

ORDINANCE NO. 04-2016
COUNTY OF BERKS, PENNSYLVANIA

SWAP ORDINANCE

AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF BERKS, PENNSYLVANIA APPROVING AN INTEREST RATE MANAGEMENT PLAN; APPROVING THE FORM OF AN INTEREST RATE MANAGEMENT AGREEMENT RELATING TO ITS GENERAL OBLIGATION BONDS SERIES C OF 2010 (FEDERALLY TAXABLE – ISSUER SUBSIDY – BUILD AMERICA BONDS) (THE “BONDS”); AUTHORIZING THE PROPER OFFICERS OF THE COUNTY TO EXECUTE AND DELIVER THE INTEREST RATE MANAGEMENT AGREEMENT; APPROVING THE MAXIMUM RATE OF INTEREST PAYABLE BY THE COUNTY UNDER THE INTEREST RATE MANAGEMENT AGREEMENT AND THE METHOD OF CALCULATING THE RATE OF INTEREST PAYABLE BY THE COUNTERPARTY UNDER THE INTEREST RATE MANAGEMENT AGREEMENT; APPROVING THE TERM OF THE INTEREST RATE MANAGEMENT AGREEMENT; COVENANTING TO PAY THE PAYMENTS OF THE COUNTY UNDER THE INTEREST RATE MANAGEMENT AGREEMENT; AUTHORIZING THE PREPARATION OF AMENDED DEBT SERVICE SCHEDULES FOR SAID BONDS, IF NECESSARY; AUTHORIZING THE PREPARATION OF A TRANSCRIPT OF PROCEEDINGS TO BE FILED WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER NECESSARY DOCUMENTS AND THE TAKING OF OTHER NECESSARY ACTION IN CONNECTION WITH THE FOREGOING.

WHEREAS, the County of Berks, Pennsylvania (the “County”), heretofore issued its General Obligation Bonds, Series C of 2010 (Federally Taxable – Issuer Subsidy – Build America Bonds) (the “Bonds”) in an aggregate principal amount of \$42,405,000 (of which \$42,375,000 is currently outstanding) to finance various projects of the County; and

WHEREAS, the County has heretofore appointed Financial S&Lutions, LLC as its financial advisor (the “Financial Advisor”) to evaluate whether to enter into qualified interest rate management agreements with respect to all or a portion of the County’s outstanding bonds, notes or lease rental obligations in order to manage interest rate risk or interest costs of the County; and

WHEREAS, the County’s Financial Advisor has prepared an interest rate management plan (the “Interest Rate Management Plan”) and is advising the County as to whether to enter into a forward starting swap with respect to the Bonds in order to reduce its overall borrowing costs with respect to the Bonds; and

WHEREAS, the Interest Rate Management Plan contains procedures relating to the process for selecting a counterparty and awarding an interest rate management agreement,

and the County has determined that it is in its best financial interest to enter into the interest rate management agreement with a financial institution meeting the minimum requirements for qualified counterparties as set forth in the Interest Rate Management Plan (the “Bank” or “Counterparty”) and selected by the County by private sale by invitation; and

WHEREAS, the County intends to enter into an interest rate swap agreement with the Bank pursuant to a Master Agreement, as supplemented by the Schedule and Confirmation or Confirmations thereto (collectively, the “Interest Rate Swap Agreement”); and

WHEREAS, the County desires to approve the Interest Rate Management Plan, authorize the execution and delivery of the Interest Rate Swap Agreement and such other documents as shall be necessary or appropriate in connection therewith.

NOW, THEREFORE, BE IT ENACTED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF BERKS AS FOLLOWS:

1. Adoption of the Interest Rate Management Plan. In accordance with the purposes and objectives of the Local Government Unit Debt Act, as amended (the “Act”), the County hereby adopts and approves the Interest Rate Management Plan prepared and recommended by the Financial Advisor attached hereto as Appendix I, subject to such modifications from time to time as the Board of Commissioners of the County, the County’s Financial Advisor and counsel to the County shall approve. The County hereby approves and authorizes the use of the process for selecting a counterparty, and awarding the interest rate management agreement, set forth in the Interest Rate Management Plan. The Financial Advisor is hereby determined to be independent as contemplated by the Act.

2. Authorization of the Interest Rate Swap Agreement. In order to manage interest costs to the County, the County is hereby authorized to execute and deliver the Interest Rate Swap Agreement, the substantial form of which is attached hereto as Appendix II. The substantial form of the Interest Rate Swap Agreement is hereby approved; provided that, with respect to the Bonds: (i) the notional amount subject to the Interest Rate Swap Agreement shall not exceed the then outstanding principal amount of the Bonds, (ii) the term of the Interest Rate Swap Agreement shall be no later than the latest maturity date for any of the Bonds, (iii) the Interest Rate Swap Agreement shall obligate the County to pay a fixed rate to be determined upon final pricing of the Interest Rate Swap Agreement, multiplied by the notional amount of the swap at the time in question, at the times and in the manner set forth in the Interest Rate Swap Agreement, (iv) the Interest Rate Swap Agreement shall obligate the Counterparty to pay sixty-seven percent (67%) of USD-LIBOR-BBA index having a one month maturity, multiplied by the notional amount of the swap at the time in question, at the times and in the manner set forth in the Interest Rate Swap Agreement, and (v) both parties may be required to make certain additional payments to the extent required under the Interest Rate Swap Agreement, however periodic scheduled payments payable by the County under the Interest Rate Swap Agreement and debt service payable by the County on the Bonds shall be senior in right and priority of payment to termination payments due under the Interest Rate Swap Agreement. The Board of County Commissioners hereby authorizes and directs the Chief Financial Officer of the County to approve, in his sole discretion, with the advice of the Financial Advisor and Swap Counsel, the

delivery date, final pricing, terms and provisions of the Interest Rate Swap Agreement entered into by the County, subject to the limitations of this paragraph 2.

3. Execution and Delivery of the Interest Rate Swap Agreement. The Chair or Vice Chair of the Board of Commissioners is hereby authorized to execute the Interest Rate Swap Agreement by manual or facsimile signature; the Chief Clerk or any Assistant Chief Clerk of the County is hereby authorized to attest by manual or facsimile signature and to affix the seal of the County on the Interest Rate Swap Agreement (which is hereby authorized to be impressed or imprinted on the Interest Rate Swap Agreement); and following such execution, the officers of the County are hereby authorized to deliver, or to cause to be delivered, the Interest Rate Swap Agreement.

The Interest Rate Swap Agreement, when executed, will be a general obligation of the County. The County hereby covenants that it shall include the amount of scheduled payments due thereunder for each fiscal year in which such sums are payable in its budget for that year and shall include the amount of any termination payments due thereunder in its budget for the fiscal year immediately succeeding the fiscal year in which a termination occurs; shall appropriate such amounts from its general revenues to the payment of such payments; and shall duly and punctually pay or cause to be paid the payments on the dates and places and in the manner stated in the Interest Rate Swap Agreement according to the true intent and meaning thereof, and for such proper budgeting, appropriation, and payment of periodic scheduled payments, the full faith, credit and taxing power of the County is hereby irrevocably pledged.

The maximum and estimated scheduled payment amounts which the County hereby covenants to pay under the Interest Rate Swap Agreement are set forth in Schedule I attached hereto. Because the maximum net payments by fiscal year for periodic scheduled payments of the County, not including any termination payments, and interest on the Bonds, exceed the amount of interest approved in the Ordinance authorizing the issuance of the Bonds, the County hereby amends the Ordinance of the County authorizing the Bonds, reflecting such increase.

Attached hereto as Schedule II is the maximum combined obligations of the County with respect to the Bonds (with interest calculated at the maximum rate payable on the Bonds) taking into account the Interest Rate Swap Agreement and the Bonds, assuming that the maximum rate on the Interest Rate Swap Agreement is in effect, but excluding the amount of any termination payment.

4. Authorization of Private Sale By Invitation. In compliance with Section 8281(e) of the Act, the members of the Board of Commissioners, in consultation with the Financial Advisor to the County have determined that a private sale by invitation rather than private sale by negotiation or public sale is in the best financial interest of the County. The Interest Rate Swap Agreement shall be awarded to the Counterparty subject to the requirements of this Ordinance and the Interest Rate Management Plan; provided that the proceedings have been filed with the Department of Community and Economic Development in accordance with paragraph 7 below. The award of the Interest Rate Swap Agreement at a private sale by

invitation in accordance with the other terms and conditions set forth in this Ordinance, is hereby deemed to be in the best financial interest of the County and is hereby approved.

5. Execution and Delivery of Documents. The Chair or Vice Chair of the Board of Commissioners is hereby authorized to execute and deliver, in the name of the County and on its behalf, the following documents and to approve the final form and substance thereof, and any amendments or supplements thereto before or after the initial execution and delivery thereof, and to approve the exact notional amount, term and interest rates under the Interest Rate Swap Agreement (subject to paragraph 2 above), such approvals to be conclusively evidenced by the execution thereof, and the Chief Clerk or any Assistant Chief Clerk is hereby authorized to affix to all of the following documents the seal of the County and to attest to the same:

(a) The Interest Rate Swap Agreement; and

(b) Such other documents, agreements, instruments and certifications, as the executing officers determine to be reasonable and appropriate to provide for the Interest Rate Swap Agreement as authorized by this Ordinance.

Copies of the foregoing documents, together with the other documents relating to the transactions authorized hereby, in final form as executed and delivered by the parties thereto, shall be filed in the official records of the County.

6. Dating of Interest Rate Swap Agreement. The Interest Rate Swap Agreement and other documents, instruments, agreements and certificates executed and delivered in connection therewith are presently expected to be dated as of their date of execution at any time after the filing of the proceedings with the Department of Community and Economic Development. The Chair or Vice Chair of the Board of Commissioners with the advice of the Financial Advisor and Special Swap Counsel, is hereby authorized and directed to approve in his/her sole discretion the dates and the final pricing, terms and provisions of the Interest Rate Swap Agreement and all such other documents, such approval to be conclusively evidenced by the execution of the Interest Rate Swap Agreement and such other documents by the Chair or Vice Chair of the Board of Commissioners.

7. Debt Act Proceedings.

Any member of the Board of Commissioners of the County and the Chief Clerk or Assistant Chief Clerk of the County is authorized and directed to prepare or cause to be prepared, verify and file the proceedings required by Section 8284 of the Act, and to take other necessary or desirable action in connection therewith.

The action of the proper officers and the advertising of a summary of this Ordinance as required by law in a newspaper of general circulation, is hereby ratified, confirmed, and approved. The advertisement by the Chief Clerk of the County in said paper of the enactment of this Ordinance is hereby directed within fifteen (15) days following the day of final enactment.

8. Binding Effect of Covenants and Agreements. All covenants, obligations and agreements of the County set forth in this Ordinance and in the documents, instruments, agreements and certificates authorized hereby shall be deemed to be the covenants, obligations and agreements of the County to the full extent authorized or permitted by law, and all such covenants, obligations and agreements shall be binding upon the County and its successors from time to time and upon any board or body to which any powers or duties affecting the same shall be transferred by or in accordance with law. Except as otherwise provided in this Ordinance, all rights, powers and privileges conferred and duties and liabilities imposed upon the County or the members thereof by the provisions of this Ordinance or the documents, instruments, agreements and certificates authorized hereby shall be exercised or performed by such members, officers or other representatives of the County as may be required or permitted by law to exercise or perform the same. No covenant, obligation or agreement herein contained or contained in any documents, instruments, agreements and certificates authorized hereby shall be deemed to be a covenant, obligation or agreement of any member, officer, agent or employee of the County in his or her individual capacity and neither the members of the County nor any officer executing the Interest Rate Swap Agreement or any other documents, instruments, agreements and certificates authorized by this Ordinance shall be liable personally thereunder or be subject to any personal liability or accountability by reason of the execution and delivery thereof.

9. Financial Advisor. The County hereby appoints and engages Financial S&Lutions, LLC to serve as its independent Financial Advisor with regard to all of the transactions from time to time contemplated by this Ordinance.

10. Swap Counsel. The County hereby appoints and engages Stevens & Lee, P.C., Reading, Pennsylvania, to act as Swap Counsel to the County with regard to all of the transactions from time to time contemplated by this Ordinance.

11. Further Action. Any member of the Board of Commissioners is hereby authorized and directed to execute such further documents, instruments, agreements and certificates and do such further things as may be necessary or proper to carry out the intent and purpose of this Ordinance or any document herein authorized.

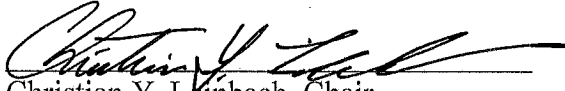
12. Repeal of Inconsistent Ordinances. All prior ordinances or parts thereof inconsistent herewith are hereby repealed to the extent of such inconsistency.

13. Effective Date. This Ordinance shall take effect immediately.

DULY ENACTED, THIS 1ST DAY OF SEPTEMBER, 2016, BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF BERKS, PENNSYLVANIA, IN LAWFUL SESSION DULY ASSEMBLED.

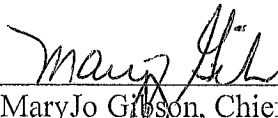
COUNTY OF BERKS, PENNSYLVANIA

(SEAL)


Christian Y. Leinbach, Chair


Kevin S. Barnhardt, Commissioner


Mark C. Scott, Esq., Commissioner

Attest: 
MaryJo Gibson, Chief Clerk

APPENDIX I

Interest Rate Management Plan

COUNTY OF BERKS, PENNSYLVANIA

***INTEREST RATE MANAGEMENT PLAN
ADOPTED IN ACCORDANCE WITH THE REQUIREMENTS OF
THE LOCAL GOVERNMENT UNIT DEBT ACT
OF THE COMMONWEALTH OF PENNSYLVANIA***

Updated as of September 1, 2016

***THIS UPDATED INTEREST RATE MANAGEMENT PLAN INCLUDES ALL SCHEDULES AND DOCUMENTS
TO BE FILED WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT IN
ACCORDANCE WITH THE PROVISIONS OF THE LOCAL GOVERNMENT UNIT DEBT ACT.***

***THIS INTEREST RATE MANAGEMENT PLAN IS BEING UPDATED IN CONNECTION WITH THE
ANTICIPATED INTEREST RATE MANAGEMENT AGREEMENT ASSOCIATED WITH THE COUNTY'S
FEDERALLY TAXABLE GENERAL OBLIGATION BONDS, SERIES C OF 2010.***

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COUNTY OF BERKS

INTEREST RATE MANAGEMENT PLAN

I. Introduction – Current Outstanding Debt of the County.

In accordance with the provisions of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania (“LGUDA”), the County of Berks, Pennsylvania (the “County”) is adopting this Interest Rate Management Plan to establish guidelines for the use and management of interest rate management tools, including, without limitation, derivative products such as interest rate swaps. The Interest Rate Management Plan is prepared in accordance with the provisions of LGUDA regarding the contents of an interest rate management plan.

The County is authorized under the LGUDA to enter into qualified interest rate swaps and other derivative products to reduce the amount and duration of rate, spread, or similar risk when used in combination with the issuance of debt.

The County’s Interest Rate Management Plan (the “Plan”) includes the execution of a forward starting variable-to-fixed interest rate swap with the purpose of managing the County’s interest cost associated with its outstanding Federally Taxable General Obligation Bonds, Series C of 2010 (the “2010 C Bonds”). Under the terms of the swap the County will periodically receive a variable interest rate equal to 67% of the 1-Month LIBOR rate and pay a fixed interest rate equal to ___% (TBD at the time the swap is executed) (the “Swap”).

The appropriate schedules in connection with the anticipated Swap can be found in the appendices of this Plan. Following the execution of the anticipated Swap, the County will have three interest rate management agreements outstanding.

The County of Berks Interest Rate Management Plan was prepared by Financial S&Lutions LLC, Reading, Pennsylvania. Financial S&Lutions LLC is an independent financial advisory firm (Designated QIR), retained by the County, as its independent financial advisor, as defined by the LGUDA, in connection with the Swap.

Attached to this report as Schedule I is a compilation of the outstanding general obligation indebtedness of the County, as of the date of this report, September 1, 2016. Subsequent schedules list the remaining debt service requirements of the County with respect to each of the outstanding debt issues (current outstanding principal amounts shown below):

- General Obligation Bonds, Second Series of 1992 -- \$5,001,794 capital appreciation bonds currently outstanding

- General Obligation Bonds, Second Series of 1993 -- \$11,859,526 capital appreciation bonds currently outstanding
- General Obligation Bonds, Series of 2005 -- \$6,715,000 fixed rate bonds currently outstanding
- General Obligation Bonds, Series B of 2009 -- \$13,920,000 fixed rate bonds currently outstanding (Taxable BABs)
- General Obligation Bonds, Series A of 2010 -- \$28,475,000 fixed rate bonds currently outstanding
- General Obligation Bonds, Series B of 2010 -- \$7,765,000 fixed rate bonds currently outstanding (Taxable RZEDBs)
- General Obligation Bonds, Series C of 2010 -- \$42,375,000 fixed rate bonds currently outstanding (Taxable BABs)
- General Obligation Bonds, Series D of 2010 -- \$3,545,000 fixed rate bonds currently outstanding (Taxable)
- General Obligation Bonds, Series of 2012 -- \$9,490,000 fixed rate bonds currently outstanding
- General Obligation Bonds, Series A of 2012 -- \$33,800,000 fixed rate bonds currently outstanding (Taxable)
- General Obligation Bonds, Series of 2013 -- \$15,850,000 fixed rate bonds currently outstanding
- General Obligation Bonds, Series of 2014 -- \$9,995,000 fixed rate bonds currently outstanding
- General Obligation Bonds, Series of 2015 -- \$43,795,000 fixed rate bonds currently outstanding
- General Obligation Bonds, Series of 2016 -- \$9,790,000 fixed rate bonds currently outstanding

Total ---- \$213,901,320 principal amount of County general obligation debt currently outstanding and incurred.

II. Scope and Authority

This Interest Rate Management Plan shall govern the County's use and management of all derivative products, including but not limited to, interest rate swaps. While adherence to this Plan is required in applicable circumstances, the County recognizes that changes in applicable law, the capital markets, agency programs, and other unforeseen circumstances may from time to time produce situations that are not covered by the Interest Rate Management Plan and will require modifications or exceptions to achieve policy goals. In these cases, management flexibility is appropriate provided specific authorization from the County Commissioners is obtained.

The Interest Rate Management Plan shall be reviewed and updated at least each time the County enters into a new, modified or additional qualified interest rate management agreement. Any such updated or modified or replacement Interest Rate Management Plan must be presented to the County Commissioners for review and approval in accordance with LGUDA.

The County Commissioners shall approve any transaction involving an interest rate swap or other qualified interest rate management agreements in accordance with the requirements of the LGUDA. The County shall be authorized to enter into derivative transactions only with qualified counterparties. The County Commissioners shall have the authority to select the counterparties, so long as the criteria set forth in the LGUDA and the Interest Rate Management Plan are met.

III. Conditions for the Use of Derivative Products

A. General Usage

The County will use derivative products to lock in fixed rates or, alternatively, to create variable rate exposure. Derivative products may be used to produce interest rate savings, limit or hedge interest rate payments, alter the pattern of debt service payments, or for asset/liability matching purposes.

In connection with the use of any swaps, the authorized derivative product(s) will be used to manage interest rate risk and/or interest cost by altering the cost of borrowing in a beneficial manner, and when used in combination with new or outstanding debt, will enhance the relationship between risk and return, or achieve other policy objectives of the County.

B. Maximum Notional Amount

The County will limit the total notional amount of outstanding derivative products based on criteria set forth in this Interest Rate Management Plan regarding the proper management of risks and the calculation of termination exposure.

C. Liquidity Considerations

The County shall consider the impact of any variable rate debt issued in combination with an interest rate swap on the availability and cost of liquidity support for other

County variable rate programs. The County recognizes that there is a limited supply of letter of credit or liquidity facility support for the County's variable rate debt, and the use of liquidity support in connection with a derivative product may result in higher overall costs or reduced capacity from financial institutions.

D. Call Option Value Considerations

When considering the relative advantages of the use of a derivative product with respect to outstanding debt, the County will consider the value of the call option on fixed rate debt and the potential lack of similar rights when utilizing derivative products. Typically, in a fixed rate debt issue, the County could sell bonds that could be redeemed after 5 to 10 years. In a lower interest rate environment, the County could refinance such fixed rate bonds and realize economic value. Utilizing interest rate swaps to synthetically fix interest rates through maturity may result in initially lower interest rates, but may eliminate the ability of the County to restructure or refinance the outstanding debt to provide economic savings in the future.

IV. Interest Rate Management Features

A. Documenting Derivative Products

The County and each counterparty providing a derivative product to the County will execute a Master Agreement and appropriate Schedule in accordance with the then-current standards of the International Swaps and Derivatives Association, Inc. ("ISDA") Master Agreement. The County and counterparty will each accept the terms and conditions as set forth in the Master Agreement. The Master Agreement between the County and each counterparty shall include payment, term, security, collateral, default, remedy, termination, and other terms, conditions, provisions and safeguards as the County, in consultation with its legal counsel, deems necessary, proper or desirable.

Subject to the provisions contained herein, the terms of any County derivative product agreement shall use the following guidelines:

- i. Downgrade provisions triggering termination shall in no event be worse than those affecting the counterparty.
- ii. The specified indebtedness related to credit events in any swap agreement should be narrowly defined and refer only to indebtedness of the County that could have a materially adverse effect on the County's ability to perform its obligations under such agreement. Debt should typically only include obligations within the same lien priority as the swap obligation.
- iii. Collateral thresholds for the swap provider should be set on a sliding scale reflective of credit ratings. Collateral requirements should be established and based upon the credit ratings of the swap provider or guarantor. Collateral should be held by an independent third party, such as a bank ("Trustee").

- iv. Collateral should generally be limited to U.S. Treasuries and obligations of Federal Agencies where the principal and interest are guaranteed by the United States. At the discretion of the County Commissioners, other high-quality obligations of Federal Agencies, not secured by the full faith and credit of the U.S. government, may be used as collateral.
- v. The County shall have the right to optionally terminate a swap agreement at "market," at any time over the term of the agreement.
- vi. Termination value should be set by a "market quotation" methodology, unless the County deems an alternate appropriate.

B. Derivative Product Counterparties

1. Credit Criteria

The County will make its best efforts to work with qualified swap counterparties that have (i) a general credit rating of not lower than "A-" (or the equivalent credit rating) by one of the nationally recognized rating agencies, or (ii) an "AAA" rated subsidiary (or the equivalent credit rating) as rated by at least one nationally recognized credit rating agency. The nationally recognized rating agencies are Moody's Investors Services, Inc., Standard and Poor's Rating Services, and Fitch Ratings.

For lower rated (below "A-" or its equivalent) counterparties, the County will seek credit enhancement in the form of:

- i. Contingent credit support or enhancement;
- ii. Collateral consistent with the policies contained herein;
- iii. Ratings downgrade triggers;
- iv. Guaranty of parent, if any.

In addition, qualified derivative product counterparties must have a demonstrated record of successfully executing derivative product transactions in Pennsylvania.

2. Counterparty Exposure

The County shall evaluate its exposure to counterparties. To that end, before entering into a swap, the County should determine its exposure to the relevant counterparty or counterparties and determine how the proposed transaction would affect the exposure.

C. Term and Notional Amount

In connection with the issuance or carrying of debt, the term of the derivative product agreement shall not extend beyond the final maturity date of the related debt. The total

“notional amount” of a derivative product related to a debt issue may not exceed the amount of outstanding debt. For purposes of calculating the notional amount, credit shall be given to any fixed versus variable rate derivative products that offset for a specific debt transaction.

D. Collateral Requirements

As part of any derivative product agreement, the County may, based on credit ratings of the counterparty, require collateralization or other forms of credit enhancements to secure any or all swap payment obligations. As appropriate, the County may require collateral or other credit enhancement to be posted by any swap counterparty if the credit rating of the counterparty or parent falls below the “A” credit rating category. Additional collateral for further decreases in credit ratings of each counterparty shall be posted by each counterparty in accordance with the provisions contained in the collateral support agreement to each counterparty with the County.

Threshold collateral amounts shall be determined by the County on a case-by-case basis. The County will determine the reasonable threshold limits for the initial deposit and for increments of collateral posting thereafter. Collateral shall be deposited with a third party trustee, or as mutually agreed upon between the County and the counterparty. Collateral and the valuation of such collateral will be determined and mutually agreed upon during negotiation of the swap agreement with each swap counterparty. The market value of the collateral shall be determined on a monthly basis or more frequently if the County determines it is in its best interest given the specific collateral security.

E. Security and Source of Repayment

The County will generally use the same security and source of repayment for interest rate swaps as is used for the debt that is hedged or carried by the swap, if any, but shall consider the economic costs and benefits of subordinating the County’s payments under the swap and/or termination payment.

F. Prohibited Interest Rate Swap Features

The County will not use derivative products that: (i) are speculative or create extraordinary leverage or risk, (ii) lack adequate liquidity to terminate without incurring a significant bid/ask spread, (iii) provide insufficient price transparency to allow reasonable valuation, or (iv) are used as investments.

V. Evaluation and Management of Derivative Product Risks

Prior to the execution of any derivative product transaction, the County’s Designated QIR and Swap Counsel shall evaluate the proposed transaction and review the transaction with the County Commissioners. Such a review shall include the identification of the proposed benefit and potential risks.

A. Evaluation Methodology

The County will review the following areas of potential risk for new and existing interest rate swaps:

Type of Risk	Description	Evaluation Methodology
Basis risk/Interest Rate Risk	The mismatch between actual variable rate debt service and variable rate indices used to determine swap payments due to movements in interest rates.	The County will review historical trading differentials between the variable rate debt and the swap index.
Tax risk	The risk created by potential tax events that could affect swap payments.	The County will evaluate the impact of potential changes in tax law on all variable rate indexed swaps.
Counterparty risk	The failure of the counterparty to make required payments.	The County will monitor exposure levels, ratings thresholds, and collateralization requirements of the counterparty.
Termination risk	The need to terminate the transaction in a market that dictates a termination payment by the County.	The County will compute its termination exposure for all existing and proposed swaps at market value and under a worst-case scenario.
Rollover Risk	The mismatch of the maturity of the interest rate swap and the maturity of the underlying debt.	The County will determine its capacity to issue variable rate debt that may be outstanding after the maturity of the swaps.
Liquidity risk	The inability to continue or renew a liquidity facility.	The County will evaluate the expected availability of liquidity support for swapped and unhedged variable rate debt.
Credit risk	The occurrence of an event modifying the credit rating of the County or the counterparty.	The County will monitor the ratings of its counterparties and insurers.
<p>** Specific risks associated with the anticipated Swap are found in the schedules attached to this document.</p>		

B. Managing Derivative Product Risks

1. Annual Report

The County will evaluate the risks associated with outstanding derivative products at least annually and provide a written report to the County Commissioners of the findings. This evaluation will include the following information:

- i. A description of all outstanding derivative products, including related debt series, types of derivative products, rates paid and received by the County, existing notional amount, the average life and remaining term of each swap agreement, and the current termination value of all outstanding swaps.
- ii. Separately for each swap, the actual debt service requirements versus the projected debt service on the swap transaction; and for any swaps used as part of a refunding, the actual cumulative savings versus the projected savings at the time the swap was executed.
- iii. The credit rating of each swap counterparty, parent, guarantor, and credit enhancer insuring swap payments, if any.
- iv. Actual collateral posting by swap counterparty, if any, per swap agreement and in total by swap counterparty.
- v. Information concerning any material event involving outstanding swap agreements, including a default by a swap counterparty, counterparty downgrade, or termination.
- vi. The status of any liquidity support used in connection with interest rate swaps, including the remaining term and current fee.
- vii. The County's Designated QIR will represent to the County, in writing, that it satisfies the applicable requirements of CFTC Regulation 23.450(b)(1) and the County's Designated QIR will immediately notify the County in writing if the Designated QIR violates or does not satisfy the applicable requirements of CFTC Regulation 23.450(b)(1).

2. Mandatory Termination

In the event a swap is terminated as a result of a termination event, such as a default or a decrease in credit rating of either the County or the counterparty, the County will evaluate whether it is financially advantageous to obtain a replacement swap, or, depending on market value, make or receive a termination payment.

VI. Selecting and Procuring Derivative Products

A. Financing Team

The County will retain the services of an experienced municipal bond counsel firm, and will retain the services of a qualified Designated QIR for all interest rate swaps.

B. Counterparty Selection

The County may utilize a competitive bidding process or a negotiated process to select a counterparty and price a swap when the County feels that a particular process is in its best interest to do so.

VII. Disclosure and Financial Reporting

The County will take steps to ensure that there is full and complete disclosure of all derivative products to the County Commissioners, to rating agencies, and in disclosure documents. Disclosure in marketing documents shall provide a clear summary of the special risks involved with the applicable derivative product and any potential exposure to interest rate volatility or unusually large and rapid changes in market value. With respect to its financial statements, the County will adhere to the guidelines for the financing reporting of interest rate swaps, as set forth by the Government Accounting Standards Board.

Attached Schedules – Including Schedules Required by Local Government Unit Debt Act

- Schedule I - Total Outstanding Debt of the County
- Schedule II - Previously Executed Interest Rate Management Agreements
- Schedule III - Maximum Professional Fees Associated with the County's proposed Interest Rate Management Agreement
- Schedule IV- Maximum Scheduled Payments to be Paid and Received by the County in Connection with the proposed Interest Rate Management Agreement
Estimated Scheduled Payments to be Paid and Received by the County in connection with the proposed Interest Rate Management Agreement
- Schedule V- Analysis of risks of Entering into the Interest Rate Management Agreement
- Schedule VI- Maximum Scheduled Payments to be Paid by the County in Connection with All of the Outstanding Debt & All Outstanding Interest Rate Management Agreements
Estimated Scheduled Payments to be Paid by the County in Connection with All of the Outstanding Debt & All Outstanding Interest Rate Management Agreements
- Schedule VII- Termination Values of the proposed Interest Rate Management Agreement

SCHEDULE I

TOTAL OUTSTANDING DEBT OF THE COUNTY

GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS

YEAR	1992 (2) BONDS	1993 (2) BONDS	2005 BONDS	2009 B BONDS (BAsB)	2010 B BONDS (FZEBAs)	2010 C BONDS (BAsB)	2010 D BONDS	2012 BONDS	2012 A BONDS	2013 BONDS	2014 BONDS	2015 BONDS	2016 BONDS	TOTAL GO DEBT
2016	11,495,000.00	-	717,395.00	471,680.21	111,497.74	746,905.78	723,892.75	209,000.00	1,709,211.70	983,925.00	152,933.75	2,247,400.00	771,472.13	20,340,314.06
2017	11,395,000.00	3,580,000.00	1,453,136.25	742,998.45	992,878.05	1,488,673.10	794,107.50	332,150.00	2,246,583.00	1,335,150.00	300,842.50	2,449,500.00	820,106.26	27,911,125.11
2018	-	14,950,000.00	1,447,616.25	746,793.55	989,495.40	1,488,534.65	796,297.00	381,300.00	2,246,691.40	1,332,025.00	300,802.50	2,444,200.00	816,106.26	27,901,862.01
2019	-	14,960,000.00	1,448,285.00	750,007.55	959,666.12	1,523,396.20	790,524.00	330,131.26	2,249,089.06	1,332,200.00	300,747.50	2,443,400.00	819,806.26	27,907,252.94
2020	-	14,960,000.00	1,449,387.50	757,614.45	994,654.50	1,487,288.60	791,616.00	328,843.76	2,247,547.10	1,335,600.00	340,677.50	2,426,800.00	819,806.26	27,939,485.67
2021	-	-	1,441,065.00	758,855.70	992,778.80	5,167,150.15	381,825.00	329,487.50	2,246,266.30	1,332,800.00	339,912.50	8,335,900.00	818,406.26	21,764,759.71
2022	-	-	-	759,746.60	994,672.75	5,175,112.50	329,487.50	5,327,350.00	2,246,303.50	1,334,000.00	378,900.00	9,502,650.00	819,806.26	21,540,679.11
2023	-	-	-	760,287.15	994,921.52	5,160,294.95	5,327,350.00	610,100.00	2,243,047.30	1,334,000.00	376,987.50	2,414,900.00	820,806.26	19,432,694.67
2024	-	-	-	1,940,477.35	997,469.09	5,141,859.50	610,100.00	610,100.00	2,247,037.70	1,335,000.00	380,075.00	5,866,650.00	816,706.26	19,325,374.90
2025	-	-	-	1,958,975.90	994,111.64	5,129,806.15	606,850.00	606,850.00	2,242,896.90	1,334,000.00	377,825.00	5,823,150.00	817,306.26	19,294,921.85
2026	-	-	-	1,997,185.92	-	5,113,806.00	607,825.00	607,825.00	2,240,656.30	1,336,000.00	380,575.00	6,774,400.00	817,606.26	19,266,054.48
2027	-	-	-	2,026,808.14	-	5,103,392.50	607,862.50	607,862.50	2,245,052.00	1,335,750.00	378,200.00	6,747,400.00	817,606.26	19,263,071.40
2028	-	-	-	2,057,643.24	-	5,092,324.00	607,337.50	607,337.50	2,240,631.20	1,333,250.00	4,580,350.00	2,511,600.00	816,350.00	19,239,485.94
2029	-	-	-	3,899,491.88	-	5,075,412.00	610,687.50	610,687.50	2,241,925.10	1,333,500.00	5,196,350.00	-	818,800.00	19,176,165.48
2030	-	-	-	-	-	5,027,656.50	608,437.50	608,437.50	2,240,916.80	1,331,250.00	-	-	-	9,208,260.90
2031	-	-	-	-	-	-	-	-	2,242,608.30	1,331,500.00	-	-	-	3,574,106.30
2032	-	-	-	-	-	-	-	-	2,241,801.76	1,334,000.00	-	-	-	3,575,801.76
2033	-	-	-	-	-	-	-	-	2,243,503.16	1,333,500.00	-	-	-	3,577,003.16
2034	-	-	-	-	-	-	-	-	2,240,668.66	-	-	-	-	2,240,668.66
2035	-	-	-	-	-	-	-	-	2,240,078.26	-	-	-	-	2,240,078.26
2036	-	-	-	-	-	-	-	-	2,241,535.10	-	-	-	-	2,241,535.10
2037	-	-	-	-	-	-	-	-	2,239,842.36	-	-	-	-	2,239,842.36
TOTAL	22,890,000.00	48,440,000.00	7,956,865.00	19,638,566.04	9,022,145.61	57,921,612.58	3,895,437.25	11,778,787.52	48,823,890.96	23,857,450.00	13,785,178.75	59,977,950.00	11,412,590.99	339,201,494.70

COUNTY OF BERKS, PENNSYLVANIA

CAPITAL APPRECIATION BONDS, SECOND SERIES OF 1992

OUTSTANDING DEBT SERVICE REQUIREMENTS

DATE	PRINCIPAL	RATE	INTEREST	MATURITY AMOUNT	FISCAL YEAR DEBT SERVICE
15-May-16					
15-Nov-16	2,588,788.95	6.25%	8,906,211.05	11,495,000.00	11,495,000.00
15-May-17	-		-	-	
15-Nov-17	2,413,005.20	6.25%	8,981,994.80	11,395,000.00	11,395,000.00
	<u>5,001,794.15</u>		<u>17,888,205.85</u>	<u>22,890,000.00</u>	<u>22,890,000.00</u>

COUNTY OF BERKS, PENNSYLVANIA

GENERAL OBLIGATION BONDS, SECOND SERIES OF 1993

OUTSTANDING DEBT SERVICE REQUIREMENTS

DATE	PRINCIPAL	RATE	INTEREST	DEBT SERVICE	FISCAL YEAR DEBT SERVICE
15-May-16					
15-Nov-16					
15-May-17	971,488.40	5.60%	2,588,511.60	3,560,000.00	
15-Nov-17	-		-	-	3,560,000.00
15-May-18	3,862,971.20	5.60%	11,097,028.80	14,960,000.00	
15-Nov-18	-		-	-	14,960,000.00
15-May-19	3,610,296.80	5.65%	11,349,703.20	14,960,000.00	
15-Nov-19	-		-	-	14,960,000.00
15-May-20	3,414,769.60	5.65%	11,545,230.40	14,960,000.00	
15-Nov-20					14,960,000.00
	11,859,526.00		36,580,474.00	48,440,000.00	48,440,000.00

COUNTY OF BERKS, PENNSYLVANIA

GENERAL OBLIGATION BONDS, SERIES OF 2005

OUTSTANDING DEBT SERVICE REQUIREMENTS

DATE	PRINCIPAL	RATE	INTEREST	DEBT SERVICE	FISCAL YEAR DEBT SERVICE
15-May-16					
15-Nov-16	520,000.00	5.85%	197,395.00	717,395.00	717,395.00
15-May-17	555,000.00	5.85%	182,185.00	737,185.00	-
15-Nov-17	550,000.00	5.85%	165,951.25	715,951.25	1,453,136.25
15-May-18	585,000.00	5.85%	149,863.75	734,863.75	-
15-Nov-18	580,000.00	5.85%	132,752.50	712,752.50	1,447,616.25
15-May-19	620,000.00	5.90%	115,787.50	735,787.50	-
15-Nov-19	615,000.00	5.90%	97,497.50	712,497.50	1,448,285.00
15-May-20	655,000.00	5.90%	79,355.00	734,355.00	-
15-Nov-20	655,000.00	5.90%	60,032.50	715,032.50	1,449,387.50
15-May-21	690,000.00	5.90%	40,710.00	730,710.00	-
15-Nov-21	690,000.00	5.90%	20,355.00	710,355.00	1,441,065.00
	6,715,000.00		1,241,885.00	7,956,885.00	7,956,885.00

COUNTY OF BERKS, PENNSYLVANIA

TAXABLE GENERAL OBLIGATION BONDS, SERIES B OF 2009 (BABs)

OUTSTANDING DEBT SERVICE REQUIREMENTS

DATE	PRINCIPAL	RATE	INTEREST	GROSS DEBT SERVICE	BAB FEDERAL SUBSIDY (36%)	NET DEBT SERVICE	FISCAL YEAR DEBT SERVICE
15-May-16							
15-Nov-16	205,000.00	4.024%	410,277.25	615,277.25	143,597.04	471,680.21	471,680.21
15-May-17			406,152.65	406,152.65	142,153.43	263,999.22	
15-Nov-17	215,000.00	4.440%	406,152.65	621,152.65	142,153.43	478,999.22	742,998.45
15-May-18			401,379.65	401,379.65	140,482.88	260,896.77	
15-Nov-18	225,000.00	4.640%	401,379.65	626,379.65	140,482.88	485,896.77	746,793.55
15-May-19			396,159.65	396,159.65	138,655.88	257,503.77	
15-Nov-19	235,000.00	4.840%	396,159.65	631,159.65	138,655.88	492,503.77	750,007.55
15-May-20			390,472.65	390,472.65	136,665.43	253,807.22	
15-Nov-20	250,000.00	5.390%	390,472.65	640,472.65	136,665.43	503,807.22	757,614.45
15-May-21			383,735.15	383,735.15	134,307.30	249,427.85	
15-Nov-21	260,000.00	5.390%	383,735.15	643,735.15	134,307.30	509,427.85	758,855.70
15-May-22			376,728.15	376,728.15	131,854.85	244,873.30	
15-Nov-22	270,000.00	5.390%	376,728.15	646,728.15	131,854.85	514,873.30	759,746.60
15-May-23			369,451.65	369,451.65	129,308.08	240,143.57	
15-Nov-23	280,000.00	5.390%	369,451.65	649,451.65	129,308.08	520,143.57	760,287.15
15-May-24			361,905.65	361,905.65	126,666.98	235,238.67	
15-Nov-24	1,470,000.00	5.390%	361,905.65	1,831,905.65	126,666.98	1,705,238.67	1,940,477.35
15-May-25			322,289.15	322,289.15	112,801.20	209,487.95	
15-Nov-25	1,550,000.00	6.133%	322,289.15	1,872,289.15	112,801.20	1,759,487.95	1,968,975.90
15-May-26			274,758.40	274,758.40	96,165.44	178,592.96	
15-Nov-26	1,640,000.00	6.133%	274,758.40	1,914,758.40	96,165.44	1,818,592.96	1,997,185.92
15-May-27			224,467.80	224,467.80	78,563.73	145,904.07	
15-Nov-27	1,735,000.00	6.133%	224,467.80	1,959,467.80	78,563.73	1,880,904.07	2,026,808.14
15-May-28			171,264.03	171,264.03	59,942.41	111,321.62	
15-Nov-28	1,835,000.00	6.133%	171,264.03	2,006,264.03	59,942.41	1,946,321.62	2,057,643.24
15-May-29			114,993.75	114,993.75	40,247.81	74,745.94	
15-Nov-29	3,750,000.00	6.133%	114,993.75	3,864,993.75	40,247.81	3,824,745.94	3,899,491.88
	13,920,000.00		8,797,793.91	22,717,793.91	3,079,227.87	19,638,566.04	19,638,566.04

COUNTY OF BERKS, PENNSYLVANIA

TAXABLE GENERAL OBLIGATION BONDS, SERIES B OF 2010 (RZEDBs)

OUTSTANDING DEBT SERVICE REQUIREMENTS

DATE	PRINCIPAL	RATE	INTEREST	GROSS DEBT SERVICE	RZEDB FEDERAL SUBSIDY (46%)	NET DEBT SERVICE	FISCAL YEAR DEBT SERVICE
15-May-16							
15-Nov-16	5,000.00	4.270%	193,632.25	198,632.25	87,134.51	111,497.74	111,497.74
15-May-17			193,525.50	193,525.50	87,086.48	106,439.03	
15-Nov-17	780,000.00	4.285%	193,525.50	973,525.50	87,086.48	886,439.03	992,878.05
15-May-18			176,814.00	176,814.00	79,566.30	97,247.70	
15-Nov-18	795,000.00	4.535%	176,814.00	971,814.00	79,566.30	892,247.70	989,495.40
15-May-19			158,787.38	158,787.38	71,454.32	87,333.06	
15-Nov-19	785,000.00	4.635%	158,787.38	943,787.38	71,454.32	872,333.06	959,666.12
15-May-20			140,595.00	140,595.00	63,267.75	77,327.25	
15-Nov-20	840,000.00	4.735%	140,595.00	980,595.00	63,267.75	917,327.25	994,654.50
15-May-21			120,708.00	120,708.00	54,318.60	66,389.40	
15-Nov-21	860,000.00	4.885%	120,708.00	980,708.00	54,318.60	926,389.40	992,778.80
15-May-22			99,702.50	99,702.50	44,866.13	54,836.38	
15-Nov-22	885,000.00	5.085%	99,702.50	984,702.50	44,866.13	939,836.38	994,672.75
15-May-23			77,201.38	77,201.38	34,740.62	42,460.76	
15-Nov-23	910,000.00	5.485%	77,201.38	987,201.38	34,740.62	952,460.76	994,921.52
15-May-24			52,244.63	52,244.63	23,510.08	28,734.55	
15-Nov-24	940,000.00	5.485%	52,244.63	992,244.63	23,510.08	968,734.55	997,469.09
15-May-25			26,465.13	26,465.13	11,909.31	14,555.82	
15-Nov-25	965,000.00	5.485%	26,465.13	991,465.13	11,909.31	979,555.82	994,111.64
	7,765,000.00		2,285,719.29	10,050,719.29	1,028,573.68	9,022,145.61	9,022,145.61

COUNTY OF BERKS, PENNSYLVANIA

TAXABLE GENERAL OBLIGATION BONDS, SERIES C OF 2010 (BABs)

OUTSTANDING DEBT SERVICE REQUIREMENTS

DATE	PRINCIPAL	RATE	INTEREST	GROSS DEBT SERVICE	BAB FEDERAL SUBSIDY (35%)	NET DEBT SERVICE	FISCAL YEAR DEBT SERVICE
15-May-16							
15-Nov-16	5,000.00	4.260%	1,141,393.50	1,146,393.50	399,487.73	746,905.78	746,905.78
15-May-17			1,141,287.00	1,141,287.00	399,450.45	741,836.55	
15-Nov-17	5,000.00	4.260%	1,141,287.00	1,146,287.00	399,450.45	746,836.55	1,488,673.10
15-May-18			1,141,180.50	1,141,180.50	399,413.18	741,767.33	
15-Nov-18	5,000.00	4.260%	1,141,180.50	1,146,180.50	399,413.18	746,767.33	1,488,534.65
15-May-19			1,141,074.00	1,141,074.00	399,375.90	741,698.10	
15-Nov-19	40,000.00	4.260%	1,141,074.00	1,181,074.00	399,375.90	781,698.10	1,523,396.20
15-May-20			1,140,222.00	1,140,222.00	399,077.70	741,144.30	
15-Nov-20	5,000.00	4.260%	1,140,222.00	1,145,222.00	399,077.70	746,144.30	1,487,288.60
15-May-21			1,140,115.50	1,140,115.50	399,040.43	741,075.08	
15-Nov-21	3,685,000.00	4.260%	1,140,115.50	4,825,115.50	399,040.43	4,426,075.08	5,167,150.15
15-May-22			1,061,625.00	1,061,625.00	371,568.75	690,056.25	
15-Nov-22	3,795,000.00	5.060%	1,061,625.00	4,856,625.00	371,568.75	4,485,056.25	5,175,112.50
15-May-23			965,611.50	965,611.50	337,964.03	627,647.48	
15-Nov-23	3,905,000.00	5.060%	965,611.50	4,870,611.50	337,964.03	4,532,647.48	5,160,294.95
15-May-24			866,815.00	866,815.00	303,385.25	563,429.75	
15-Nov-24	4,015,000.00	5.060%	866,815.00	4,881,815.00	303,385.25	4,578,429.75	5,141,859.50
15-May-25			765,235.50	765,235.50	267,832.43	497,403.08	
15-Nov-25	4,135,000.00	5.060%	765,235.50	4,900,235.50	267,832.43	4,632,403.08	5,129,806.15
15-May-26			660,620.00	660,620.00	231,217.00	429,403.00	
15-Nov-26	4,255,000.00	5.800%	660,620.00	4,915,620.00	231,217.00	4,684,403.00	5,113,806.00
15-May-27			537,225.00	537,225.00	188,028.75	349,196.25	
15-Nov-27	4,405,000.00	5.800%	537,225.00	4,942,225.00	188,028.75	4,754,196.25	5,103,392.50
15-May-28			409,480.00	409,480.00	143,318.00	266,162.00	
15-Nov-28	4,560,000.00	5.800%	409,480.00	4,969,480.00	143,318.00	4,826,162.00	5,092,324.00
15-May-29			277,240.00	277,240.00	97,034.00	180,206.00	
15-Nov-29	4,715,000.00	5.800%	277,240.00	4,992,240.00	97,034.00	4,895,206.00	5,075,412.00
15-May-30			140,505.00	140,505.00	49,176.75	91,328.25	
15-Nov-30	4,845,000.00	5.800%	140,505.00	4,985,505.00	49,176.75	4,936,328.25	5,027,656.50
	42,375,000.00		23,917,865.50	66,292,865.50	8,371,252.93	57,921,612.58	57,921,612.58

COUNTY OF BERKS, PENNSYLVANIA

TAXABLE GENERAL OBLIGATION BONDS, SERIES D OF 2010

OUTSTANDING DEBT SERVICE REQUIREMENTS

DATE	PRINCIPAL	RATE	INTEREST	DEBT SERVICE	FISCAL YEAR DEBT SERVICE
15-May-16					
15-Nov-16	660,000.00	2.830%	63,892.75	723,892.75	723,892.75
15-May-17			54,553.75	54,553.75	
15-Nov-17	685,000.00	3.330%	54,553.75	739,553.75	794,107.50
15-May-18			43,148.50	43,148.50	
15-Nov-18	710,000.00	3.630%	43,148.50	753,148.50	796,297.00
15-May-19			30,262.00	30,262.00	
15-Nov-19	730,000.00	3.960%	30,262.00	760,262.00	790,524.00
15-May-20			15,808.00	15,808.00	
15-Nov-20	760,000.00	4.160%	15,808.00	775,808.00	791,616.00
	3,545,000.00		351,437.25	3,896,437.25	3,896,437.25

COUNTY OF BERKS, PENNSYLVANIA

GENERAL OBLIGATION BONDS, SERIES OF 2012

OUTSTANDING DEBT SERVICE REQUIREMENTS

DATE	PRINCIPAL	RATE	INTEREST	DEBT SERVICE	FISCAL YEAR DEBT SERVICE
15-May-16					
15-Nov-16	85,000.00	1.000%	124,000.00	209,000.00	209,000.00
15-May-17	-		123,575.00	123,575.00	-
15-Nov-17	85,000.00	1.000%	123,575.00	208,575.00	332,150.00
15-May-18	-		123,150.00	123,150.00	-
15-Nov-18	85,000.00	1.375%	123,150.00	208,150.00	331,300.00
15-May-19	-		122,565.63	122,565.63	-
15-Nov-19	85,000.00	1.750%	122,565.63	207,565.63	330,131.26
15-May-20	-		121,821.88	121,821.88	-
15-Nov-20	85,000.00	2.375%	121,821.88	206,821.88	328,643.76
15-May-21	-		120,812.50	120,812.50	-
15-Nov-21	90,000.00	2.375%	120,812.50	210,812.50	331,625.00
15-May-22	-		119,743.75	119,743.75	-
15-Nov-22	90,000.00	2.375%	119,743.75	209,743.75	329,487.50
15-May-23	-		118,675.00	118,675.00	-
15-Nov-23	5,090,000.00	2.500%	118,675.00	5,208,675.00	5,327,350.00
15-May-24	-		55,050.00	55,050.00	-
15-Nov-24	500,000.00	2.650%	55,050.00	555,050.00	610,100.00
15-May-25	-		48,425.00	48,425.00	-
15-Nov-25	510,000.00	2.750%	48,425.00	558,425.00	606,850.00
15-May-26	-		41,412.50	41,412.50	-
15-Nov-26	525,000.00	2.850%	41,412.50	566,412.50	607,825.00
15-May-27	-		33,931.25	33,931.25	-
15-Nov-27	540,000.00	2.875%	33,931.25	573,931.25	607,862.50
15-May-28	-		26,168.75	26,168.75	-
15-Nov-28	555,000.00	3.000%	26,168.75	581,168.75	607,337.50
15-May-29	-		17,843.75	17,843.75	-
15-Nov-29	575,000.00	3.000%	17,843.75	592,843.75	610,687.50
15-May-30	-		9,218.75	9,218.75	-
15-Nov-30	590,000.00	3.125%	9,218.75	599,218.75	608,437.50
	9,490,000.00		2,288,787.52	11,778,787.52	11,778,787.52

COUNTY OF BERKS, PENNSYLVANIA

FEDERALLY TAXABLE GENERAL OBLIGATION BONDS, SERIES A OF 2012

OUTSTANDING DEBT SERVICE REQUIREMENTS

DATE	PRINCIPAL	RATE	INTEREST	DEBT SERVICE	FISCAL YEAR DEBT SERVICE
15-May-16					
15-Nov-16	1,170,000.00	1.012%	539,211.70	1,709,211.70	1,709,211.70
15-May-17	-		533,291.50	533,291.50	-
15-Nov-17	1,180,000.00	1.262%	533,291.50	1,713,291.50	2,246,583.00
15-May-18	-		525,845.70	525,845.70	-
15-Nov-18	1,195,000.00	1.473%	525,845.70	1,720,845.70	2,246,691.40
15-May-19	-		517,044.53	517,044.53	-
15-Nov-19	1,215,000.00	1.773%	517,044.53	1,732,044.53	2,249,089.06
15-May-20	-		506,273.55	506,273.55	-
15-Nov-20	1,235,000.00	2.128%	506,273.55	1,741,273.55	2,247,547.10
15-May-21	-		493,133.15	493,133.15	-
15-Nov-21	1,260,000.00	2.378%	493,133.15	1,753,133.15	2,246,266.30
15-May-22	-		478,151.75	478,151.75	-
15-Nov-22	1,290,000.00	2.578%	478,151.75	1,768,151.75	2,246,303.50
15-May-23	-		461,523.65	461,523.65	-
15-Nov-23	1,320,000.00	2.728%	461,523.65	1,781,523.65	2,243,047.30
15-May-24	-		443,518.85	443,518.85	-
15-Nov-24	1,360,000.00	2.878%	443,518.85	1,803,518.85	2,247,037.70
15-May-25	-		423,948.45	423,948.45	-
15-Nov-25	1,395,000.00	3.028%	423,948.45	1,818,948.45	2,242,896.90
15-May-26	-		402,828.15	402,828.15	-
15-Nov-26	1,435,000.00	3.178%	402,828.15	1,837,828.15	2,240,656.30
15-May-27	-		380,026.00	380,026.00	-
15-Nov-27	1,485,000.00	3.328%	380,026.00	1,865,026.00	2,245,052.00
15-May-28	-		355,315.60	355,315.60	-
15-Nov-28	1,530,000.00	3.837%	355,315.60	1,885,315.60	2,240,631.20
15-May-29	-		325,962.55	325,962.55	-
15-Nov-29	1,590,000.00	3.837%	325,962.55	1,915,962.55	2,241,925.10
15-May-30	-		295,458.40	295,458.40	-
15-Nov-30	1,650,000.00	3.837%	295,458.40	1,945,458.40	2,240,916.80
15-May-31	-		263,803.15	263,803.15	-
15-Nov-31	1,715,000.00	3.837%	263,803.15	1,978,803.15	2,242,606.30
15-May-32	-		230,900.88	230,900.88	-
15-Nov-32	1,780,000.00	3.837%	230,900.88	2,010,900.88	2,241,801.76
15-May-33	-		196,751.58	196,751.58	-
15-Nov-33	1,850,000.00	3.937%	196,751.58	2,046,751.58	2,243,503.16
15-May-34	-		160,334.33	160,334.33	-
15-Nov-34	1,920,000.00	3.937%	160,334.33	2,080,334.33	2,240,668.66
15-May-35	-		122,539.13	122,539.13	-
15-Nov-35	1,995,000.00	3.937%	122,539.13	2,117,539.13	2,240,078.26
15-May-36	-		83,267.55	83,267.55	-
15-Nov-36	2,075,000.00	3.937%	83,267.55	2,158,267.55	2,241,535.10
15-May-37	-		42,421.18	42,421.18	-
15-Nov-37	2,155,000.00	3.937%	42,421.18	2,197,421.18	2,239,842.36
	33,800,000.00		15,023,890.96	48,823,890.96	48,823,890.96

COUNTY OF BERKS, PENNSYLVANIA

GENERAL OBLIGATION BONDS, SERIES OF 2013

OUTSTANDING DEBT SERVICE REQUIREMENTS

DATE	PRINCIPAL	RATE	INTEREST	DEBT SERVICE	FISCAL YEAR DEBT SERVICE
15-May-16					
15-Nov-16	635,000.00	2.000%	348,925.00	983,925.00	983,925.00
15-May-17	-		342,575.00	342,575.00	-
15-Nov-17	650,000.00	1.250%	342,575.00	992,575.00	1,335,150.00
15-May-18	-		338,512.50	338,512.50	-
15-Nov-18	655,000.00	1.500%	338,512.50	993,512.50	1,332,025.00
15-May-19	-		333,600.00	333,600.00	-
15-Nov-19	665,000.00	4.000%	333,600.00	998,600.00	1,332,200.00
15-May-20	-		320,300.00	320,300.00	-
15-Nov-20	695,000.00	4.000%	320,300.00	1,015,300.00	1,335,600.00
15-May-21	-		306,400.00	306,400.00	-
15-Nov-21	720,000.00	4.000%	306,400.00	1,026,400.00	1,332,800.00
15-May-22	-		292,000.00	292,000.00	-
15-Nov-22	750,000.00	4.000%	292,000.00	1,042,000.00	1,334,000.00
15-May-23	-		277,000.00	277,000.00	-
15-Nov-23	780,000.00	5.000%	277,000.00	1,057,000.00	1,334,000.00
15-May-24	-		257,500.00	257,500.00	-
15-Nov-24	820,000.00	5.000%	257,500.00	1,077,500.00	1,335,000.00
15-May-25	-		237,000.00	237,000.00	-
15-Nov-25	860,000.00	5.000%	237,000.00	1,097,000.00	1,334,000.00
15-May-26	-		215,500.00	215,500.00	-
15-Nov-26	905,000.00	5.000%	215,500.00	1,120,500.00	1,336,000.00
15-May-27	-		192,875.00	192,875.00	-
15-Nov-27	950,000.00	5.000%	192,875.00	1,142,875.00	1,335,750.00
15-May-28	-		169,125.00	169,125.00	-
15-Nov-28	995,000.00	5.000%	169,125.00	1,164,125.00	1,333,250.00
15-May-29	-		144,250.00	144,250.00	-
15-Nov-29	1,045,000.00	5.000%	144,250.00	1,189,250.00	1,333,500.00
15-May-30	-		118,125.00	118,125.00	-
15-Nov-30	1,095,000.00	5.000%	118,125.00	1,213,125.00	1,331,250.00
15-May-31	-		90,750.00	90,750.00	-
15-Nov-31	1,150,000.00	5.000%	90,750.00	1,240,750.00	1,331,500.00
15-May-32	-		62,000.00	62,000.00	-
15-Nov-32	1,210,000.00	5.000%	62,000.00	1,272,000.00	1,334,000.00
15-May-33	-		31,750.00	31,750.00	-
15-Nov-33	1,270,000.00	5.000%	31,750.00	1,301,750.00	1,333,500.00
	16,850,000.00		7,807,450.00	23,657,450.00	23,657,450.00

COUNTY OF BERKS, PENNSYLVANIA

GENERAL OBLIGATION BONDS, SERIES OF 2014

OUTSTANDING DEBT SERVICE REQUIREMENTS

DATE	PRINCIPAL	RATE	INTEREST	DEBT SERVICE	FISCAL YEAR DEBT SERVICE
15-May-16					
15-Nov-16	5,000.00	0.500%	147,933.75	152,933.75	152,933.75
15-May-17	-		147,921.25	147,921.25	-
15-Nov-17	5,000.00	0.800%	147,921.25	152,921.25	300,842.50
15-May-18	-		147,901.25	147,901.25	-
15-Nov-18	5,000.00	1.100%	147,901.25	152,901.25	300,802.50
15-May-19	-		147,873.75	147,873.75	-
15-Nov-19	5,000.00	1.400%	147,873.75	152,873.75	300,747.50
15-May-20	-		147,838.75	147,838.75	-
15-Nov-20	45,000.00	1.700%	147,838.75	192,838.75	340,677.50
15-May-21	-		147,456.25	147,456.25	-
15-Nov-21	45,000.00	2.250%	147,456.25	192,456.25	339,912.50
15-May-22	-		146,950.00	146,950.00	-
15-Nov-22	85,000.00	2.250%	146,950.00	231,950.00	378,900.00
15-May-23	-		145,993.75	145,993.75	-
15-Nov-23	85,000.00	2.250%	145,993.75	230,993.75	376,987.50
15-May-24	-		145,037.50	145,037.50	-
15-Nov-24	90,000.00	2.500%	145,037.50	235,037.50	380,075.00
15-May-25	-		143,912.50	143,912.50	-
15-Nov-25	90,000.00	2.500%	143,912.50	233,912.50	377,825.00
15-May-26	-		142,787.50	142,787.50	-
15-Nov-26	95,000.00	2.500%	142,787.50	237,787.50	380,575.00
15-May-27	-		141,600.00	141,600.00	-
15-Nov-27	95,000.00	3.000%	141,600.00	236,600.00	378,200.00
15-May-28	-		140,175.00	140,175.00	-
15-Nov-28	4,300,000.00	3.000%	140,175.00	4,440,175.00	4,580,350.00
15-May-29	-		75,675.00	75,675.00	-
15-Nov-29	5,045,000.00	3.000%	75,675.00	5,120,675.00	5,196,350.00
	9,995,000.00		3,790,178.75	13,785,178.75	13,785,178.75

COUNTY OF BERKS, PENNSYLVANIA

GENERAL OBLIGATION BONDS, SERIES OF 2015

OUTSTANDING DEBT SERVICE REQUIREMENTS

DATE	PRINCIPAL	RATE	INTEREST	DEBT SERVICE	FISCAL YEAR DEBT SERVICE
15-May-16					
15-Nov-16	1,265,000.00	2.000%	982,400.00	2,247,400.00	2,247,400.00
15-May-17	-		969,750.00	969,750.00	-
15-Nov-17	510,000.00	3.000%	969,750.00	1,479,750.00	2,449,500.00
15-May-18	-		962,100.00	962,100.00	-
15-Nov-18	520,000.00	4.000%	962,100.00	1,482,100.00	2,444,200.00
15-May-19	-		951,700.00	951,700.00	-
15-Nov-19	540,000.00	4.000%	951,700.00	1,491,700.00	2,443,400.00
15-May-20	-		940,900.00	940,900.00	-
15-Nov-20	545,000.00	2.000%	940,900.00	1,485,900.00	2,426,800.00
15-May-21	-		935,450.00	935,450.00	-
15-Nov-21	6,465,000.00	5.000%	935,450.00	7,400,450.00	8,335,900.00
15-May-22	-		773,825.00	773,825.00	-
15-Nov-22	7,955,000.00	5.000%	773,825.00	8,728,825.00	9,502,650.00
15-May-23	-		574,950.00	574,950.00	-
15-Nov-23	1,265,000.00	5.000%	574,950.00	1,839,950.00	2,414,900.00
15-May-24	-		543,325.00	543,325.00	-
15-Nov-24	4,770,000.00	5.000%	543,325.00	5,313,325.00	5,856,650.00
15-May-25	-		424,075.00	424,075.00	-
15-Nov-25	4,975,000.00	5.000%	424,075.00	5,399,075.00	5,823,150.00
15-May-26	-		299,700.00	299,700.00	-
15-Nov-26	6,175,000.00	4.000%	299,700.00	6,474,700.00	6,774,400.00
15-May-27	-		176,200.00	176,200.00	-
15-Nov-27	6,395,000.00	4.000%	176,200.00	6,571,200.00	6,747,400.00
15-May-28	-		48,300.00	48,300.00	-
15-Nov-28	2,415,000.00	4.000%	48,300.00	2,463,300.00	2,511,600.00
	43,795,000.00		16,182,950.00	59,977,950.00	59,977,950.00

COUNTY OF BERKS, PENNSYLVANIA

GENERAL OBLIGATION BONDS, SERIES OF 2016

OUTSTANDING DEBT SERVICE REQUIREMENTS

DATE	PRINCIPAL	RATE	INTEREST	DEBT SERVICE	FISCAL YEAR
					DEBT SERVICE
15-May-16					
15-Nov-16	660,000.00	0.430%	111,472.13	771,472.13	771,472.13
15-May-17	-		110,053.13	110,053.13	-
15-Nov-17	600,000.00	2.000%	110,053.13	710,053.13	820,106.26
15-May-18	-		104,053.13	104,053.13	-
15-Nov-18	610,000.00	3.000%	104,053.13	714,053.13	818,106.26
15-May-19	-		94,903.13	94,903.13	-
15-Nov-19	630,000.00	4.000%	94,903.13	724,903.13	819,806.26
15-May-20	-		82,303.13	82,303.13	-
15-Nov-20	655,000.00	4.000%	82,303.13	737,303.13	819,606.26
15-May-21	-		69,203.13	69,203.13	-
15-Nov-21	680,000.00	2.000%	69,203.13	749,203.13	818,406.26
15-May-22	-		62,403.13	62,403.13	-
15-Nov-22	695,000.00	2.000%	62,403.13	757,403.13	819,806.26
15-May-23	-		55,453.13	55,453.13	-
15-Nov-23	710,000.00	2.000%	55,453.13	765,453.13	820,906.26
15-May-24	-		48,353.13	48,353.13	-
15-Nov-24	720,000.00	2.000%	48,353.13	768,353.13	816,706.26
15-May-25	-		41,153.13	41,153.13	-
15-Nov-25	735,000.00	2.000%	41,153.13	776,153.13	817,306.26
15-May-26	-		33,803.13	33,803.13	-
15-Nov-26	750,000.00	2.000%	33,803.13	783,803.13	817,606.26
15-May-27	-		26,303.13	26,303.13	-
15-Nov-27	765,000.00	2.125%	26,303.13	791,303.13	817,606.26
15-May-28	-		18,175.00	18,175.00	-
15-Nov-28	780,000.00	2.250%	18,175.00	798,175.00	816,350.00
15-May-29	-		9,400.00	9,400.00	-
15-Nov-29	800,000.00	2.350%	9,400.00	809,400.00	818,800.00
	9,790,000.00		1,622,590.99	11,412,590.99	11,412,590.99

SCHEDULE II

PREVIOUSLY EXECUTED INTEREST RATE MANAGEMENT AGREEMENTS

BASIS SWAP OUTSTANDING: (Series C of 2010 Bonds)

COUNTERPARTY: PNC Bank, National Association

Outstanding Notional Amount: \$42,375,000 - Status: Active

Effective Date: May 11, 2011

Termination Date: November 15, 2030

Terms: Under the terms of the basis swap the County receives a floating interest rate equal to 67% of the 1-Month LIBOR rate + a spread of 53.5 basis points (0.535%) and pays to PNC Bank a floating rate equal to the SIFMA Index.

BASIS SWAP OUTSTANDING: (Series A of 2012 Bonds)

COUNTERPARTY: PNC Bank, National Association

Outstanding Notional Amount: \$33,800,000 - Status: Active

Effective Date: March 17, 2014

Termination Date: November 15, 2037

Terms: Under the terms of the basis swap the County receives a floating interest rate equal to 67% of the 1-Month LIBOR rate + a spread of 63.8 basis points (0.638%) and pays to PNC Bank a floating rate equal to the SIFMA Index.

SCHEDULE III

**ALL MAXIMUM PROFESSIONAL FEES
ASSOCIATED WITH THE COUNTY'S
PROPOSED INTEREST RATE MANAGEMENT
AGREEMENT**

Maximum Professional Fees to be Paid in Connection with the Proposed Interest Rate Swap Agreement

Under the provisions of this Interest Rate Management Plan, as approved by an ordinance of the County Commissioners, as required by LGUDA, the County Commissioners have authorized the County to enter into a forward starting variable-to-fixed interest rate swap with respect to the County's 2010 C Bonds. In connection with the interest rate swap authorized by the County, the Counterparty shall pay all professional fees and expenses on behalf of the County in amounts not to exceed the following for the interest rate management agreement:

Stevens & Lee: (Swap Counsel)	\$16,500
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Financial S&Lutions: (Swap Advisor)	The Present Value of two (2) basis points which at the time of swap execution is expected to be approx. \$39,800
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* The maximum professional fees to be paid are in connection with the above referenced interest rate swap agreement only.

SCHEDULE IV

**MAXIMUM SCHEDULED PAYMENTS TO BE
PAID AND RECEIVED BY THE COUNTY IN
CONNECTION WITH THE PROPOSED
INTEREST RATE MANAGEMENT
AGREEMENT**

**ESTIMATED SCHEDULED PAYMENTS TO
BE PAID AND RECEIVED BY THE COUNTY
IN CONNECTION WITH THE PROPOSED
INTEREST RATE MANAGEMENT
AGREEMENT**

Berks County, Pennsylvania

ESTIMATED PERIODIC SCHEDULED NET RECEIPTS (PAYMENTS)

DEBT SERVICE
(Federally Taxable General Obligation Bonds, Series C of 2010)

2010 C FORWARD SWAP
(Assumes 10-Year Historical Swap Rate on 11/15/2020)

NET SWAP PAYMENTS

Payment Date	DEBT SERVICE				ESTIMATED FLOATING RECEIPT				ESTIMATED FIXED PAYMENT				NET SWAP PAYMENTS		Outstanding Notional
	Principal	Coupon	Interest	Debt Service	Rate	Receipt	Rate	Payment	Annual Payment	Net Debt Service	Net Swap Payments (Annual)				
1-Sep-16	5,000.00	4.260%	1,141,393.50	1,146,393.50	0.00000%	-	0.00000%	-	-	1,146,393.50	-	42,375,000			
15-Nov-16	5,000.00	4.260%	1,141,287.00	1,146,287.00	0.00000%	-	0.00000%	-	-	1,141,287.00	-	42,370,000			
15-May-17	5,000.00	4.260%	1,141,287.00	1,146,287.00	0.00000%	-	0.00000%	-	-	1,146,287.00	-	42,370,000			
15-Nov-17	5,000.00	4.260%	1,141,180.50	1,146,180.50	0.00000%	-	0.00000%	-	-	1,141,181.00	-	42,365,000			
15-May-18	5,000.00	4.260%	1,141,180.50	1,146,180.50	0.00000%	-	0.00000%	-	-	1,146,181.00	-	42,365,000			
15-Nov-18	40,000.00	4.260%	1,141,074.00	1,141,074.00	0.00000%	-	0.00000%	-	-	1,141,074.00	-	42,360,000			
15-May-19	5,000.00	4.260%	1,140,222.00	1,140,222.00	0.00000%	-	0.00000%	-	-	1,181,074.00	-	42,360,000			
15-Nov-19	5,000.00	4.260%	1,140,222.00	1,140,222.00	0.00000%	-	0.00000%	-	-	1,140,222.00	-	42,360,000			
15-May-20	3,685,000.00	4.260%	1,140,115.50	1,145,222.00	0.00000%	-	0.00000%	-	-	1,145,222.00	1,150,000	42,320,000			
15-Nov-20	3,795,000.00	5.060%	1,061,625.00	1,061,625.00	0.00000%	-	0.00000%	-	-	1,140,116.00	-	42,315,000			
15-May-21	3,905,000.00	5.060%	965,611.50	965,611.50	0.00000%	-	0.00000%	-	-	4,825,116.00	-	38,630,000			
15-Nov-21	4,015,000.00	5.060%	866,815.00	866,815.00	0.00000%	-	0.00000%	-	-	1,061,625.00	-	38,630,000			
15-May-22	4,135,000.00	5.060%	765,235.50	765,235.50	0.00000%	-	0.00000%	-	-	4,856,625.00	-	34,835,000			
15-Nov-22	4,255,000.00	5.800%	660,620.00	660,620.00	0.00000%	-	0.00000%	-	-	965,612.00	-	34,835,000			
15-May-23	4,405,000.00	5.800%	537,225.00	537,225.00	0.00000%	-	0.00000%	-	-	4,870,612.00	-	34,835,000			
15-Nov-23	4,560,000.00	5.800%	409,480.00	409,480.00	0.00000%	-	0.00000%	-	-	4,881,815.00	-	30,930,000			
15-May-24	4,715,000.00	5.800%	277,240.00	277,240.00	0.00000%	-	0.00000%	-	-	765,236.00	-	30,930,000			
15-Nov-24	4,845,000.00	5.800%	140,505.00	140,505.00	0.00000%	-	0.00000%	-	-	4,900,236.00	-	26,915,000			
15-May-25	42,375,000	5.800%	23,917,865.50	66,292,865.50	0.00000%	-	0.00000%	-	-	4,915,620.00	1,150,000	26,915,000			
15-Nov-25						-				537,225.00		22,780,000			
15-May-26						-				4,942,225.00		18,525,000			
15-Nov-26						-				409,480.00		14,120,000			
15-May-27						-				4,969,480.00		9,560,000			
15-Nov-27						-				277,240.00		9,560,000			
15-May-28						-				4,992,240.00		4,845,000			
15-Nov-28						-				140,505.00		4,845,000			
15-May-29						-				4,985,505.00		4,845,000			
15-Nov-29						-				66,292,865.50	1,150,000	4,845,000			
15-May-30						-									
15-Nov-30						-									

(1) Assumes forward swap has a mandatory termination date of November 15, 2020 - assumes 10 year historical swap rate on November 15, 2020

Berks County, Pennsylvania

MAXIMUM PERIODIC NET RECEIPTS

DEBT SERVICE (Federally Taxable General Obligation Bonds, Series C of 2010)										2010 C FORWARD SWAP (Assumes 2.5% Swap Rate on 11/15/2020)				NET SWAP PAYMENTS	
Payment Date	Principal	Coupon	Interest	Debt Service	Annual Debt Service	ESTIMATED FLOATING RECEIPT		ESTIMATED FIXED PAYMENT		Net Swap Payments (Annual)	Net Debt Service	Outstanding Notional			
						Rate	Receipt	Rate	Payment						
1-Sep-16															
15-Nov-16	5,000.00	4.260%	1,141,393.50	1,146,393.50	1,146,393.50	0.00000%	-	0.00000%	-	1,146,394	42,375,000				
15-May-17			1,141,287.00	1,141,287.00	1,141,287.00	0.00000%	-	0.00000%	-	1,141,287	42,370,000				
15-Nov-17	5,000.00	4.260%	1,141,287.00	1,146,287.00	2,287,574.00	0.00000%	-	0.00000%	-	1,146,287	42,370,000				
15-May-18			1,141,180.50	1,141,180.50	1,141,180.50	0.00000%	-	0.00000%	-	1,141,181	42,365,000				
15-Nov-18	5,000.00	4.260%	1,141,180.50	1,146,180.50	2,287,361.00	0.00000%	-	0.00000%	-	1,146,181	42,365,000				
15-May-19			1,141,074.00	1,141,074.00	1,141,074.00	0.00000%	-	0.00000%	-	1,141,074	42,360,000				
15-Nov-19	40,000.00	4.260%	1,141,074.00	1,181,074.00	1,181,074.00	0.00000%	-	0.00000%	-	1,181,074	42,360,000				
15-May-20			1,140,222.00	1,140,222.00	2,322,148.00	0.00000%	-	0.00000%	-	1,140,222	42,320,000				
15-Nov-20	5,000.00	4.260%	1,140,222.00	1,145,222.00	2,285,444.00	0.00000%	-	0.00000%	-	1,145,222	42,320,000				
15-May-21			1,140,115.50	1,140,115.50	1,140,115.50	0.00000%	-	0.00000%	-	1,140,116	42,315,000				
15-Nov-21	3,685,000.00	4.260%	1,140,115.50	4,825,115.50	5,965,231.00	0.00000%	-	0.00000%	-	4,825,116	42,315,000				
15-May-22			1,061,625.00	1,061,625.00	1,061,625.00	0.00000%	-	0.00000%	-	1,061,625	38,630,000				
15-Nov-22	3,795,000.00	5.060%	1,061,625.00	4,856,625.00	5,918,250.00	0.00000%	-	0.00000%	-	4,856,625	38,630,000				
15-May-23			965,611.50	965,611.50	965,611.50	0.00000%	-	0.00000%	-	965,612	34,835,000				
15-Nov-23	3,905,000.00	5.060%	965,611.50	4,870,611.50	5,836,223.00	0.00000%	-	0.00000%	-	4,870,612	34,835,000				
15-May-24			866,815.00	866,815.00	866,815.00	0.00000%	-	0.00000%	-	866,815	30,930,000				
15-Nov-24	4,015,000.00	5.060%	866,815.00	4,881,815.00	5,748,630.00	0.00000%	-	0.00000%	-	4,881,815	30,930,000				
15-May-25			765,235.50	765,235.50	765,235.50	0.00000%	-	0.00000%	-	765,236	26,915,000				
15-Nov-25	4,135,000.00	5.060%	765,235.50	4,900,235.50	5,665,471.00	0.00000%	-	0.00000%	-	4,900,236	26,915,000				
15-May-26			660,620.00	660,620.00	660,620.00	0.00000%	-	0.00000%	-	660,620	22,780,000				
15-Nov-26	4,255,000.00	5.800%	660,620.00	4,915,620.00	5,576,240.00	0.00000%	-	0.00000%	-	4,915,620	22,780,000				
15-May-27			537,225.00	537,225.00	537,225.00	0.00000%	-	0.00000%	-	537,225	18,525,000				
15-Nov-27	4,405,000.00	5.800%	537,225.00	4,942,225.00	5,479,450.00	0.00000%	-	0.00000%	-	4,942,225	18,525,000				
15-May-28			409,480.00	409,480.00	409,480.00	0.00000%	-	0.00000%	-	409,480	14,120,000				
15-Nov-28	4,560,000.00	5.800%	409,480.00	4,969,480.00	5,378,960.00	0.00000%	-	0.00000%	-	4,969,480	14,120,000				
15-May-29			277,240.00	277,240.00	277,240.00	0.00000%	-	0.00000%	-	277,240	9,560,000				
15-Nov-29	4,715,000.00	5.800%	277,240.00	4,992,240.00	5,269,480.00	0.00000%	-	0.00000%	-	4,992,240	9,560,000				
15-May-30			140,505.00	140,505.00	140,505.00	0.00000%	-	0.00000%	-	140,505	4,845,000				
15-Nov-30	4,845,000.00	5.800%	140,505.00	4,985,505.00	5,126,010.00	0.00000%	-	0.00000%	-	4,985,505	4,845,000				
	42,375,000		23,917,865.50	66,292,865.50	66,292,865.50					66,292,866		38,750,000			

(1) Assumes forward swap has a mandatory termination date of November 15, 2020 - assumes a 2.5.00% swap rate on November 15, 2020

SCHEDULE V

ANALYSIS OF RISKS OF ENTERING INTO THE PROPOSED INTEREST RATE MANAGEMENT AGREEMENT

Risks Associated with a Forward (Cash-Settled) Swap:

(Federally Taxable General Obligation Bonds, Series C of 2010)

Interest Rate Risk - is the risk that interest rates decrease between the time that the County executes the Swap and the mandatory termination date of the Swap – November 15, 2020. If interest rates decrease the County would owe the counterparty a termination payment on the mandatory termination date of the Swap – November 15, 2020, which could be significant.

Tax / Market Access Risk - is the risk that the tax laws change (such as adoption of a National Flat Tax or a reduction in the marginal income tax rates) would cause a reduction or elimination of the benefits of issuing tax-exempt debt. On the mandatory termination date of the Swap – November 15, 2020, the County may lose the benefit or access of the market to issue tax-exempt refunding bonds to refund the 2010 C Bonds, eliminating all or even costing the County significant expense associated with the Swap.

Counterparty Risk – is the risk that the counterparty will default on their swap or termination payment(s) under the interest rate swap agreement to the County.

Termination Risk – is the risk that the County decides to terminate the Swap or a termination event occurs and the County is obligated to terminate the Swap and market conditions are such that the County is “out of the money.” In an “out of the money” scenario the County would have to pay termination payment to the counterparty to terminate the Swap which could be significant.

Credit (Default) Risk – is the risk that the County’s long-term credit rating is downgraded in the future, giving the counterparties an additional termination event if the County does not post the amount of collateral needed to secure its obligations under the terms of the Swap. In the event that the County cannot post an amount of collateral required the counterparty will have the ability to obligate the County to terminate the Swap at the then current market rate.

SCHEDULE VI

**MAXIMUM SCHEDULED PAYMENTS TO BE
PAID BY THE COUNTY IN CONNECTION
WITH ALL OF THE OUTSTANDING DEBT &
ALL OUTSTANDING INTEREST RATE
MANAGEMENT AGREEMENTS**

**ESTIMATED SCHEDULED PAYMENTS TO
BE PAID BY THE COUNTY IN CONNECTION
WITH ALL OF THE OUTSTANDING DEBT &
ALL OUTSTANDING INTEREST RATE
MANAGEMENT AGREEMENTS**

SCHEDULE VII

TERMINATION VALUES OF THE PROPOSED INTEREST RATE MANAGEMENT AGREEMENT

BERKS COUNTY, PENNSYLVANIA

CALCULATION OF POTENTIAL TERMINATION PRICE

2010 C Forward Swap

Calculation of the Projected Termination Price at Bond Year Calculation Date									
Valuation Date	Remaining Term (Years)	Market Rate -100 Bps	Market Rate -50 Bps	Market Rate -25 Bps	Executed Swap Rate	Market Rate +25 Bps	Market Rate +50 Bps	Market Rate +100Bps	Estimated Outstanding Swap Notional Amount
15-Nov-16	14	(4,142,357.63)	(2,586,443.77)	(1,895,416.84)	(1,129,070.86)	(430,589.07)	238,377.60	1,511,553.46	42,370,000
15-Nov-17	13	(3,889,146.09)	(2,431,548.81)	(1,726,620.21)	(1,062,796.20)	(405,566.12)	224,659.24	1,426,206.67	42,365,000
15-Nov-18	12	(3,629,973.60)	(2,272,536.23)	(1,614,764.56)	(994,567.08)	(379,764.97)	210,493.80	1,337,850.99	42,360,000
15-Nov-19	11	(3,361,916.44)	(2,107,552.87)	(1,498,526.11)	(923,565.45)	(352,672.68)	195,707.77	1,245,349.82	42,320,000
15-Nov-20	10	(3,080,620.87)	(1,940,109.94)	(1,380,392.26)	(851,290.88)	(325,469.28)	180,621.34	1,150,730.76	42,315,000
15-Nov-21	9	(2,569,272.82)	(1,614,419.66)	(1,149,439.77)	(709,317.75)	(271,364.62)	160,689.97	961,206.93	38,630,000
15-Nov-22	8	(2,082,199.64)	(1,310,662.89)	(933,819.95)	(576,634.59)	(220,747.83)	122,659.94	763,375.11	34,835,000
15-Nov-23	7	(1,636,278.12)	(1,031,426.33)	(735,963.98)	(454,386.43)	(174,063.44)	96,781.47	618,871.17	30,930,000
15-Nov-24	6	(1,234,346.61)	(779,289.60)	(555,967.95)	(343,776.97)	(131,779.71)	73,318.69	469,429.45	26,915,000
15-Nov-25	5	(880,822.19)	(566,796.61)	(397,627.47)	(245,963.05)	(94,346.35)	52,627.31	336,740.18	22,780,000
15-Nov-26	4	(579,702.92)	(366,973.37)	(262,166.51)	(162,334.43)	(62,911.67)	34,714.39	222,833.30	18,625,000
15-Nov-27	3	(335,263.32)	(212,540.65)	(151,960.87)	(94,161.23)	(36,164.71)	20,161.12	129,584.38	14,120,000
15-Nov-28	2	(153,101.99)	(67,200.63)	(69,546.04)	(43,118.81)	(16,574.02)	9,245.95	59,506.39	9,660,000
15-Nov-29	1	(39,252.71)	(24,667.16)	(17,969.62)	(11,086.97)	(4,204.61)	2,380.66	15,342.38	4,845,000
15-Nov-30	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0

* Automatic Termination Date on November 15, 2020

APPENDIX II

Form of Interest Rate Swap Agreement

DRAFT, FOR ILLUSTRATIVE PURPOSES ONLY

[LOGO]

Fax # TBD

DD MMM YYYY

COUNTY OF BERKS

[TBD ADDRESS]

Attention: [TBD]

Re: **SWAP Transaction MATURING 15 Nov 2030**

(Our Ref. No. **XXXXXXXX / XXXXXXXX**)

(RBC USI - TBD)

Dear Sir or Madam:

The purpose of this letter is to set forth the terms and conditions of the Transactions entered into between us on the Trade Date specified below (the Transaction). This letter constitutes a Confirmation as referred to in the ISDA Master Agreement specified below.

The definitions and provisions contained in the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc.) are incorporated into this Confirmation. In the event of any inconsistency between those definitions and provisions and this Confirmation, this Confirmation will govern.

1. This Confirmation supplements, forms part of, and is subject to, the ISDA Master Agreement dated as of **DD MMM YYYY**, as amended and supplemented from time to time (the "Agreement") between you and us. All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

2. The terms of the particular Swap Transaction to which this Confirmation relates are as follows:-

Notional Amount: **USD [TBD] (see Schedule A attached)**

Trade Date: **DD MMM YYYY**

Effective Date: **[15 Nov 2020]**

Termination Date: **[15 Nov 2030]**

Subject to adjustment in accordance with the Modified Following Business Day Convention.

Fixed Amounts:

Fixed Notional Amount: **USD [TBD] (see Schedule A attached)**

Fixed Rate Payer: **COUNTY OF BERKS**

Fixed Rate Payer Payment Dates: **MONTHLY commencing on [15 Dec 2020] subject to adjustment in accordance with the Modified Following Business Day Convention and there will be no adjustment to the Calculation Period.**

Fixed Rate: **TBD**

Fixed Rate Day Count Fraction: **30/360**

Business Day: **New York**

Fee: **Not applicable.**

Floating Amounts:

Floating Notional Amount: **USD [TBD] (see Schedule A attached)**

Floating Rate Payer: **ROYAL BANK OF CANADA**

Spread: **0.00000 percent**

Floating Rate Payer Payment Dates: **MONTHLY commencing on [15 Dec 2020] subject to adjustment in accordance with the Modified Following Business Day Convention and there will be no adjustment to the Calculation Period.**

Floating Rate for initial Calculation Period: **To be determined**

Floating Rate Option: **USD-LIBOR-BBA * [67.00000%]**

Designated Maturity: **[1MONTH]**

Floating Rate Day Count Fraction: **Actual/360**

Reset Dates: **The first day of each Calculation Period**

Business Day (for Payments): **New York**

Business Day (for Rate Resets): **London**

Compounding: **Not applicable.**

Fee: **Not applicable.**

3. Account Details

Payments to ROYAL BANK OF CANADA CHASUS33
JPMORGAN CHASE BANK N.A. NEW YORK USA
Account #: 001-1-153004 ROYCCAT3IMM

Payments to COUNTY OF BERKS Please Advise

4. Offices:

(a) The Office of COUNTY OF BERKS for the Transaction is **READING**

(b) The Office of ROYAL BANK OF CANADA for the Transaction is **TORONTO**

5. Mandatory Early Termination

1. Early Termination:

Mandatory Early Termination: Applicable

2. Settlement Terms:

Mandatory Early Termination Date: **DD MMM YYYY**

Business Day Convention for
Mandatory Early Termination Date: Following

Cash Settlement Valuation Time: 11:00 a.m. New York time

Cash Settlement Valuation Date: Two (2) Business Days before the Mandatory Early Termination Date

Valuation Business Days: New York and London

Cash Settlement Method: Cash Price

Cash Settlement Currency: USD

Cash Settlement Reference Banks: As defined in the Definitions

Quotation Rate: Mid

Additional Provision:

Notwithstanding anything to the contrary in this Confirmation (including, but not limited to, the 2006 ISDA Definitions), the parties agree that any transaction costs or loss incurred by Party A, acting in good faith and in a commercially reasonable manner, shall be taken into account in calculating the Cash Settlement Amount.

6. Other

(a) RELATED BONDS

For purposes of this Transaction "Related Bonds" shall mean a portion of **Party B's General Obligation Bonds, Series of [TBD]**.

(b) MAXIMUM INTEREST RATE

The maximum net scheduled payments by fiscal year by Party B pursuant to this Transaction will not exceed **[TBD %]** for periodic scheduled payments pursuant to this Transaction, not including any termination payments.

DRAFT

This Confirmation may be executed and delivered in counterparts (including by facsimile transmission) or be created by an exchange of telexes or by an exchange of electronic messages on an electronic messaging system, which in each case upon your confirmation in the manner prescribed hereunder, will be deemed for all purposes to be a legally binding transaction.

Please confirm that the foregoing correctly sets forth the terms of our agreement by signing in the space provided below and returning same to us by facsimile transmission, or send to us within two (2) Business Days a letter by facsimile transmission or telex or electronic messaging system similar to this letter which sets forth the material terms of the foregoing Transaction to which this Confirmation relates and which indicates your agreement to those terms.

Royal Bank of Canada confirms, and **COUNTY OF BERKS** acknowledges, that this Confirmation has been executed by Royal Bank of Canada by means of a computer-based system and that such execution shall have the same legal effect as if a signature had been manually written on such Confirmation and that such Confirmation shall be deemed to have been signed by Royal Bank of Canada for the purposes of any statute or rule of law that requires such Confirmation to be signed. The parties acknowledge that in any legal proceedings between them respecting or in any way relating to this Confirmation, each party expressly waives any right to raise any defense or waiver of liability based upon the execution of this Confirmation by Royal Bank of Canada by means of an electronically-produced signature.

Telephone No.: **416-842-5111**

Facsimile No : **416-842-4902**

Email : **fidoconfirmations@rbc.com**

Yours sincerely,

Confirmed as of the date first written:

For and on behalf of

For and on behalf of

ROYAL BANK OF CANADA

COUNTY OF BERKS

By: [SIGNATURE1]

By: _____

Authorized signature

Authorized signature

COUNTY OF BERKS pays USD Fixed to ROYAL BANK OF CANADA
(Our Ref. No. XXXXXXXX / XXXXXXXX)

Cashflow to be system generated

ROYAL BANK OF CANADA pays USD Float to COUNTY OF BERKS
(Our Ref. No. **XXXXXXXX / XXXXXXXX**)

Cashflow to be system generated

SCHEDULE I

MAXIMUM SCHEDULED PAYMENTS UNDER THE INTEREST RATE SWAP
AGREEMENT

EXPECTED SCHEDULED PAYMENTS UNDER THE INTEREST RATE SWAP
AGREEMENT

Berks County, Pennsylvania

ESTIMATED PERIODIC SCHEDULED NET RECEIPTS (PAYMENTS)

DEBT SERVICE

(Federally Taxable General Obligation Bonds, Series C of 2010)

2010 C FORWARD SWAP

(Assumes 10-Year Historical Swap Rate on 11/15/2020)

NET SWAP PAYMENTS

Payment Date	Principal	Coupon	Interest	Debt Service	Annual Debt Service	ESTIMATED FLOATING RECEIPT			ESTIMATED FIXED PAYMENT			Net Swap Payments (Annual)	Outstanding Nonfial	
						Rate	Receipt	Annual Receipt	Rate	Payment	Annual Payment			
1-Sep-16														
15-Nov-16	5,000.00	4.260%	1,141,393.50	1,146,393.50	1,146,393.50	0.00000%	-	-	0.00000%	-	1,146,393.50	-	42,375,000	
15-May-17			1,141,287.00	1,141,287.00	1,141,287.00	0.00000%	-	-	0.00000%	-	1,141,287.00	-	42,370,000	
15-Nov-17	5,000.00	4.260%	1,141,287.00	1,146,287.00	2,287,574.00	0.00000%	-	-	0.00000%	-	1,146,287.00	-	42,365,000	
15-May-18			1,141,180.50	1,141,180.50	1,141,180.50	0.00000%	-	-	0.00000%	-	1,141,181.00	-	42,360,000	
15-Nov-18	5,000.00	4.260%	1,141,180.50	1,146,180.50	2,287,361.00	0.00000%	-	-	0.00000%	-	1,146,181.00	-	42,355,000	
15-May-19			1,141,074.00	1,141,074.00	1,141,074.00	0.00000%	-	-	0.00000%	-	1,141,074.00	-	42,350,000	
15-Nov-19	40,000.00	4.260%	1,141,074.00	1,181,074.00	2,322,148.00	0.00000%	-	-	0.00000%	-	1,181,074.00	-	42,345,000	
15-May-20			1,140,222.00	1,140,222.00	1,140,222.00	0.00000%	-	-	0.00000%	-	1,140,222.00	-	42,340,000	
15-Nov-20	5,000.00	4.260%	1,140,222.00	1,145,222.00	2,285,444.00	0.00000%	-	-	0.00000%	-	1,145,222.00	-	42,335,000	
15-May-21			1,140,115.50	1,140,115.50	1,140,115.50	0.00000%	-	-	0.00000%	-	1,140,116.00	-	42,330,000	
15-Nov-21	3,685,000.00	4.260%	1,140,115.50	4,825,115.50	5,965,231.00	0.00000%	-	-	0.00000%	-	4,825,116.00	-	42,325,000	
15-May-22			1,061,625.00	1,061,625.00	1,061,625.00	0.00000%	-	-	0.00000%	-	1,061,625.00	-	38,630,000	
15-Nov-22	3,795,000.00	5.060%	1,061,625.00	4,856,625.00	5,918,250.00	0.00000%	-	-	0.00000%	-	4,856,625.00	-	34,835,000	
15-May-23			965,611.50	965,611.50	965,611.50	0.00000%	-	-	0.00000%	-	965,612.00	-	30,930,000	
15-Nov-23	3,905,000.00	5.060%	965,611.50	4,870,611.50	5,836,223.00	0.00000%	-	-	0.00000%	-	4,870,612.00	-	26,915,000	
15-May-24			866,815.00	866,815.00	866,815.00	0.00000%	-	-	0.00000%	-	866,815.00	-	22,780,000	
15-Nov-24	4,015,000.00	5.060%	866,815.00	4,881,815.00	5,748,630.00	0.00000%	-	-	0.00000%	-	4,881,815.00	-	18,525,000	
15-May-25			765,235.50	765,235.50	765,235.50	0.00000%	-	-	0.00000%	-	765,236.00	-	14,120,000	
15-Nov-25	4,135,000.00	5.060%	765,235.50	4,900,235.50	5,665,471.00	0.00000%	-	-	0.00000%	-	4,900,236.00	-	9,560,000	
15-May-26			660,620.00	660,620.00	660,620.00	0.00000%	-	-	0.00000%	-	660,620.00	-	4,845,000	
15-Nov-26	4,255,000.00	5.800%	660,620.00	4,915,620.00	5,576,240.00	0.00000%	-	-	0.00000%	-	4,915,620.00	-	4,845,000	
15-May-27			537,225.00	537,225.00	537,225.00	0.00000%	-	-	0.00000%	-	537,225.00	-		
15-Nov-27	4,405,000.00	5.800%	537,225.00	4,942,225.00	5,479,450.00	0.00000%	-	-	0.00000%	-	4,942,225.00	-		
15-May-28			409,480.00	409,480.00	409,480.00	0.00000%	-	-	0.00000%	-	409,480.00	-		
15-Nov-28	4,560,000.00	5.800%	409,480.00	4,969,480.00	5,378,960.00	0.00000%	-	-	0.00000%	-	4,969,480.00	-		
15-May-29			277,240.00	277,240.00	277,240.00	0.00000%	-	-	0.00000%	-	277,240.00	-		
15-Nov-29	4,715,000.00	5.800%	277,240.00	4,992,240.00	5,269,480.00	0.00000%	-	-	0.00000%	-	4,992,240.00	-		
15-May-30			140,505.00	140,505.00	140,505.00	0.00000%	-	-	0.00000%	-	140,505.00	-		
15-Nov-30	4,845,000.00	5.800%	140,505.00	4,985,505.00	5,126,010.00	0.00000%	-	-	0.00000%	-	4,985,505.00	-		
	42,375,000		23,917,865.50	66,292,865.50	66,292,865.50						66,292,866.00		1,150,000	

(1) Assumes forward swap has a mandatory termination date of November 15, 2020 - assumes 10 year historical swap rate on November 15, 2020

Berks County, Pennsylvania

MAXIMUM PERIODIC NET PAYMENTS

DEBT SERVICE		ESTIMATED FLOATING RECEIPT		ESTIMATED FIXED PAYMENT		NET SWAP PAYMENTS							
(Federally Taxable General Obligation Bonds, Series C of 2010)		(Assumes 0.00% Swap Rate on 11/15/2020)		2010 C FORWARD SWAP		(Assumes 0.00% Swap Rate on 11/15/2020)							
Payment Date	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Rate	Receipt	Rate	Payment	Annual Payment	Net Debt Service	Net Swap Payments (Annual)	Outstanding Notional
1-Sep-16													
15-Nov-16	5,000.00	4.260%	1,141,393.50	1,146,393.50	1,146,393.50	0.000000%	-	0.000000%	-	-	1,146,393.50	-	42,375,000
15-May-17			1,141,287.00	1,141,287.00	1,141,287.00	0.000000%	-	0.000000%	-	-	1,141,287.00	-	42,370,000
15-Nov-17	5,000.00	4.260%	1,141,287.00	1,146,287.00	2,287,574.00	0.000000%	-	0.000000%	-	-	1,146,287.00	-	42,365,000
15-May-18			1,141,180.50	1,141,180.50	1,141,180.50	0.000000%	-	0.000000%	-	-	1,141,181.00	-	42,360,000
15-Nov-18	5,000.00	4.260%	1,141,180.50	1,146,180.50	2,287,361.00	0.000000%	-	0.000000%	-	-	1,146,181.00	-	42,355,000
15-May-19			1,141,074.00	1,141,074.00	1,141,074.00	0.000000%	-	0.000000%	-	-	1,141,074.00	-	42,350,000
15-Nov-19	40,000.00	4.260%	1,141,074.00	1,181,074.00	2,322,148.00	0.000000%	-	0.000000%	-	-	1,181,074.00	-	42,340,000
15-May-20			1,140,222.00	1,140,222.00	1,140,222.00	0.000000%	-	0.000000%	-	-	1,140,222.00	-	42,330,000
15-Nov-20	5,000.00	4.260%	1,140,222.00	1,145,222.00	2,285,444.00	0.000000%	-	0.000000%	-	-	1,145,222.00	-	42,320,000
15-May-21			1,140,115.50	1,140,115.50	1,140,115.50	0.000000%	-	0.000000%	-	-	1,140,116.00	-	42,315,000
15-Nov-21	3,685,000.00	4.260%	1,140,115.50	4,825,115.50	5,965,231.00	0.000000%	-	0.000000%	-	-	4,825,116.00	(3,721,300)	42,315,000
15-May-22			1,061,625.00	1,061,625.00	1,061,625.00	0.000000%	-	0.000000%	-	-	1,061,625.00	-	38,630,000
15-Nov-22	3,795,000.00	5.060%	1,061,625.00	4,856,625.00	5,918,250.00	0.000000%	-	0.000000%	-	-	4,856,625.00	-	38,630,000
15-May-23			965,611.50	965,611.50	965,611.50	0.000000%	-	0.000000%	-	-	965,612.00	-	34,835,000
15-Nov-23	3,905,000.00	5.060%	965,611.50	4,870,611.50	5,836,223.00	0.000000%	-	0.000000%	-	-	4,870,612.00	-	34,835,000
15-May-24			866,815.00	866,815.00	866,815.00	0.000000%	-	0.000000%	-	-	866,815.00	-	30,930,000
15-Nov-24	4,015,000.00	5.060%	866,815.00	4,881,815.00	5,748,630.00	0.000000%	-	0.000000%	-	-	4,881,815.00	-	30,930,000
15-May-25			765,235.50	765,235.50	765,235.50	0.000000%	-	0.000000%	-	-	765,236.00	-	26,915,000
15-Nov-25	4,135,000.00	5.060%	765,235.50	4,900,235.50	5,665,471.00	0.000000%	-	0.000000%	-	-	4,900,236.00	-	26,915,000
15-May-26			660,620.00	660,620.00	660,620.00	0.000000%	-	0.000000%	-	-	660,620.00	-	22,780,000
15-Nov-26	4,255,000.00	5.800%	660,620.00	4,915,620.00	5,576,240.00	0.000000%	-	0.000000%	-	-	4,915,620.00	-	22,780,000
15-May-27			537,225.00	537,225.00	537,225.00	0.000000%	-	0.000000%	-	-	537,225.00	-	18,525,000
15-Nov-27	4,405,000.00	5.800%	537,225.00	4,942,225.00	5,479,450.00	0.000000%	-	0.000000%	-	-	4,942,225.00	-	18,525,000
15-May-28			409,480.00	409,480.00	409,480.00	0.000000%	-	0.000000%	-	-	409,480.00	-	14,120,000
15-Nov-28	4,560,000.00	5.800%	409,480.00	4,969,480.00	5,378,960.00	0.000000%	-	0.000000%	-	-	4,969,480.00	-	14,120,000
15-May-29			277,240.00	277,240.00	277,240.00	0.000000%	-	0.000000%	-	-	277,240.00	-	9,560,000
15-Nov-29	4,715,000.00	5.800%	277,240.00	4,992,240.00	5,269,480.00	0.000000%	-	0.000000%	-	-	4,992,240.00	-	9,560,000
15-May-30			140,505.00	140,505.00	140,505.00	0.000000%	-	0.000000%	-	-	140,505.00	-	4,845,000
15-Nov-30	4,845,000.00	5.800%	140,505.00	4,985,505.00	5,126,010.00	0.000000%	-	0.000000%	-	-	4,985,505.00	-	4,845,000
	42,375,000		23,917,865.50	66,292,865.50	66,292,865.50		-		-	-	66,292,866.00	(3,721,300)	

(1) Assumes forward swap has a mandatory termination date of November 15, 2020 - assumes a 0.00% swap rate on November 15, 2020

Berks County, Pennsylvania

MAXIMUM PERIODIC NET RECEIPTS

Payment Date	DEBT SERVICE (Federally Taxable General Obligation Bonds, Series C of 2010)				ESTIMATED FLOATING RECEIPT				ESTIMATED FIXED PAYMENT				NET SWAP PAYMENTS		Outstanding Notional
	Principal	Coupon	Interest	Debt Service	Annual Receipt	Rate	Annual Receipt	Rate	Annual Payment	Annual Payment	Debt Service	Net Swap Payments (Annual)	Net		
														Annual Debt Service	
1-Sep-16															
15-Nov-16	5,000.00	4.260%	1,141,393.50	1,146,393.50	1,146,393.50	0.00000%	-	0.00000%	-	-	1,146,394	-	-	42,375,000	
15-May-17			1,141,287.00	1,141,287.00	1,141,287.00	0.00000%	-	0.00000%	-	-	1,141,287	-	-	42,370,000	
15-Nov-17	5,000.00	4.260%	1,141,287.00	1,146,287.00	2,287,574.00	0.00000%	-	0.00000%	-	-	1,146,287	-	-	42,365,000	
15-May-18			1,141,180.50	1,141,180.50	1,141,180.50	0.00000%	-	0.00000%	-	-	1,141,181	-	-	42,365,000	
15-Nov-18	5,000.00	4.260%	1,141,180.50	1,146,180.50	2,287,361.00	0.00000%	-	0.00000%	-	-	1,146,181	-	-	42,360,000	
15-May-19			1,141,074.00	1,141,074.00	1,141,074.00	0.00000%	-	0.00000%	-	-	1,141,074	-	-	42,360,000	
15-Nov-19	40,000.00	4.260%	1,141,074.00	1,181,074.00	2,322,148.00	0.00000%	-	0.00000%	-	-	1,181,074	-	-	42,360,000	
15-May-20			1,140,222.00	1,140,222.00	1,140,222.00	0.00000%	-	0.00000%	-	-	1,140,222	-	-	42,320,000	
15-Nov-20	5,000.00	4.260%	1,140,222.00	1,145,222.00	2,285,444.00	0.00000%	-	0.00000%	-	-	1,145,222	-	-	42,320,000	
15-May-21			1,140,115.50	1,140,115.50	1,140,115.50	0.00000%	-	0.00000%	-	-	1,140,116	-	-	42,315,000	
15-Nov-21	3,685,000.00	4.260%	1,140,115.50	4,825,115.50	5,965,231.00	0.00000%	-	0.00000%	-	-	4,825,116	-	-	42,315,000	
15-May-22			1,061,625.00	1,061,625.00	1,061,625.00	0.00000%	-	0.00000%	-	-	1,061,625	-	-	38,650,000	
15-Nov-22	3,795,000.00	5.060%	1,061,625.00	4,856,625.00	5,918,250.00	0.00000%	-	0.00000%	-	-	4,856,625	-	-	38,650,000	
15-May-23			965,611.50	965,611.50	965,611.50	0.00000%	-	0.00000%	-	-	965,612	-	-	34,835,000	
15-Nov-23	3,905,000.00	5.060%	965,611.50	4,870,611.50	5,836,223.00	0.00000%	-	0.00000%	-	-	4,870,612	-	-	34,835,000	
15-May-24			866,815.00	866,815.00	866,815.00	0.00000%	-	0.00000%	-	-	866,815	-	-	30,950,000	
15-Nov-24	4,015,000.00	5.060%	866,815.00	4,881,815.00	5,748,630.00	0.00000%	-	0.00000%	-	-	4,881,815	-	-	30,950,000	
15-May-25			765,235.50	765,235.50	765,235.50	0.00000%	-	0.00000%	-	-	765,236	-	-	26,915,000	
15-Nov-25	4,135,000.00	5.060%	765,235.50	4,900,235.50	5,665,471.00	0.00000%	-	0.00000%	-	-	4,900,236	-	-	26,915,000	
15-May-26			660,620.00	660,620.00	660,620.00	0.00000%	-	0.00000%	-	-	660,620	-	-	22,780,000	
15-Nov-26	4,235,000.00	5.800%	660,620.00	4,915,620.00	5,576,240.00	0.00000%	-	0.00000%	-	-	4,915,620	-	-	22,780,000	
15-May-27			537,225.00	537,225.00	537,225.00	0.00000%	-	0.00000%	-	-	537,225	-	-	18,525,000	
15-Nov-27	4,405,000.00	5.800%	537,225.00	4,942,225.00	5,479,450.00	0.00000%	-	0.00000%	-	-	4,942,225	-	-	18,525,000	
15-May-28			409,480.00	409,480.00	409,480.00	0.00000%	-	0.00000%	-	-	409,480	-	-	14,120,000	
15-Nov-28	4,560,000.00	5.800%	409,480.00	4,969,480.00	5,378,960.00	0.00000%	-	0.00000%	-	-	4,969,480	-	-	14,120,000	
15-May-29			277,240.00	277,240.00	277,240.00	0.00000%	-	0.00000%	-	-	277,240	-	-	9,560,000	
15-Nov-29	4,715,000.00	5.800%	277,240.00	4,992,240.00	5,269,480.00	0.00000%	-	0.00000%	-	-	4,992,240	-	-	9,560,000	
15-May-30			140,505.00	140,505.00	140,505.00	0.00000%	-	0.00000%	-	-	140,505	-	-	4,845,000	
15-Nov-30	4,845,000.00	5.800%	140,505.00	4,985,505.00	5,126,010.00	0.00000%	-	0.00000%	-	-	4,985,505	-	-	4,845,000	
	42,375,000		23,917,865.50	66,292,865.50	66,292,865.50		-		-	-	66,292,866	-	-		
															38,750,000

(1) Assumes forward swap has a mandatory termination date of November 15, 2020 - assumes a 25.00% swap rate on November 15, 2020

SCHEDULE II

MAXIMUM AMOUNTS PAYABLE UNDER THE BONDS AND THE INTEREST RATE
SWAP AGREEMENT

