

BOND PURCHASE AGREEMENT

for

\$ _____

CITY OF LEBANON
Lebanon County, Pennsylvania
General Obligation Bonds, Series of 2021

September 27, 2021

RBC Capital Markets, LLC

BOND PURCHASE AGREEMENT

CITY OF LEBANON
Lebanon County, Pennsylvania
General Obligation Bonds, Series of 2021

September 27, 2021

City Council
City of Lebanon
400 South 8th Street
Lebanon, PA 17042

Ladies and Gentlemen:

The undersigned, RBC Capital Markets, LLC (the “Underwriter”) acting on its own behalf, and not as fiduciary or agent for you, offers to enter into the following agreement (the “Agreement”) with the City of Lebanon, Lebanon County, Pennsylvania (the “Issuer” or the “City”) which, upon the Issuer’s written acceptance of this offer, will be binding upon the Issuer and upon the Underwriter. Terms not otherwise defined in this Agreement shall have the same meanings set forth in the Bond Ordinance (as defined herein) or in the Official Statement (as defined herein).

1. *Purchase and Sale of the Bonds.* Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Underwriter, all, but not less than all, of the Issuer’s General Obligation Bonds, Series of 2021 (the “Bonds”). Inasmuch as this purchase and sale represents a negotiated transaction, the Issuer acknowledges and agrees that: (i) the transaction contemplated by this Agreement is an arm’s length, commercial transaction between the Issuer and the Underwriter in which the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer; (ii) the Underwriter has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Issuer on other matters); (iii) the Underwriter is acting solely in its capacity as underwriter for its own accounts, (iv) the only obligations the Underwriter has to the Issuer with respect to the transaction contemplated hereby expressly are set forth in this Agreement; and (v) the Issuer has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate. The Underwriter has been duly authorized to execute this agreement and to act hereunder.

The principal amount of the Bonds to be issued, the dated date therefor, the maturities and interest rates per annum are set forth in Schedule I hereto. The optional and mandatory sinking fund redemption provisions are set forth in Schedule II hereto. The Bonds shall be as described in, and shall be issued and secured under and pursuant to the provisions of the Ordinance enacted by the Issuer on _____, 2021 (the “Bond Ordinance”).

The purchase price for the Bonds shall be \$_____ plus interest accrued on the Bonds, if any, from the dated date of the Bonds to the Closing Date (as hereinafter defined). The purchase price equals the principal amount of the Bonds, less an underwriter’s discount of \$_____ plus a net original issue premium of \$_____.

2. *Public Offering.* The Underwriter agrees to make a bona fide public offering of all of the Bonds at a price not to exceed the public offering price set forth on the inside cover of the Official Statement and may

subsequently change such offering price without any requirement of prior notice. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than the public offering price stated on the inside cover of the Official Statement.

3. *Establishment of Issuer Price.*

a) The Underwriter agrees to assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. As applicable, all actions to be taken by the Issuer under this section to establish the issue price of the Bonds may be taken on behalf of the Issuer by the Issuer’s municipal advisor and any notice or report to be provided to the Issuer may be provided to the Issuer’s municipal advisor.

b) Except as otherwise set forth in Schedule II attached hereto, the Issuer will treat the first price at which 10% of each maturity of the Securities (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Agreement, the Underwriter shall report to the Issuer the price or prices at which the Underwriters have sold to the public each maturity of Securities. If at that time the 10% test has not been satisfied as to any maturity of the Securities, the Underwriter agrees to promptly report to the Issuer the prices at which Securities of that maturity have been sold by the Underwriters to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Securities of that maturity or until all Securities of that maturity have been sold to the public.

c) The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Schedule II attached hereto, except as otherwise set forth therein. Schedule II also sets forth, as of the date of this Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the Issuer and the Underwriter, agree that the restrictions set forth in the next sentence shall apply, which will allow the Issuer to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the Issuer when it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

d) The Underwriter confirms that any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter. The Issuer acknowledges that, in making the representation set forth in this subsection, the

Underwriter will rely on in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires. The Issuer further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

e) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

- (i) “public” means any person other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “sale date” means the date of execution of this Bond Purchase Agreement by all parties.

4. *The Official Statement.* (a) Copies of the Preliminary Official Statement and draft of the final Official Statement have been provided to the Issuer, bond counsel, local counsel and administrative officers for their final review.

(a) The Preliminary Official Statement has been prepared for use by the Underwriter in connection with the public offering, sale and distribution of the Bonds. The Preliminary Official Statement was deemed final by the Issuer as of its date, except for the omission of such information which is dependent upon the final pricing of the Bonds for completion, all as permitted to be excluded by Section (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”).

(b) The Issuer hereby authorizes the Official Statement and the information therein contained to be used by the Underwriter in connection with the public offering and the sale of the Bonds. The Issuer hereby ratifies the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering of the Bonds. The Issuer shall provide, or cause to be provided, to the Underwriter as soon as practicable after the date of the Issuer’s acceptance of this Agreement (but, in any event, not later than seven business days after the Issuer’s acceptance of this Agreement and in sufficient time to accompany any confirmation that requests payment from any customer) copies of the Official Statement which is complete as of the date of its delivery to the Underwriter in such quantity as the

Underwriter shall request in order for the Underwriter to comply with Section (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board.

(c) If, after the date of this Agreement to and including the date the Underwriter is no longer required to provide an Official Statement to potential customers who request the same pursuant to the Rule (the earlier of (i) 90 days from the “end of the underwriting period” (as defined in the Rule) and (ii) the time when the Official Statement is available to any person from the Municipal Securities Rulemaking Board (the “MSRB”), but in no case less than 25 days after the “end of the underwriting period” for the Bonds), the Issuer becomes aware of any fact or event which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or if it is necessary to amend or supplement the Official Statement to comply with law, the Issuer will notify the Underwriter (and for the purposes of this clause provide the Underwriter with such information as it may from time to time request), and if, in the reasonable opinion of the Underwriter, such fact or event requires preparation and publication of a supplement or amendment to the Official Statement, the Issuer will forthwith prepare and furnish, or cause to be prepared and furnished, at the Issuer’s own expense (in a form and manner approved by the Underwriter), a reasonable number of copies of either amendments or supplements to the Official Statement so that the statements in the Official Statement as so amended and supplemented will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading or so that the Official Statement will comply with law. If such notification shall be subsequent to the Closing, the Issuer shall furnish such legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement.

(d) The Underwriter hereby agrees to file the Official Statement with the MSRB. Unless otherwise notified in writing by the Underwriter, the Issuer can assume that the “end of the underwriting period” for purposes of the Rule is the date of the Closing.

5. *Representations, Warranties, and Covenants of the Issuer.* The Issuer hereby represents, warrants to, and covenants with the Underwriter that:

(a) The Issuer is a City organized and existing under laws of the Commonwealth of Pennsylvania (the “Commonwealth”) and has full legal right, power and authority under the Local Government Unit Debt Act, as amended and supplemented (the “Act”), and at the date of the Closing will have full legal right, power and authority under the Act and the Bond Ordinance to enter into, execute and deliver this Agreement, the Bond Ordinance and the Undertaking as defined in Section 7(i)(3) hereof and all documents required hereunder and thereunder to be executed and delivered by the Issuer (this Agreement, the Bond Ordinance, the Undertaking and the other documents referred to in this clause (i) are hereinafter referred to as the “Issuer Documents”), (ii) to sell, issue and deliver the Bonds to the Underwriter as provided herein, and (iii) to carry out and consummate the transactions contemplated by the Issuer Documents and the Official Statement, and the Issuer has complied, and will at the Closing be in compliance in all respects, with the terms of the Act and the Issuer Documents as they pertain to such transactions;

(b) By all necessary official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly authorized all necessary action to be taken by it for (i) the enactment of the Bond Ordinance and the issuance and sale of the Bonds, (ii) the approval, execution and delivery of, and the performance by the Issuer of the obligations on its part, contained in the Bonds and the Issuer Documents and (iii) the consummation by it of all other transactions contemplated by the Official Statement and the Issuer Documents and any and all such other agreements and documents as may be required to be executed, delivered and/or received by the Issuer in order to carry out, give effect to, and consummate the transactions contemplated herein and in the Official Statement;

(c) The Issuer Documents constitute legal, valid and binding obligations of the Issuer, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights ("Creditors' Rights Limitations"); the Bonds, when issued, delivered and paid for, in accordance with the Bond Ordinance and this Agreement, will constitute legal, valid and binding obligations of the Issuer entitled to the benefits of the Bond Ordinance and enforceable in accordance with their terms, subject to Creditors' Rights Limitations upon the issuance, authentication and delivery of the Bonds as aforesaid, the Bond Ordinance will provide, for the benefit of the holders, from time to time, of the Bonds, the legally valid and binding pledge it purports to create as set forth in the Bond Ordinance;

(d) With respect to the Bonds, the Issuer is not in breach of or default in any material respect under any applicable constitutional provision, law or administrative regulation of the Commonwealth or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, ordinance, agreement or other instrument to which the Issuer is a party or to which the Issuer is or any of its property or assets are otherwise subject, and no event has occurred and is continuing which constitutes or with the giving of notice would constitute a default or event of default by the Issuer under any of the foregoing; and the execution and delivery of the Bonds, the Issuer Documents and the enactment of the Bond Ordinance and compliance with the provisions on the Issuer's part contained therein, will not conflict with or constitute a breach of or default under any constitutional provision, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, ordinance, agreement or other instrument to which the Issuer is a party or to which the Issuer is or to which any of its property or assets are otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Issuer to be pledged to secure the Bonds or under the terms of any such law, regulation or instrument, except as provided by the Bonds and the Bond Ordinance;

(e) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the Issuer of its obligations under the Issuer Documents and the Bonds have been or will be duly obtained;

(f) There is no material litigation, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the actual knowledge of the Issuer after due inquiry, threatened against the Issuer, affecting the existence of the Issuer or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds, or the collection of taxes pledged to the payment of principal of and interest on the Bonds, pursuant to the Bond Ordinance or in any way contesting or affecting the validity or enforceability of the Bonds, the Issuer Documents, or contesting the exclusion from gross income of interest on the Bonds for federal income tax purposes under existing laws or the exclusion from gross income of interest on the Bonds from Pennsylvania personal income tax and Pennsylvania personal property taxes under the laws of the Commonwealth (except as disclosed in the Preliminary Official Statement and in the Official Statement), or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or contesting the powers of the Issuer or any authority for the issuance of the Bonds, the enactment of the Bond Ordinance or the execution and delivery of the Issuer Documents, nor, to the actual knowledge of the Issuer, if any such action does exist or is threatened, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Issuer Documents;

(g) As of the date thereof, the Preliminary Official Statement did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (provided,

however, that the Issuer makes no representations regarding the disclosure therein related to Depository Trust Company or the Underwriter);

(h) At the time of the Issuer's acceptance hereof and (unless the Official Statement is amended or supplemented pursuant to paragraph (c) of Section 4 of this Agreement) at all times subsequent thereto during the period up to and including the date of Closing, the Official Statement does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (provided, however, that the Issuer makes no representations regarding the disclosure therein related to Depository Trust Company or the Underwriter);

(i) If the Official Statement is supplemented or amended pursuant to paragraph (c) of Section 4 of this Agreement, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the date of Closing the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(j) The Issuer will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Bond Ordinance and agrees not to take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes or State income tax purposes of the interest on the Bonds;

(k) The Financial Statements of the Issuer, and other financial information regarding the Issuer, in the Official Statement fairly present the financial position and results of the Issuer as of the dates and for the periods therein set forth. Prior to the Closing, there will be no adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the Issuer. The Issuer is not a party to any litigation or other proceeding pending or, to its knowledge, threatened which, if decided adversely to the Issuer, would have a materially adverse effect on the financial condition of the Issuer ;

(l) Any certificate signed by any official of the Issuer authorized to do so in connection with the transactions contemplated by this Agreement shall be deemed a representation and warranty by the Issuer to the Underwriter as to the statements made therein;

6. *Closing.*

(a) At such time and date as shall have been mutually agreed upon by the Issuer and the Underwriter (the "*Closing*"), the Issuer will, subject to the terms and conditions hereof, deliver the Bonds to the Underwriter duly executed and authenticated, together with the other documents hereinafter mentioned, and the Underwriter will, subject to the terms and conditions hereof, accept such delivery and pay the purchase price of the Bonds as set forth in Schedule I of this Agreement by a wire transfer payable in immediately available funds to the order of Manufacturers & Traders Trust Company, Buffalo, New York (the "Paying Agent"). Payment for the Bonds as aforesaid shall be made at the offices of the Paying Agent, or such other place as shall have been mutually agreed upon by the Issuer and the Underwriter.

(b) Delivery of the Bonds shall be made to the Underwriter through the Book-Entry Only System of The Depository Trust Company, New York, New York ("DTC"). The Bonds shall be delivered to DTC or its agent in fully registered form, bearing CUSIP numbers without coupons, with one Bond for each maturity of the Bonds, registered in the name of Cede & Co., all as provided in the Bond Ordinance, and shall be made available to the Underwriter through DTC or the Paying Agent at least one business day before the Closing for purposes of inspection.

7. *Closing Conditions.* The Underwriter has entered into this Agreement in reliance upon the representations, warranties and agreements of the Issuer contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Issuer of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriter's obligations under this Agreement to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Issuer of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions, including the delivery by the Issuer of such documents as are enumerated herein, in form and substance reasonably satisfactory to the Underwriter:

- (a) The representations and warranties of the Issuer contained herein shall be true, complete and correct on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing;
- (b) The Issuer shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with prior to or at the Closing;
- (c) At the time of the Closing, (i) the Issuer Documents and the Bonds shall be in full force and effect in the form heretofore approved by the Underwriter and shall not have been amended, modified or supplemented, and the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Underwriter; and (ii) all actions of the Issuer required to be taken by the Issuer shall be performed in order for Bond Counsel to deliver its opinion referred to hereafter;
- (d) At the time of the Closing, all official action of the Issuer relating to the Bonds and the Issuer Documents shall be in full force and effect and shall not have been amended, modified or supplemented;
- (e) At or prior to the Closing, the Bond Ordinance shall have been duly enacted by the Issuer and the Issuer shall have duly executed and delivered the Bonds to the Paying Agent for the Paying Agent's authentication of the Bonds;
- (f) At the time of the Closing, there shall not have occurred any change or any development involving a prospective change in the condition, financial or otherwise, or in the revenues or operations, of the Issuer from that set forth in the Official Statement that, in the reasonable judgment of the Underwriter, is material and adverse and that makes it, in the reasonable judgment of the Underwriter, impracticable to market the Bonds on the terms and in the manner contemplated in the Official Statement;
- (g) The Issuer shall not have failed to pay principal or interest when due on any of its outstanding obligations for borrowed money;
- (h) All steps to be taken and all instruments and other documents to be executed, and all other legal matters in connection with the transactions contemplated by this Agreement, shall be reasonably satisfactory in legal form and effect to the Underwriter;
- (i) At or prior to the Closing, the Underwriter shall have received copies of each of the following documents:
 - (1) The Official Statement, and each supplement or amendment thereto, if any, executed on behalf of the Issuer by an officer of the Issuer, or such other official as may have been agreed to by the Underwriter, and the reports and audits referred to or appearing in the Official Statement;
 - (2) The Bond Ordinance with such supplements or amendments as may have been agreed to by the Underwriter;
 - (3) The Undertaking of the Issuer which satisfies the requirements of Section (b)(5)(i) of the Rule;

(4) The legal opinion of Bond Counsel with respect to the Bonds substantially in the form set forth in the Preliminary Official Statement;

(5) A certificate, dated the date of Closing, of the Issuer to the effect that (i) the representations and warranties of the Issuer contained herein are true and correct in all material respects on and as of the date of Closing as if made on the date of Closing; (ii) no litigation or proceeding against it is pending or, to its knowledge, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the right of the members or officials of the Issuer to hold and exercise their respective positions, (b) contest the due organization and valid existence of the Issuer, (c) contest the validity, due authorization and execution of the Bonds or the Issuer Documents, or (d) attempt to limit, enjoin or otherwise restrict or prevent the Issuer from functioning and collecting revenues and other income, or the levy or collection of the taxes pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof; (iii) the Ordinance of the Issuer authorizing the execution, delivery and/or performance, as applicable, of the Official Statement, the Bonds and the Issuer Documents has been duly enacted by the Issuer, are in full force and effect and has not been modified, amended or repealed, and (iv) to the best of its knowledge, no event affecting the Issuer has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein, in light of the circumstances under which made, not misleading in any respect as of the time of Closing, and the information contained in the Official Statement is correct in all material respects and, as of the date of the Official Statement did not, and as of the date of the Closing does not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading (provided, however, that the Issuer makes no representations regarding the disclosure therein related to Depository Trust Company, or the Underwriter);

(6) A certificate of the Issuer in form and substance satisfactory to Bond Counsel setting forth the facts, estimates and circumstances in existence on the date of the Closing which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be “arbitrage Bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and any applicable regulations (whether final, temporary or proposed), issued pursuant to the Code;

(7) Any other documents, certificates and opinions reasonably requested by the Underwriter or Bond Counsel;

(8) Evidence that S&P Global Ratings has awarded the Bonds an underlying rating of “A+” (stable outlook) and a credit rating of “AA” (stable outlook) based upon the receipt by the Issuer of a bond insurance policy from Assured Guaranty Municipal Corp. (“AGM”) (the “Bond Insurer”).

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance satisfactory to the Underwriter and Bond Counsel.

If the Issuer shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of, and to pay for the Bonds contained in this Agreement, or if the obligations of the Underwriter to purchase, to accept delivery of, and to pay for the Bonds shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Underwriter nor the Issuer shall be under any further obligation hereunder.

8. *Termination.* Either party shall have the right to terminate this Agreement and their obligations hereunder if, between the date of this Agreement and the Closing, the market price or marketability of the Bonds shall be materially adversely affected by the occurrence of any of the following:

(a) Legislation shall be enacted by or introduced in the Congress of the United States or recommended to the Congress for passage by the President of the United States, or the Treasury Department of the United States or the Internal Revenue Service or any member of the Congress or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, a decision by a court of the United States or of the Commonwealth or the United States Tax Court shall be rendered, or an order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed, the effect of any or all of which would be to impose, directly or indirectly, federal income taxation upon interest received on obligations of the general character of the Bonds as described in the Official Statement, or other action or events shall have transpired which may have the purpose or effect, directly or indirectly, of changing the federal income tax consequences of any of the transactions contemplated herein;

(b) Legislation shall be introduced in or enacted (or resolution passed) by the Congress or an order, decree, or injunction shall be issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice shall be issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, or that the Bond Ordinance is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, or that the issuance, offering, or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect;

(c) A general suspension of trading in securities on the New York Stock Exchange or the American Stock Exchange, the establishment of minimum prices on either such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange or a general banking moratorium declared by federal, State of New York, or State officials authorized to do so shall occur and remain in effect;

(d) The New York Stock Exchange or other national securities exchange or any governmental authority, shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(e) Any amendment shall be made to the federal or State Constitution or action shall be taken by any federal or State court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the Issuer, its property, income, securities (or interest thereon), or the validity or enforceability of the assessments or the levy of taxes to pay principal of and interest on the Bonds;

(f) Any event occurs or information becomes known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(g) There shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the Issuer, except for changes which the Official Statement discloses are expected to occur;

(h) The United States shall have become engaged in new hostilities which have resulted in a declaration of war or a national emergency or there shall have occurred any other outbreak or escalation of hostilities or a national or international calamity or crisis, or escalation thereof, financial or otherwise, which in the

reasonable judgement of the Underwriter would have a material adverse affect upon the Underwriter's ability to market the Bonds;

(i) Any fact or event shall exist or have existed that, in the Underwriter's reasonable judgment, requires or has required an amendment of or supplement to the Official Statement and upon notification to the Issuer, the Issuer has failed or refuses to prepare and publish such amendment or supplement to the Official Statement in a timely manner.

(j) There shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service of the rating of any of the Issuer's obligations or any rating of the Bond Insurer, if insured; and

(k) The purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission.

9. *Expenses.*

(a) The Underwriter shall be under no obligation to pay, and the Issuer shall pay all expenses incident to the performance of the Issuer's obligations hereunder, including, but not limited to (i) the cost of preparation and printing of the Bonds, Preliminary Official Statement, Official Statement and any amendment or supplement thereto, (ii) the fees and disbursements of Bond Counsel, Issuer Counsel, Disclosure Counsel and Special Tax Counsel, if any; (iii) the fees and disbursements of any Paying Agent or engineers, accountants, and other experts, consultants or advisers retained by the Issuer, if any; and (iv) all fees and expenses in connection with obtaining Bond ratings. The Issuer shall also pay for any actual and reasonable expenses (included in the expense component of the Underwriter's discount) incurred by the Underwriter which are incidental to implementing this Bond Purchase Agreement and the issuance of the Bonds.

(b) The Issuer acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds.

(c) If this Agreement shall be terminated by the Underwriter because of any failure or refusal on the part of the Issuer to comply with the terms or to fulfill any of the conditions of this Agreement, or if for any reason the Issuer shall be unable to perform its obligations under this Agreement, the Issuer shall be liable only to reimburse the Underwriter for all actual out-of-pocket expenses reasonably incurred by the Underwriter in connection with this Agreement or the offering contemplated hereunder.

10. *Parties in Interest.* This Agreement as heretofore specified shall constitute the entire agreement between us and is made solely for the benefit of the Issuer and the Underwriter (including successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof. This Agreement may not be assigned by the Issuer or the Underwriter. All of the Issuer's representations, warranties and agreements contained in this Agreement shall remain operative and in full force and effect, regardless of (i) any investigations made by or on behalf of the Underwriter; and (ii) delivery of and payment for the Bonds pursuant to this Agreement.

11. *Effectiveness.* This Agreement shall become effective upon the acceptance hereof by the Issuer and shall be valid and enforceable at the time of such acceptance.

12. *Choice of Law.* This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth.

13. *Severability.* If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions, because it conflicts with any provisions of any Constitution, statute or rule of public policy, or for any

other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

14. *Business Day.* For purposes of this Agreement, “business day” means any day on which the New York Stock Exchange is open for trading.

15. *Section Headings.* Section headings have been inserted in this Agreement as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Agreement and will not be used in the interpretation of any provisions of this Agreement.

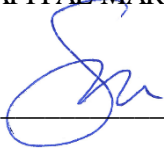
16. *Counterparts.* This Agreement may be executed in several counterparts each of which shall be regarded as an original (with the same effect as if the signatures thereto and hereto were upon the same document) and all of which shall constitute one and the same document.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

If you agree with the foregoing, please sign the enclosed counterpart of this Agreement and return it to the Underwriter. This Agreement shall become a binding agreement between you and the Underwriter when the counterpart of this letter shall have been signed by or on behalf of each of the parties hereto.

Respectfully submitted,

RBC CAPITAL MARKETS, LLC

By:  _____

Name: Scott Kramer

Title: Managing Director

ACCEPTANCE

ACCEPTED at [_____] [a.m./p.m.] EST this ___ day of _____, 2021.

CITY OF LEBANON

Lebanon County, Pennsylvania

By: _____

Name: _____

Title: Council President, City of Lebanon

SCHEDULE I

CITY OF LEBANON
Lebanon County, Pennsylvania
General Obligation Bonds, Series of 2021

Pricing Summary

SCHEDULE II

Optional Redemption

The Bonds stated to mature on and after November 15, 20___, are subject to redemption prior to maturity, at the option of the City, as a whole or from time to time in part, in any order of maturity or portion of a maturity as selected by the City on _____ __, 20__ or on any date thereafter, upon payment of a redemption price of 100% of the principal amount, plus interest accrued to the redemption date.

If less than an entire year's maturity of Bonds are to be redeemed at any particular time, such Bonds so to be called for redemption shall be chosen by lot by the Paying Agent.

Bonds Not Meeting the 10% Test