

**REFUNDING BOND ORDINANCE OF THE TOWNSHIP OF PRINCETON, IN THE COUNTY OF MERCER, NEW JERSEY, PROVIDING FOR THE REFUNDING OF ALL OR A PORTION OF GENERAL IMPROVEMENT BONDS, SERIES 1999 AND GENERAL IMPROVEMENT BONDS, SERIES 2001, APPROPRIATING \$9,600,000 THEREFOR AND AUTHORIZING THE ISSUANCE BY THE TOWNSHIP OF ONE OR MORE SERIES OF REFUNDING BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$9,600,000 FOR FINANCING THE COST THEREOF.**

BE IT ORDAINED BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF PRINCETON, IN THE COUNTY OF MERCER, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

Section 1. The Township of Princeton in the County of Mercer, New Jersey (the "Township") is hereby authorized to:

(i) currently refund all or a portion of the \$2,000,000 outstanding principal amount of its General Improvement Bonds, Series 1999 (the "1999 Bonds"), originally issued in the principal amount of \$9,150,000, dated July 1, 1999, which amount matures on July 1 in the years 2009 and 2010 (the "1999 Refunded Bonds") and which are subject to redemption on or after July 1, 2007 at the option of the Township at a redemption price of 100% of the principal amount of the 1999 Refunded Bonds to be redeemed; and

(ii) advance refund all or a portion of the \$6,900,000 outstanding principal amount of its General Improvement Bonds, Series 2001 (the "2001 Bonds"), originally issued in the principal amount of \$10,700,000, dated September 1, 2001, which amount matures on September 1 in the years 2010 through 2019, inclusive (the "2001 Refunded Bonds" and, together with the 1999 Refunded Bonds, the "Refunded Bonds") and which are subject to redemption on or after September 1, 2009 at the option of the Township at a redemption price of 100% of the principal amount of the 2001 Refunded Bonds to be redeemed.

Section 2. In order to finance the cost of the purpose described in Section 1 hereof and the costs of issuance associated therewith, negotiable refunding bonds are hereby authorized to be issued in one or more series in the aggregate principal amount not exceeding \$9,600,000 (the "Refunding Bonds") pursuant to the Local Bond Law of the State of New Jersey.

Section 3. An aggregate amount not exceeding \$131,500 for items of expense listed in and permitted under N.J.S.A. 40A:2-51(b) has been included in the aggregate principal amount of Refunding Bonds authorized herein.

Section 4. The Township desires to provide for all or a portion of the principal amount of the Refunded Bonds outstanding and the interest and redemption premium, if any, thereon in order to provide for savings in debt service as a result of lower interest rates in the bond markets.

Section 5. The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Clerk, and a complete executed duplicate thereof has been filed in the office of the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey. Such statement shows that the gross debt of the Township is increased by the authorization of the Refunding Bonds provided in this refunding bond ordinance by \$9,600,000, and that an amount representing the principal amount of the Refunded Bonds equal to \$8,900,000 will be deductible from gross debt. The obligations authorized herein will be within all debt limitations prescribed by that law.

Section 6. A certified copy of this refunding bond ordinance as adopted on first reading has been filed with the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey prior to final adoption.

Section 7. This refunding bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law, provided that the consent of the Local Finance Board has been endorsed upon a certified copy of this ordinance as finally adopted.

#### STATEMENT

The bond ordinance published herewith has been finally adopted on October 6, 2008 and the 20-day period of limitation within which a suit, action or proceeding questioning the validity of such ordinance can be commenced, as provided in the Local Bond Law, has begun to run from the date of the first publication of this statement.



Kathy Brzezynski  
Deputy Township Clerk