

TOWNSHIP OF WEST GOSHEN
Chester County, Pennsylvania

PARTICIPANT CONTINUING DISCLOSURE AGREEMENT

This Participant Continuing Disclosure Agreement (the “Disclosure Agreement”) is executed and delivered by the Township of West Goshen, Chester County, Pennsylvania (the “Participant”), in connection with one or more loans (each a “Loan”) or guaranties of Loans (each a “Guaranty”) from the loan program (the “Loan Program”) of the Delaware Valley Regional Finance Authority (“DelVal”). This Disclosure Agreement amends and replaces any Continuing Disclosure Agreement executed by the Participant for a Loan or Guaranty prior to the date hereof.

As long as any obligation relating to a Loan or Guaranty remains outstanding, the Participant, intending to be legally bound, hereby agrees as follows:

Section 1. Definitions

In this Disclosure Agreement and any agreement supplemental hereto (except as otherwise expressly provided or unless the context clearly otherwise requires) terms used as defined terms in the recitals hereto shall have the same meanings throughout this Disclosure Agreement, and, in addition, the following terms shall have the meanings specified below.

“**Annual Financial Information**” shall mean (i) the annual audited financial statements of the Participant prepared according to accounting methods and procedures which conform to guidelines adopted by the Governmental Accounting Standards Board or (ii) if audited financial statements are not prepared, annual financial statements prepared in conformity with the accounting practices prescribed or permitted by the Pennsylvania Department of Community and Economic Development.

“**Bonds**” shall mean DelVal’s Local Government Revenue Bonds for which DelVal has entered into a Continuing Disclosure Agreement.

“**Business Day**” shall mean any day other than a Saturday, Sunday or a day on which the Participant is authorized by law or executive order to remain closed.

“**Disclosure Agreement**” shall mean this agreement and all amendments and supplements hereto.

“**Disclosure Representative**” shall mean the chief executive officer or chief financial officer of the Participant or such other official or employee of the Participant as shall be designated in writing by the Participant to an Agent (as hereinafter defined).

“**Listed Event**” shall mean any of the events listed in Section 4(a) of this Disclosure Agreement.

“**Program Administrator**” shall mean the administrator of the DelVal Loan Program appointed by the DelVal Board of Directors.

“Registered Owner or Owners” shall mean the person or persons in whose name a Bond is registered on the books of DelVal kept by TD Bank, N.A., as trustee for that purpose in accordance with the Bonds. For so long as the Bonds shall be registered in the name of the Securities Depository or its nominee, the term Registered Owner or Owners shall also mean and include, for the purposes of this Disclosure Agreement, the beneficial owners of the Bonds who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise have or share: (a) voting power which includes the power to vote, or to direct the voting of, the Bonds; or (b) investment power which includes the power to dispose or to direct the disposition of a Bond.

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

“Securities Depository” shall mean The Depository Trust Company, New York, New York, and its nominee, Cede & Co.

Section 2. Authorization and Purpose of Disclosure Agreement

This Disclosure Agreement is authorized to be executed and delivered by the Participant pursuant to a resolution or ordinance that authorized a Loan or Guaranty.

Section 3. Annual Financial Information

(a) By September 30 of each year following the close of each fiscal year of the Participant, commencing on September 30, 2018, with regard to the Participant’s fiscal year ending December 31, 2017, the Participant shall file the Annual Financial Information for such fiscal year to the Program Administrator.

(b) If the Participant is unable to file its Annual Financial Information required by Section 3(a) above, it shall file a notice to the Program Administrator that it has failed to provide the Annual Financial Information as required by Section 3(a), it shall provide any available interim financial statements, and it shall provide its Annual Financial Information as soon as it becomes available.

Section 4. Listed Events

(a) The Participant agrees that it shall provide, in a timely manner, not in excess of ten (10) Business Days after the occurrence of the event, to the Program Administrator, notice of any of the following Listed Events with respect to any Loan or Guaranty:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;

- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Loan or Guaranty, or other material events affecting the tax status of the Loan or Guaranty;
- (7) modifications to the rights of DelVal, if material;
- (8) Loan calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Loan or Guaranty, if material;
- (11) rating changes; and
- (12) bankruptcy, insolvency, receivership or similar proceeding of the Participant.¹
- (13) the consummation of a merger, consolidation, or acquisition involving the Participant, the sale of all or substantially all of the assets of the Participant, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) appointment of a successor or additional Paying Agent, or the change of name of a Paying Agent, if material.

The fourteen (14) Listed Events listed in this Section 4(a) are quoted directly from the Rule. Items (a)(2), (a)(3), and (a)(4) above are not applicable on the date hereof.

¹ This event is considered to occur when any of the following occur: the appointment of a receiver, trustee or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) Whenever the Participant concludes that a Listed Event has occurred, it shall file in a timely manner not in excess of ten (10) Business Days after the occurrence of such event, a notice of such occurrence specifying the Listed Event to the Program Administrator.

(c) The Participant shall obtain a written acknowledgment of or a receipt (including an electronic receipt or confirmation) for any notice delivered to the Program Administrator, which shall specify, among other things, the date the notice was received. All such written acknowledgements or receipts of notice returned to the Participant shall be retained by the Participant until the termination of this Disclosure Agreement.

(d) The Participant agrees that it will also provide to the Program Administrator notice of any failure by the Participant to timely file the Annual Financial Information required by Section 3 hereof.

Section 5. Amendment; Waiver

(a) Notwithstanding any other provision of this Disclosure Agreement, the Participant may amend this Disclosure Agreement or waive any of the provisions hereof, provided that no such amendment or waiver shall be executed by the Participant or effective unless:

(i) the amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in identity, nature or status of the Participant or the governmental operations conducted by the Participant;

(ii) the Disclosure Agreement, as amended by the amendment or waiver, would have been the written undertaking contemplated by the Rule at the time of origination of the Loan, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(iii) the amendment or waiver does not materially impair the interests of DeVal or the Registered Owners of the Bonds.

(b) Evidence of compliance with the conditions set forth in clause (a) of this Section 5 shall be satisfied by the delivery to the Participant of an opinion of counsel having recognized experience and skill in the issuance of municipal securities and federal securities law, to the effect that the amendment or waiver satisfies the conditions set forth in clauses (a)(i), (ii), and (iii) of this Section 5.

(c) Notice of any amendment or waiver containing an explanation of the reasons therefor shall be prepared and filed by the Disclosure Representative, at the time of filing of the Annual Financial Information filed pursuant to Section 3 hereof.

Section 6. Other Information

Nothing in this Disclosure Agreement shall preclude the Participant from disseminating any other information with respect to the Participant, using the means of communication provided in this Disclosure Agreement or otherwise, in addition to the Annual Financial Information and

the notices of Listed Events specifically provided for herein, nor shall the Participant be relieved of complying with any applicable law relating to the availability and inspection of records, if any. Any election by the Participant to furnish any information not specifically provided for herein in any notice given pursuant to this Disclosure Agreement or by the means of communication provided for herein shall not be deemed to be an additional contractual undertaking and the Participant shall have no obligation to furnish such information in any subsequent notice or by the same means of communication.

Section 7. Default

(a) In the event that the Participant fails to comply with any provision of this Disclosure Agreement, DeVal or any Registered Owner of the Bonds shall have the right, by suit, action or proceeding at law or in equity, to compel the Participant to perform each and every term, provision and covenant contained in this Disclosure Agreement applicable to the Participant.

(b) A default under the Disclosure Agreement shall not be or be deemed to be a default under the Bonds or any indenture related thereto, the Loan or Guaranty and the sole remedy in the event of a failure by the Participant to comply with the provisions hereof shall be the action to compel performance described in clause (a) above.

Section 8. Concerning the Participant

The Participant may execute any powers hereunder and perform any duties required of it through attorneys, agents, and other experts, officers, or employees, selected by it, and the written advice of such counsel or other experts shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

Section 9. Agent

(a) The Participant may appoint an entity to serve as disclosure agent (the "Agent") to assist the Participant in carrying out its obligations under this Disclosure Agreement. The Participant may discharge the Agent with or without appointing a successor Agent. The Agent shall not be responsible in any manner for the content of any notice or report prepared by the Participant pursuant to this Disclosure Agreement.

(b) The duties and obligations of the Agent shall be as set forth in an agreement between the parties.

Section 10. Term of Disclosure Agreement

This Disclosure Agreement shall terminate: (1) upon payment or provision for payment in full of all Loans or Guaranties; (2) upon repeal or rescission of Section (b)(5) of the Rule; or (3) upon a final determination that Section (b)(5) of the Rule is invalid or unenforceable.

Section 11. Beneficiaries

This Disclosure Agreement shall inure solely to the benefit of the Participant, DeVal and the Registered Owners, from time to time, of the Bonds and nothing herein contained shall confer any right upon any other person.

Section 12. Notices

Any written notice to or demand may be served, presented or made to the persons named below and shall be sufficiently given or filed for all purposes of this Disclosure Agreement if deposited in the United States mail, first class postage prepaid or in a recognized form of overnight mail or by telecopy or electronic mail with confirmation of receipt, addressed:

- (a) To the Participant or the Disclosure Representative at:

Township of West Goshen
1025 Paoli Pike
West Chester, PA 19380

- (b) To the Program Administrator at:

Delaware Valley Regional Finance Authority
1811 Bethlehem Pike
Flourtown Commons, Suite 350
Flourtown, PA 19031
Telephone: (215) 402-0270
Telefax: (215) 402-0274

Section 13. No Personal Recourse

No personal recourse shall be had for any claim based on this Disclosure Agreement against any member, officer, or employee, past, present or future, of the Participant (including without limitation, the Disclosure Representative), or of any successor bodies of such, either directly or through the Participant or successor bodies of such, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise.

Section 14. Controlling Law

This Disclosure Agreement and all matters arising out of or related to this Disclosure Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without regard to its conflict of laws principles.

Section 15. Successors and Assigns

All of the covenants, promises and agreements contained in this Disclosure Agreement by or on behalf of the Participant shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 16. Headings for Convenience Only

The descriptive headings in this Disclosure Agreement are inserted for convenience of reference only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 17. Counterparts

The Disclosure Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, we, the undersigned Authorized Officers, have hereunto set our signatures and affixed hereto the Seal of the TOWNSHIP OF WEST GOSHEN, Chester County, Pennsylvania, and have executed this Continuing Disclosure Agreement.

Dated: April 17, 2018

CHRISTOPHER PIELLI, ESQ.
Chair, Board of Supervisors

[Seal]

ATTEST:

CASEY LALONDE
Secretary

IN WITNESS WHEREOF, CALHOUN BAKER INC., the Program Administrator hereby acknowledges and agrees to the terms of this Continuing Disclosure Agreement.

Dated: April 17, 2018

CALHOUN BAKER INC.
Program Administrator
Delaware Valley Regional Finance Authority