later than the Closing Date, whichever comes first, conformed copies of a final Official Statement in final, printed (in sufficient quantity) and electronic form to permit the Underwriter to comply with the obligations of the Underwriter pursuant to Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board (the “MSRB”) (including, but not limited to, revised MSRB Rule G-32 (effective June 1, 2009) requiring submissions of official statements to the MSRB through the internet facilities of the Electronic Municipal Market Access System (“EMMA”), Rule 15c2-12, and other applicable securities laws, rules or regulations. The Underwriter agrees to provide the Authority with all bond pricing information necessary to enable the Authority to comply with the provisions of this Paragraph 3(b).
 - c. The Authority hereby authorizes the Underwriter to file, and the Underwriter hereby agrees to file as soon as possible following receipt of the Official Statement from the Authority, the Official Statement, and any supplement and amendment thereto, with the MSRB through the EMMA primary market disclosure service. The Authority agrees to provide an electronic copy of the Official Statement to the Underwriter in order that the Underwriter may satisfy its obligations pursuant to MSRB Rule G-32.
4. Amendments to Official Statement. The Authority covenants with the Underwriter to promptly notify the Underwriter if, within twenty-five (25) days after the Closing Date, any event shall occur, or information comes to the attention of the Authority, which is reasonably likely to, or would, cause the Official Statement (whether or not previously supplemented or amended), to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading, and if in the reasonable opinion of the Underwriter such event requires the preparation and distribution of a supplement or amendment to the Official Statement, to prepare and furnish to the Underwriter, at the expense of the party with respect to which such event or information relates, such number of copies of the supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the Authority and reasonably approved by the Underwriter, as the Underwriter may reasonably request.
5. Public Offering. The Underwriter intends to make an initial public offering of all the 2017 Bonds at a price or prices not in excess of the initial offering price or prices (or yield or yields not less than the initial offering yield or yields) set forth on the inside front cover page of the Official Statement; provided, however, that the Underwriter may

change such initial offering price or prices (or yield or yields) as it deems necessary in connection with the offering of the 2017 Bonds without any requirement of prior notice, and may offer and sell the 2017 Bonds to certain institutions at prices lower (or at yields higher) than those stated in the Official Statement.

6. End of Underwriting Period. For purposes of this Purchase Contract, the “End of the Underwriting Period” within the meaning of Rule 15c2-12 shall mean the Closing Date, unless the Authority has been notified to the contrary by the Underwriter.

- a. The Underwriter shall provide to the Authority upon request such information as may be reasonably required by the Authority in order to determine whether the “End of the Underwriting Period” for the 2017 Bonds has occurred under Rule 15c2-12 with respect to the unsold balance of 2017 Bonds that are held by the Underwriter for sale to the public within the meaning of Rule 15c2-12.
- b. As soon as possible following receipt of the Official Statement from the Authority, the Underwriter shall deliver the Official Statement, and any supplement or amendment thereto, to the MSRB through the EMMA primary market disclosure service.

7. Plan of Financing.

- a. The 2017 Bonds are issued pursuant to pursuant to the Municipal and County Utilities Authorities Law, constituting Chapter 183 of the Laws of 1957 of the State, as amended and supplemented (*N.J.S.A. 40:14B-1 et seq.*) (the “Act”), the general bond resolution of the Authority adopted August 8, 1978, as heretofore amended and supplemented from time to time (“General Bond Resolution”), a Supplemental Resolution of the Authority adopted October 12, 2016 further supplementing the General Bond Resolution and authorizing the issuance of the 2017 Refunding Bonds (“2016 Supplemental Resolution”) and a Supplemental Resolution of the Authority adopted on March 23, 2017 determining certain terms and provisions of the 2017 Refunding Bonds (“Sale Resolution” and collectively with the General Bond Resolution and the 2016 Supplemental Resolution, the “Bond Resolution”).
- b. The 2017 Bonds are being issued by the Authority to provide funds which will be used to: (i) currently refund all of the Authority's Sewer Revenue Refunding Bonds, 2003 Series, currently outstanding in the principal amount of \$5,705,000 (“2003 Refunded Bonds”); (ii) currently refund all of the Authority’s Sewer Revenue Refunding Bonds, Series 2005 B, currently outstanding in the principal amount of \$7,725,000 (“2005B Refunded Bonds”, and together with the 2003 Refunded Bonds, the “Refunded Bonds”); and (iii) pay the costs of issuance with respect to the 2017 Bonds.
- c. In connection with the issuance of the 2017 Bonds, the Authority will enter into an Escrow Deposit Agreement dated the date of delivery of the 2017 Bonds (the “Escrow Deposit Agreement”) with The Bank of New York Mellon Woodland

Park, New Jersey, as escrow agent, pursuant to which a portion of the proceeds of the 2017 Bonds will be deposited in the Escrow Fund established under the Escrow Deposit Agreement and held uninvested as cash or invested in direct and general obligations of, or obligations fully and unconditionally guaranteed by, the United States of America (the "Government Obligations"), the maturing principal of which and interest thereon shall be used to redeem the Refunded Bonds on May 9, 2017 ("Redemption Date"), at a redemption price equal to 100% of the principal amount of the Refunded Bonds, together with interest accrued on the Refunded Bonds to the Redemption Date.

- d. The mathematical calculation of the adequacy of the deposit to provide for the payment of the Refunded Bonds on the Redemption Date will be verified by Petroni & Associates LLC (the "Verification Agent") at the time of delivery of the 2017 Bonds (the "Verification Report").
8. Representations and Warranties of the Authority. By execution of this Purchase Contract, the Authority represents and warrants to and agrees with the Underwriter (and it shall be a condition of the obligation of the Underwriter to purchase and to accept delivery of the 2017 Bonds that the Authority shall so represent and warrant as of the Closing Date) that as of the date hereof:
- a. The Authority is a public body corporate and politic of the State presently existing under the Act;
 - b. The members of the Authority are the duly appointed, qualified and presently acting members of the Authority;
 - c. The Authority is authorized by the laws of the State including, particularly, the Act and the Local Authorities Fiscal Control Law (*N.J.S.A. 40A:5A-1 et seq.*) (the "Authorities Law") and the Bond Resolution to enter into this Purchase Contract, the Escrow Deposit Agreement and a Continuing Disclosure Agreement, dated the Closing Date, between the Authority and The Bank of New York Mellon, as disclosure agent ("Continuing Disclosure Agreement"), and to issue the 2017 Bonds;
 - d. The Authority has full power and authority to consummate the transactions contemplated by this Purchase Contract, the 2017 Bonds, the Bond Resolution, the Continuing Disclosure Agreement and the Escrow Deposit Agreement as described in the Official Statement;
 - e. By official action of the Authority taken prior to or concurrent with the acceptance hereof, the Authority has duly authorized, approved and consented to all necessary action to be taken by the Authority for: (i) the adoption, execution, delivery and performance of its obligations under this Purchase Contract; (ii) the issuance of the 2017 Bonds upon the terms set forth in the Bond Resolution and as described in the Official Statement; (iii) the approval of the Preliminary Official Statement and the Official Statement and the execution of the Official

Statement and any amendment thereof by the Chairman, Vice Chairman or Executive Director of the Authority; and (iv) the execution, the delivery and the due performance of any and all other agreements and instruments that may be required to be executed, delivered and received by the Authority to which it is a party in order to carry out, to give effect to and to consummate the transactions contemplated by this Purchase Contract and as described in the Official Statement;

- f. The Bond Resolution has been duly adopted, is in full force and effect and has not been further modified or rescinded and the Authority has authorized the entering into of the Escrow Deposit Agreement and Continuing Disclosure Agreement;
- g. This Purchase Contract, when duly authorized, executed and delivered by the parties hereto, will constitute a legal, valid and binding obligation of the Authority enforceable in accordance with the terms hereof, except to the extent that enforcement hereof may be limited by bankruptcy, insolvency or other laws or legal or equitable principles affecting the enforcement of creditors' rights generally ("Creditors' Rights Limitations");
- h. All approvals, consents and orders of any governmental authority or agency having jurisdiction in any matter that would constitute a condition precedent to or the absence of which would materially and adversely affect the performance of the Authority's obligations under this Purchase Contract and the transactions contemplated hereby and as described in the Official Statement have been received by the Authority, or will be obtained prior to Closing;
- i. Except as disclosed in the Preliminary Official Statement and the Official Statement, there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, governmental agency or public board or body pending or, to the best of the Authority's knowledge, threatened, which may affect the existence of the Authority or the entitlement of its officers or members to their respective offices; affect or seek to prohibit, restrain or enjoin the issuance, sale or delivery of the 2017 Bonds; in any way affect the validity, enforceability, execution or delivery of the 2017 Bonds, the Escrow Deposit Agreement, the Continuing Disclosure Agreement or this Purchase Contract or the due adoption by the Authority and the validity and enforceability of the Bond Resolution; contest the excludability from gross income of the interest on the 2017 Bonds or the completeness or accuracy of the information contained in the Preliminary Official Statement or the Official Statement under the caption "THE AUTHORITY" or contest the powers of the Authority or the authority thereof for the issuance, sale or delivery of the 2017 Bonds, the due adoption of the Bond Resolution, or the execution, approval and delivery of the Escrow Deposit Agreement, the Continuing Disclosure Agreement or this Purchase Contract;
- j. The Authority is not in violation of or in default (or with the lapse of time and/or receipt of appropriate notice would be in violation of or in default) under any existing applicable law, court or administrative regulation, judgment, decree,

order, agreement, indenture, mortgage, lease or sublease to which the Authority, any of its officers or members or any of its properties is a party or is otherwise bound that would have a material and adverse effect upon the operations or the financial condition of the Authority or the transactions contemplated by this Purchase Contract;

- k. Between the date of this Purchase Contract and the Closing, the Authority will not, without the prior written consent of the Underwriter, issue or otherwise participate in the offering of any bonds, notes or other obligations;
- l. The Authority will furnish such information, will execute such instruments and will take such other action in cooperation with the Underwriter as the Underwriter may reasonably request at no cost to the Authority to: (i) qualify the 2017 Bonds for offer and sale under the “Blue Sky” or other securities laws and regulations of such states and other jurisdictions of the United States of America as the Underwriter may (in its sole discretion) designate and (ii) determine the eligibility of the 2017 Bonds for investment under the laws of states and other jurisdictions as the Underwriter may (in its sole discretion) designate, and to provide for the continuance of such qualifications or exemptions in effect for so long as required for distribution of the 2017 Bonds; provided, however, the Authority shall not be required to consent to service of process in order to satisfy the provisions of this paragraph;
- m. The execution, the delivery and the performance by the Authority of this Purchase Contract, the Continuing Disclosure Agreement, the Escrow Deposit Agreement and the due adoption by the Authority of the Bond Resolution and compliance with the provisions hereof and thereof and the transactions contemplated hereby and thereby, will not violate any provision of State law or any applicable judgment, order or regulation of any court or any public or governmental agency or authority of the State or the United States of America and will not conflict with, result in any breach of any of the provisions of, or constitute a default under, any agreement or instrument to which the Authority is a party or by which the Authority or any of its properties is or may be bound, nor will such action result in any violation of the Constitution or laws of the State relating to the establishment or the existence of the Authority or its affairs, or the statutes or regulations of any federal, State or regulatory agency or other governmental body having jurisdiction over the Authority;
- n. When delivered to and paid for by the Underwriter in accordance with the terms of this Purchase Contract, the 2017 Bonds will constitute valid and binding direct and special obligations of the Authority enforceable in accordance with the terms thereof, except as the enforcement thereof may be limited by Creditors' Rights Limitations;
- o. When executed and delivered by the Authority and the other parties thereto, the Escrow Deposit Agreement and the Continuing Disclosure Agreement shall constitute valid and binding agreements of the Authority, enforceable in

accordance with the terms thereof, except as the enforcement thereof may be limited by Creditors' Rights Limitations;

- P- The Authority, immediately after the Closing, will apply or cause to be applied the proceeds of the sale of the 2017 Bonds as specified in the Bond Resolution and as more fully described in certificates delivered at the Closing;
 - q. Any certification signed by any member of the Authority, its Executive Director or Secretary and delivered to the Underwriter shall be deemed to be a representation and warranty of the Authority to the Underwriter as to the truth of the statements made therein;
 - r. The description and information contained in the Preliminary Official Statement, the Official Statement and any supplements or amendments relating to the Authority, its operations and the Authority's participation in the transactions contemplated hereby and as described in the Preliminary Official Statement, the Official Statement, and any supplements or amendments are, and as of the Closing Date will be, correct in all material respects and do not contain any untrue statement of a material fact and do not omit and will not omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading;
 - s. The Authority has never failed to pay, when due, the principal of or interest on any bonds, notes or other obligations of the Authority; and
 - t. The Authority covenants that between the date hereof and the Closing Date it will take no action that will cause the representations and warranties made herein to be untrue as of the Closing Date.
9. Intentionally omitted.
10. Representations and Warranties of the Underwriter. By execution and delivery of this Purchase Contract by the Underwriter, the Underwriter represents and warrants that as of the date hereof:
- a. The Underwriter has full power and authority to execute and deliver this Purchase Contract and the Underwriter has full power and authority to comply with the provisions hereof;
 - b. Assuming the due authorization, execution and delivery of the Purchase Contract by the Authority, this Purchase Contract will constitute a legal, valid and binding obligation of the Underwriter enforceable in accordance with the terms hereof except to the extent that enforcement hereof may be limited by Creditors' Rights Limitations;
 - c. The Underwriter has complied and expects in the future to comply with the requirements of Rule 15c2-12 and the requirements and rules of the MSRB to the extent applicable to the transactions contemplated herein including, but not

limited to, MSRB Rules G-17 and G-36 and MSRB Notice 2012-38 (July 18, 2012);

- d. In connection with the transactions contemplated by this Purchase Contract and the Authority's issuance of the 2017 Bonds, the Underwriter is compliant with the Securities and Exchange Commission's Municipal Advisor rules which became effective July 1, 2014; and
 - e. The Underwriter prepared and delivered to the Authority a letter dated March 1, 2017, a copy of which is attached hereto as Exhibit E, in accordance with the requirements set forth in MSRB Rule G-17 (the "G-17 Letter"). The Underwriter received email acknowledgement of receipt of the G-17 letter from the Authority on March 9, 2017.
11. Certain Conditions to Underwriter's Obligations. The Underwriter is entering into this Purchase Contract in reliance upon the accuracy of the representations and the warranties of the Authority contained herein and to be contained in the documents and the instruments to be delivered at the Closing and upon the performance by the Authority of its obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Purchase Contract to purchase, accept delivery of and to pay for the 2017 Bonds shall be subject to the performance by the Authority of its obligations to be performed hereunder and under such other documents and instruments identified herein at or prior to the Closing, and shall also be subject to the following conditions:
- a. the representations and warranties of the Authority contained herein shall be true, complete and correct in all material respects on the Closing Date, as if made on the Closing Date;
 - b. at the time of Closing, the Bond Resolution, the Escrow Deposit Agreement, this Purchase Contract and the Continuing Disclosure Agreement shall be in full force and effect and shall not have been further amended, modified or rescinded without the prior written approval of the Underwriter;
 - c. Intentionally Omitted; and
 - d. at or prior to the Closing, the Authority shall have performed all of its obligations required under or specified in this Purchase Contract, or described in the Official Statement, to be performed at or prior to the Closing Date, and the Underwriter shall have received two (2) copies each of the following documents:
 - (1) a certified copy of the resolution of the County of Gloucester (the "County") creating the Authority;
 - (2) a certified copy of the Bylaws of the Authority;
 - (3) a certificate of incumbency and signatures of the members of the Authority and its officers;

- (4) certified copies of the General Bond Resolution, the 2016 Supplemental Resolution and the Sale Resolution;
- (5) copies of the resolutions of the Local Finance Board, in the Division of Local Government Services, State Department of Community Affairs (the "Local Finance Board"), containing positive findings with respect to the financing contemplated by this Purchase Contract;
- (6) an executed copy of this Purchase Contract and the Escrow Deposit Agreement;
- (7) conformed copy of the Official Statement;
- (8) an executed copy of the Continuing Disclosure Agreement, substantially in the form set forth in Appendix E to the Preliminary Official Statement;
- (9) a certificate of the Authority evidencing the filing of the Bond Resolution in its office and in the office of the Clerk of the Board of Chosen Freeholders of the County;
- (10) a certificate, dated the Closing Date, signed by the Secretary of the Authority, in form and substance satisfactory to the Underwriter, to the effect that: (i) the notice referred to in Section 19 of the Act concerning the adoption of the Bond Resolution has been published in a newspaper published or circulated within the County; (ii) the form of such notice is in compliance with the requirements set forth in Section 19 of the Act; (iii) the twenty (20) day estoppel period during which any action or proceeding of any kind or nature in any court questioning the validity or proper authorization of the 2017 Bonds provided for by the Bond Resolution or the validity of any covenants, agreements or contracts provided for by the Bond Resolution can be commenced has expired; and (iv) no such action or proceeding has been commenced as of the Closing Date;
- (11) a Certificate as to Non-arbitrage and Other Tax Matters of the Authority executed by duly authorized officer of the Authority pursuant to applicable provisions of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder (the "Code"), as to reasonable expectations of the Authority as to the use, application and investment of proceeds of the 2017 Bonds;
- (12) a certificate or certificates, satisfactory in form and substance to the Underwriter, of the Chairman or Vice Chairman and the Secretary of the Authority, dated the Closing Date, to the effect that: (i) each of the representations and warranties of the

Authority set forth in this Purchase Contract is true, accurate and complete as of the Closing Date; (ii) the executed copies of this Purchase Contract, the Continuing Disclosure Agreement and the Escrow Deposit Agreement, and certified copies of the Bond Resolution are true, correct and complete copies of such documents and the same have not been modified, amended, superseded or rescinded and remain in full force and effect as of the Closing Date; (iii) the 2017 Bonds have been duly authorized, executed and delivered by the Authority and authenticated by the Trustee; (iv) this Purchase Contract, the Official Statement, the Bond Resolution, the Continuing Disclosure Agreement and the Escrow Deposit Agreement and any and all other agreements and documents required to be executed and delivered by the Authority in order to carry out, give effect to and consummate the transactions contemplated hereby and as described in the Official Statement have each been duly authorized, executed and delivered by the Authority and, as of the Closing Date, each is in full force and effect; (v) except as disclosed in the Official Statement, no action, suit, proceeding, inquiry or investigation is pending or, to the best of their knowledge, threatened to restrain or enjoin the issuance or sale of the 2017 Bonds, or in any way contesting the validity or affecting the authority for the issuance of the 2017 Bonds, the authorization, execution or delivery of the Bond Resolution, the Escrow Deposit Agreement, the Continuing Disclosure Agreement, the Official Statement or this Purchase Contract, or the existence or powers of the Authority; (vi) no authorization, approval, consent or other order of any governmental authority or agency or of any other entity or person (or persons) that has not otherwise been obtained is required for the valid authorization, execution and delivery of the 2017 Bonds or of the Official Statement, this Purchase Contract, the Escrow Deposit Agreement, the Continuing Disclosure Agreement or any other agreement or instrument to which the Authority is a party and which is used in the consummation of the transactions contemplated by this Purchase Contract; (vii) the authorization, execution and delivery of the 2017 Bonds, the Official Statement, this Purchase Contract, the Escrow Deposit Agreement, the Continuing Disclosure Agreement and any other agreement or instrument to which the Authority is a party and which is used in the consummation of the transactions contemplated by this Purchase Contract and the fulfillment of the terms and provisions of said agreements and instruments by the Authority will not, to the best of their knowledge, (a) conflict with, violate or result in a breach of any law or any administrative regulation or decree applicable to the Authority, or (b) conflict with, or result in a breach of, or constitute a default under, any indenture, mortgage,

deed of trust, agreement or other instrument to which the Authority is a party or by which it is bound, or any order, rule or regulation applicable to the Authority of any court or other governmental body; (viii) the information in the Preliminary Official Statement and in the Official Statement under the headings “PLAN OF FINANCE,” “THE AUTHORITY,” and “LITIGATION-Authority” is accurate in all material respects and does not omit to state a material fact that is necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading; and (ix) based upon the Authority's participation in the preparation of the Preliminary Official Statement and the Official Statement, but without having undertaken to verify the accuracy or completeness of the information contained therein (except for the information described in clause (viii) above), as of the date hereof and as of the Closing Date, nothing has come to their attention which would lead them to believe that the Preliminary Official Statement or the Official Statement contains any untrue statement of a material fact or omits to state a material fact that is necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading;

- (13) Intentionally Omitted;
- (14) Intentionally omitted;
- (15) Internal Revenue Service Form 8038-G, executed by the Authority in a form satisfactory for filing;
- (16) an opinion of Bond Counsel, dated the Closing Date, relating to, *inter alia*, the validity of the 2017 Bonds and the tax-exempt status of the interest on the 2017 Bonds, substantially in the form set forth in Appendix D to the Preliminary Official Statement and the Official Statement;
- (17) a letter from Bond Counsel to the Underwriter and the Trustee stating that said parties can rely on the opinion described in subparagraph (16) above;
- (18) supplemental opinions of Bond Counsel, each dated the Closing Date, (i) substantially in the form set forth in Exhibit B attached hereto, and (ii) satisfying the conditions set forth in Section 3.02(c) of the Bond Resolution;
- (19) an opinion of Bond Counsel, dated the Closing Date regarding the defeasance of the Refunded Bonds under the Bond Resolution;

- (20) an opinion of Angelini, Viniar & Freedman, LLP, Woodbury, New Jersey, General Counsel to the Authority, dated the Closing Date, substantially in the form set forth in Exhibit C attached hereto;
- (21) Intentionally omitted;
- (22) Intentionally omitted;
- (23) an opinion of counsel to the Trustee, dated the Closing Date and addressed to the Authority, Bond Counsel and the Underwriter, to the effect that: (i) the Trustee is a banking corporation organized and existing under the laws of the State of New York, with trust and fiduciary powers in the State of New Jersey; (ii) the Trustee is lawfully empowered, authorized and duly qualified (A) to serve as Trustee and to perform the provisions of and to accept the trusts contemplated by the Bond Resolution, (B) to serve as dissemination agent under and to perform the duties and obligations of dissemination agent pursuant to the provisions of the Continuing Disclosure Agreement and (C) to serve as escrow agent under and to perform the duties and obligations of escrow agent pursuant to the provisions of the Escrow Deposit Agreement; (iii) the authentication and delivery of the 2017 Bonds have been duly authorized by the Trustee, and the 2017 Bonds have been duly authenticated and delivered by the Trustee; (iv) neither the consummation of the transactions on the part of the Trustee contemplated by the Bond Resolution, the Continuing Disclosure Agreement and the Escrow Deposit Agreement, nor compliance with the terms, conditions or provisions thereof, contravenes any provisions of the Trustee's charter or bylaws; (v) there is no litigation pending or threatened in any court, either State or federal, calling into question the creation, organization or existence of the Trustee; (vi) the acceptance by the Trustee of the duties and obligations of the Trustee under the Bond Resolution, the execution and delivery by the Trustee, as dissemination agent, under the Continuing Disclosure Agreement, the execution and delivery by the Trustee, as escrow agent, under the Escrow Deposit Agreement and compliance with the respective provisions of the Bond Resolution, the Continuing Disclosure Agreement and the Escrow Deposit Agreement will not conflict with or constitute a breach of or default under any law, administrative regulation, consent decree or any agreement or other instrument to which the Trustee is subject; (vii) the Continuing Disclosure Agreement has been duly authorized, executed and delivered by the Trustee, as dissemination agent, and, assuming the due authorization, execution and delivery thereof by the Authority, constitutes a legal, valid and binding obligation of the Trustee, as dissemination agent, enforceable in accordance with the terms thereof, except to

the extent that enforcement thereof may be limited by Creditors' Rights Limitations; and (viii) the Escrow Deposit Agreement has been duly authorized, executed and delivered by the Trustee, as escrow agent, and, assuming the due authorization, execution and delivery thereof by the Authority, constitutes a legal, valid and binding obligation of the Trustee, as escrow agent, enforceable in accordance with the terms thereof, except to the extent that enforcement thereof may be limited by Creditors' Rights Limitations;

- (24) an opinion of Obermayer Rebmann Maxwell & Hippel LLP, Cherry Hill, New Jersey, counsel to the Underwriter, dated the Closing Date and addressed to the Underwriter, in form and substance satisfactory to the Underwriter;
- (25) evidence of trust powers, incumbency and signing authority of the Trustee;
- (26) a certificate, dated the Closing Date, signed by an authorized officer of the Trustee, in form and substance satisfactory to the Underwriter, to the effect that: (i) the Trustee is a banking corporation organized and existing under the laws of the State of New York, with trust and fiduciary powers in the State of New Jersey; (ii) the Trustee is lawfully empowered, authorized and duly qualified (A) to serve as Trustee and to perform the provisions of and to accept the trusts contemplated by the Bond Resolution, (B) to serve as dissemination agent under and to perform the duties and obligations of dissemination agent pursuant to the provisions of the Continuing Disclosure Agreement and (C) to serve as escrow agent under and to perform the duties and obligations of escrow agent pursuant to the provisions of the Escrow Deposit Agreement; (iii) the authentication and delivery of the 2017 Bonds have been duly authorized by the Trustee, and the 2017 Bonds have been duly authenticated and delivered by the Trustee; (iv) neither the consummation of the transactions on the part of the Trustee contemplated by the Bond Resolution, the Continuing Disclosure Agreement and the Escrow Deposit Agreement, nor compliance with the terms, conditions or provisions thereof, contravenes any provisions of the Trustee's charter or bylaws; (v) there is no litigation pending or threatened in any court, either State or federal, calling into question the creation, organization or existence of the Trustee; (vi) the acceptance by the Trustee of the duties and obligations of the Trustee under the Bond Resolution, the execution and delivery by the Trustee, as dissemination agent, under the Continuing Disclosure Agreement and the execution and delivery by the Trustee, as escrow agent, under the Escrow

Deposit Agreement and compliance with the respective provisions of the Bond Resolution, the Continuing Disclosure Agreement and the Escrow Deposit Agreement will not conflict with or constitute a breach of or default under any law, administrative regulation, consent decree or any agreement or other instrument to which the Trustee is subject; (vii) the Continuing Disclosure Agreement has been duly authorized, executed and delivered by the Trustee and, assuming the due authorization, execution and delivery thereof by the Authority, constitutes a legal, valid and binding obligation of the Trustee, as dissemination agent, enforceable in accordance with its terms, except to the extent that enforcement thereof may be limited by Creditors' Rights Limitations; and (viii) the Escrow Deposit Agreement has been duly authorized, executed and delivered by the Trustee, as escrow agent, and, assuming the due authorization, execution and delivery thereof by the Authority, constitutes a legal, valid and binding obligation of the Trustee, as escrow agent, enforceable in accordance with its terms, except to the extent that enforcement thereof may be limited by Creditors' Rights Limitations;

- (27) a letter, dated the Closing Date, from the Authority's Auditor and addressed to the Authority and the Underwriter, to the effect that said firm consents to the use of their report appearing in Appendix B to the Preliminary Official Statement and the Official Statement;
- (28) receipt of a "AA" rating on the 2017 Bonds by Standard and Poor's Ratings Services, a division of The McGraw-Hill Companies ("S&P");
- (29) a receipt evidencing delivery of and payment for the 2017 Bonds;
- (30) all documents, certifications and opinions required to be delivered pursuant to the Bond Resolution;
- (31) Intentionally omitted;
- (32) a copy of the duly executed Blanket Letter of Representations between the Authority and DTC;
- (33) the Verification Report;
- (34) Intentionally omitted;
- (35) a certificate of the Underwriter regarding non-involvement in prohibited investment activities in Iran pursuant to as to P.L. 2012, c.25; and

- (36) any other opinions, certifications and other documents not specified hereunder which may be reasonably requested by the Underwriter, its counsel or Bond Counsel.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Contract shall be in compliance with the provisions hereof if, and only if, they are in form and substance satisfactory to the Underwriter provided, however, that in making any such determination the Underwriter shall not act in an unreasonable manner.

12. **Termination.** The Underwriter shall have the right to cancel its obligation pursuant to this Purchase Contract to purchase the 2017 Bonds upon prior written notice to the Authority if between the date hereof and the Closing:
- a. Legislation shall have been enacted or introduced by the Congress of the United States or the legislature of the State or shall have been reported out of committee of either body or be pending in committee of either body, or a decision shall have been rendered by a court of the United States or the State or the Tax Court of the United States, or a ruling, resolution, regulation, or temporary regulation, release or announcement shall have been made or shall have been proposed to be made by the Treasury Department of the United States or the Internal Revenue Service, or other federal or State authority, with respect to federal or State interest received on obligations of the general character of the 2017 Bonds that, in the Underwriter's reasonable judgment, materially adversely affects the market for the 2017 Bonds, or the market price generally of obligations of the general character of the 2017 Bonds, or the ability of the Underwriter to enforce contracts for sale of the 2017 Bonds; or
 - b. There shall exist any event or circumstance which, in the Underwriter's reasonable judgment, either makes untrue or incorrect in any material respect any statement in the Preliminary Official Statement or Official Statement (as it may be then supplemented or amended) or is not disclosed in the foregoing and should be disclosed therein in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading in any material respect, and such event or circumstance, in the Underwriter's reasonable judgment, materially and adversely affects the marketability of the 2017 Bonds or the market price thereof; or subsequent to the date hereof a supplement or amendment shall have been made or should be made to the Official Statement which, in the Underwriter's reasonable judgment, materially and adversely affects the marketability of the 2017 Bonds or the market price thereof; or
 - c. There shall have occurred (1) a new outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war occurs; or (2) the occurrence of any other calamity or crisis or any change in the financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in clause (1) or (2), in the reasonable judgment of the Underwriter, makes it impracticable or inadvisable to

proceed with the offering or the delivery of the 2017 Bonds on the terms and in the manner contemplated in the Preliminary Official Statement; or

- d. There shall be in force a general suspension of trading on the New York Stock Exchange, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of determination by that Exchange or by order of the SEC or any other governmental authority having jurisdiction that, in the Underwriter's reasonable judgment, makes it impracticable for the Underwriter to market the 2017 Bonds or enforce contracts for the sale of the 2017 Bonds; or
- e. A general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force that, in the Underwriter's reasonable judgment, makes it impracticable for the Underwriter to market the 2017 Bonds or enforce contracts for the sale of the 2017 Bonds; or
- f. There shall have been any material adverse change in the financial condition of the Authority between the date of the Official Statement and the Closing Date which, in the Underwriter's reasonable judgment, materially and adversely affects the marketability of the 2017 Bonds or the market price thereof;
- g. There shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to any of the Authority's obligations; or
- h. A stop order, release, regulation, or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made to the effect that the issuance, offering, or sale of the 2017 Bonds, including all the underlying obligations as contemplated hereby or by the Official Statement, or any document relating to the issuance, offering or sale of the 2017 Bonds is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Exchange Act and the Trust Indenture Act of 1939, as amended;

13. Expenses.

a. The Underwriter shall be under no obligation to pay, and the Authority shall pay, but only from the 2017 Bond Proceeds, all expenses incidental to the performance of the Authority's obligations hereunder including, but not limited to:

- (i) The costs of the preparation, printing or other reproduction and distribution of the Bond Resolution, the Escrow Deposit Agreement, the Preliminary Official Statement and the Official Statement, including the costs attributable to researching, preparing and revising Appendix A thereto;
- (ii) The costs of preparation and printing of the 2017 Bonds;

- (iii) The fees and the disbursements of Bond Counsel, General Counsel to the Authority, Verification Agent and any other expert or consultant retained by the Authority, including the fees payable to the rating agencies and the Verification Agent;
 - (iv) The fees and disbursements of the Trustee and Escrow Agent and its counsel; and
 - (v) The discount to the Underwriter (including the takedown and expenses set forth in the Request for Proposal, the total of which is not-to-exceed \$2.654 per Bond plus underwriter's counsel in the amount of \$15,000).
- b. The Underwriter shall pay:
- (i) The costs, if any, of the preparation and printing of a Blue Sky Memorandum;
 - (ii) The fees and the disbursements of Underwriter's counsel; and
 - (iii) All other expenses relating to the registration or qualification of the 2017 Bonds for investment in connection with the public offering and the distribution of the 2017 Bonds, including costs associated with the assignment of CUSIP numbers for the 2017 Bonds by the CUSIP Service Bureau.

14. Remedies Upon Default.

- a. In the event the Authority refuses to deliver the 2017 Bonds or satisfy the conditions under which the Underwriter is to purchase and accept delivery of the 2017 Bonds as set forth in this Purchase Contract, the Underwriter shall be entitled to receive its actual damages, reasonable expenses and legal fees.
- b. In the event the Authority is unable to deliver the 2017 Bonds or satisfy the conditions under which the Underwriter is to purchase and accept delivery of the 2017 Bonds or the obligations of the Underwriter shall be terminated for any reason permitted hereunder, the obligations of the Underwriter and Authority hereunder shall be terminated, and this Purchase Contract shall be declared null and void.
- c. In the event the Underwriter fails (other than for a reason permitted hereunder) to accept and pay for the 2017 Bonds as set forth in this Purchase Contract, the Authority shall be entitled to receive its actual damages, reasonable expenses and legal fees.

15. Notices. Any notice or other communication to be given to the Authority and the Underwriter under this Purchase Contract may be given by delivery of the same in writing to the following addresses:

To the Authority:

The Gloucester County Utilities Authority
2 Paradise Road
West Deptford, New Jersey 08066
Attention: John J. Vinci, Sr., Executive Director

With a copy to:

Angelini, Viniar & Freedman
70 Euclid Street
PO Box 751
Woodbury, New Jersey 08096

And a further copy to:

Parker, McCay P.A.
9000 Midlantic Drive, Suite 300
Mount Laurel, New Jersey 08054
Attention: Philip A. Norcross, Esquire

To the Underwriter:

Raymond James & Associates, Inc.
535 Madison Avenue, 9th Floor
New York, NY 10022

With a copy to:

Obermayer Rebmann Maxwell & Hoppel LLP
Woodland Falls Corporate Park
200 Lake Drive East, Suite 110
Cherry Hill, NJ 08002-1171
Attention: Anastasius Efstratiades, Esquire

16. **Entire Agreement.** This Purchase Contract constitutes the entire agreement among the Underwriter and the Authority superseding all prior agreements among such parties, and is made solely for the benefit of the Authority and the Underwriter (including their successors or assigns). No other person shall acquire or have any rights hereunder or by virtue hereof.
17. **Severability.** If any provision of this Purchase Contract shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable, such a determination shall apply only to the subject provision and the remainder of this Purchase Contract shall remain in full force and effect.
18. **Amendments.** This Purchase Contract shall not be amended, nor shall any provision hereof be waived by any party hereto, without the prior written consent of the Authority and the Underwriter.

19. *Governing Law.* This Purchase Contract shall be governed by and construed in accordance with the laws of the State.
20. *Effectiveness.* This Purchase Contract shall become effective upon the execution and the acceptance hereof on behalf of the Authority by its Chairman or Executive Director, and shall be valid and enforceable as of the date of such acceptance.
21. *Successors.* This Purchase Contract shall inure to the benefit of the Authority and the Underwriter and shall be binding upon the parties hereto and their successors and will not confer any rights upon any persons other than the Authority and the Underwriter and their successors. No purchaser of the 2017 Bonds from the Underwriter shall be deemed to be a successor by reason merely of such purchase.
22. *Counterparts.* This Purchase Contract may be executed in several counterparts, all of which together shall constitute one and the same instrument.
23. *No Personal Recourse Against Authority Officials.* No personal recourse shall be had for any claim based on this Purchase Contract or the 2017 Bonds against any member of the Authority or officer or employee, past, present or future, of the Authority or any successor body as such, either directly or through the Authority or any such successor body, under any constitutional provisions, statute, or rule of law or by the enforcement of any assessment or penalty or otherwise.
24. *Miscellaneous.* This Purchase Contract is made solely for the benefit of the signatories hereto (including the successors or assigns thereof) and no other person shall acquire or have any right hereunder or by virtue hereof. The term “successor” shall not include any holder of any 2017 Bonds merely by virtue of such holding. The obligations of Section 4, and all representations, warranties and agreements as set forth in Sections 8 and 9 as of the date hereof and the Closing Date, shall remain operative and in full force and effect, regardless of delivery of and payment for the 2017 Bonds and any termination of this Purchase Contract.
25. *Compliance With L. 2005, c.271 Reporting Requirements.* The Underwriter is advised of its responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission (“ELEC”) pursuant to *N.J.S.A. 19:44A-20.13* (L. 2005, c.271, section 3) if the Underwriter enters into agreements or contracts, such as this Purchase Contract, with a New Jersey public entity, such as the Authority, and receives compensation or fees in excess of \$50,000 or more in the aggregate from the New Jersey public entities, such as the Authority, in a calendar year. It is the Underwriter's responsibility to determine if filing is necessary. Failure to do so can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or at www.eleet.state.nj.us.
26. *Headings.* The headings of the sections of this Purchase Contract are inserted for convenience only and shall not be deemed to be a part hereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGE TO BOND PURCHASE CONTRACT]

Very truly yours,

RAYMOND JAMES & ASSOCIATES, INC.

By: _____

Name: Amanda Del Bene

Title: Managing Director, Public Finance

Approved and consented to at A.M./P.M. (EST) on this ____ day of _____,
2017:

**THE GLOUCESTER COUNTY UTILITIES
AUTHORITY**

By: _____

Name: John J. Vinci, Sr.,

Title: Executive Director

THE GLOUCESTER COUNTY UTILITIES AUTHORITY
SEWER REVENUE REFUNDING BONDS, 2017 SERIES

EXHIBIT A

\$12,475,000

**THE GLOUCESTER COUNTY UTILITIES AUTHORITY
(Gloucester County, New Jersey)
SEWER REVENUE REFUNDING BONDS,
2017 SERIES**

MATURITY SCHEDULE

Maturity (January 1)	Principal Amount	Interest Rate	Yield	CUSIP No.
2018	\$1,715,000	3.000%	0.950%	379700LC9
2019	1,780,000	4.000	1.200	379700LD7
2020	1,860,000	5.000	1.380	379700LE5
2021	1,950,000	5.000	1.580	379700LF2
2022	1,035,000	5.000	1.790	379700LG0
2023	1,080,000	5.000	2.000	379700LH8
2024	1,135,000	5.000	2.200	379700LJ4
2025	575,000	4.000	2.390	379700LK1
2026	250,000	4.000	2.550	379700LL9
2027	260,000	4.000	2.680	379700LM7
2028	270,000	4.000	2.820	379700LN5
2029	280,000	3.000	3.000	379700LP0
2030	285,000	3.000	3.100	379700LQ8

Optional Redemption

The 2017 Bonds maturing prior to January 1, 2027 shall not be subject to redemption prior to their respective maturity dates. The 2017 Bonds maturing on or after January 1, 2027 shall be subject to redemption prior to their respective maturity dates, at the option and the direction of the Authority, upon notice as set forth in the Bond Resolution, on or after January 1, 2026, as a whole or in part on any date in such order of maturity as the Authority may direct and within a maturity by lot (or other customary method of selection determined by the Trustee) at a Redemption Price equal to one hundred percent (100%) of the principal amount of 2017 Bonds to be redeemed, plus accrued interest to the redemption date.

EXHIBIT B
FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL
POINTS TO BE COVERED BY SUPPLEMENTAL BOND COUNSEL OPINION

1. The statements contained in the Official Statement under the captions "PURPOSE OF THE 2017 REFUNDING BOND ISSUE," "AUTHORIZATION FOR THE 2017 REFUNDING BONDS," "DESCRIPTION OF THE 2017 REFUNDING BONDS" (other than under the subheading "Book-Entry-Only System" and "Discontinuance of Book-Entry-Only System"), "SECURITY AND SOURCES OF PAYMENT FOR THE 2017 REFUNDING BONDS – General," "SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION AUTHORIZING AND GOVERNING THE BONDS," "SUMMARY OF CERTAIN PROVISIONS OF THE DEFICIENCY ADVANCE CONTRACT," "SUMMARY OF CERTAIN PROVISIONS OF THE SERVICE CONTRACT AND CUSTOMER AGREEMENTS," "PLEDGE OF THE STATE NOT TO LIMIT POWERS OF AUTHORITY OR RIGHTS OF BONDHOLDERS," "TAX MATTERS," "LEGALITY FOR INVESTMENT," "MUNICIPAL BANKRUPTCY" "NEGOTIABILITY OF THE 2017 REFUNDING BONDS," "CERTAIN RELATIONSHIPS" and information with respect to the Authority and the 2017 Bonds on the cover page and under the caption "INTRODUCTION", insofar as such statements constitute summaries of provisions of the 2017 Bonds or the Bond Resolution, or refer to opinions we have rendered, are fair and accurate summaries of the matters referred to therein.

2. The Purchase Contract and the Escrow Deposit Agreement have been duly authorized, executed and delivered by the Authority and, assuming the due authorization, execution and delivery thereof by the respective parties thereto, and the approval and consent by the County (solely with respect to the Purchase Contract), constitute legal, valid and binding agreements of the Authority enforceable in accordance with their respective terms, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights generally.

3. The 2017 Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Bond Resolution is exempt from qualification under the Trust Indenture Act of 1939, as amended.

4. As a part of our engagement, we have also rendered legal service and assistance with respect to the preparation of the Official Statement. Rendering such assistance involved, among other things, discussions and inquiries concerning various legal and related subjects and reviews of and reports on certain documents and proceedings. We also participated in conferences with officials of the Authority and the County of Gloucester, New Jersey ("County"), the Authority's counsel, financial advisor to the Authority, bond counsel to the County and representatives of the Office of County Counsel, during which the contents of the Official Statement and related matters were discussed and reviewed. We cannot, of course, make any representations to you as to the adequacy, accuracy or completeness of the statements contained in the Official Statement, except as

set forth in Paragraph 1 above. Nothing has come to our attention during the course of our engagement, however, that would lead us to believe that the Official Statement, excluding all financial, statistical, demographic, engineering or tabular information and except for the statements contained in the Official Statement under the headings “DESCRIPTION OF THE SERIES 2017 REFUNDING BONDS--Book-Entry-Only System,” “SOURCES OF PAYMENT AND SECURITY FOR THE 2017 REFUNDING BONDS,” “ESTIMATED SOURCES AND USES OF FUNDS,” “OUTSTANDING INDEBTEDNESS,” “THE SYSTEM,” “RATES AND CHARGES,” “2016 SEWAGE FLOW AND SERVICE CHARGES,” “SUMMARY OF OPERATING RESULTS,” “LITIGATION” and in Appendices A and B thereto as to all of which no view is expressed, contains any untrue statement of a material fact or omits to state a material fact that it is necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

EXHIBIT C
FORM OF OPINION OF COUNSEL TO THE AUTHORITY

POINTS TO BE COVERED BY OPINION OF COUNSEL TO THE AUTHORITY

1. The Authority has been duly created and is validly existing as a county improvement authority under the laws of the State, including the Act, with all requisite corporate power and authority to own and operate its properties and to carry out the 2017 Refunding Project as contemplated in the Bond Resolution and the Escrow Deposit Agreement.

2. The members of the Authority identified as such in the Official Statement are the duly appointed, qualified and acting members of the Authority.

3. The Authority had and has full right, power and authority to adopt the Bond Resolution, to issue the 2017 Bonds, to enter into the Purchase Contract and the Escrow Deposit Agreement, and to perform its respective obligations thereunder.

4. The Bond Resolution has been duly adopted by the Authority and has not been further altered, amended or repealed, is in full force and effect and constitutes a legal, valid and binding obligation of the Authority, enforceable against the Authority in accordance with its terms.

5. The 2017 Bonds have been duly authorized and issued by the Authority in accordance with State law and in accordance with the Bond Resolution and are valid and binding obligations of the Authority, enforceable in accordance with their respective terms and the terms of the Act and the Bond Resolution, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws relating to the enforcement of creditors' rights or by principles of equity.

6. To the best of our knowledge, the execution and delivery by the Authority of the Purchase Contract, the 2017 Bonds and the Escrow Deposit Agreement, and the adoption of the Bond Resolution and the assumption by the Authority of the respective obligations represented thereby will not in any material respect conflict with, violate or constitute on the part of the Authority a breach of or a default under the resolution creating the Authority or the Authority's by-laws, or any indenture, mortgage, deed of trust, resolution, instrument or other agreement to which the Authority is a party or by which the Authority is bound, or any applicable law, administrative regulation, court order or consent decree to which the Authority is subject.

7. The information in the Official Statement under the captions "THE AUTHORITY," and "LITIGATION--Authority" is a fair and accurate summary of the information purported to be summarized therein and does not contain any untrue statement of a material fact or omit to state a material fact that is necessary to make the information contained therein, in light of the circumstances under which it was made, not misleading.

8. To the best of our knowledge after due inquiry, except as otherwise disclosed in the Official Statement, no action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, public board or body is pending or, to our actual knowledge, threatened against or affecting the Authority to (a) restrain or enjoin the issuance or sale of the

2017 Bonds, or the collection of County Revenues, or the pledge of assets of the Authority which are in each case to be pledged to pay the principal of, redemption premium, if any, and the interest on the 2017 Bonds, (b) in any way contesting the (i) validity of or affecting the authority for the issuance of the 2017 Bonds, (ii) authorization, execution or performance of the Bond Resolution, the Escrow Deposit Agreement and the Purchase Contract, or any other agreement or instrument to which the Authority is a party which is used or contemplated for use in the consummation of the transactions which are contemplated in the Purchase Contract or described in the Official Statement, or (iii) the Official Statement.

9. The Purchase Contract and the Escrow Deposit Agreement have each been duly authorized, executed and delivered by, and constitute valid and binding obligations of, the Authority and, assuming due execution and delivery of said documents by parties other than the Authority, are enforceable in accordance with their terms, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws relating to the enforcement of creditors' rights or by principles of equity.

EXHIBIT D

G-17 Letter

CERTIFICATION

The undersigned, Secretary of The Gloucester County Utilities Authority, hereby certifies that the foregoing is a true and correct copy of a Supplemental Resolution adopted at the duly convened meeting of the Authority held on March 23, 2017, at which a quorum was at all times present and acting, by the following vote:

RECORDED VOTE

AYES:

ABSTAIN:

NAYES:

ABSENT:

WALTER BERGLUND, Secretary
Gloucester County Utilities Authority