

WS 7/9/14
RAN

ORDINANCE
OF THE
COUNTY OF DAUPHIN
COMMONWEALTH OF PENNSYLVANIA

ORDINANCE NO. 2-2014

Enacted: July 9, 2014

AN ORDINANCE ENACTING AN INTEREST RATE MANAGEMENT PLAN WITH RESPECT TO THE OUTSTANDING LANCASTER COUNTY SOLID WASTE MANAGEMENT AUTHORITY GUARANTEED AUTHORITY BONDS (DAUPHIN COUNTY GUARANTY), SERIES B OF 2013 AND AWARDED, BY PRIVATE NEGOTIATED SALE, A QUALIFIED INTEREST RATE MANAGEMENT AGREEMENT (THE "AGREEMENT") WITH RESPECT TO THE SAME; COVENANTING TO BUDGET AND APPROPRIATE THE PERIODIC SCHEDULED AMOUNTS DUE THEREUNDER AND PLEDGING THE COUNTY'S FULL FAITH, CREDIT AND TAXING POWER TO THE PAYMENT OF SUCH PERIODIC PAYMENTS; LIMITING THE TOTAL AND ANNUAL NOTIONAL AMOUNTS AND DATES AND MAXIMUM ANNUAL INTEREST RATES IN THE AGREEMENT AND COVENANTING TO BUDGET FOR TERMINATION PAYMENTS; AUTHORIZING APPROPRIATE OFFICERS TO TAKE OTHER APPROPRIATE ACTIONS IN CONNECTION WITH THE AWARD AND EXECUTION OF THE AGREEMENT; TAKING ACTIONS TO COMPLY WITH THE REQUIREMENTS OF THE DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT OF 2010 ("DODD-FRANK") AND THE REGULATIONS PROMULGATED BY THE COMMODITY FUTURES TRADING COMMISSION (THE "CFTC") THEREUNDER, INCLUDING WITHOUT LIMITATION TO APPOINT A DESIGNATED QUALIFIED INDEPENDENT REPRESENTATIVE PURSUANT TO THE TERMS OF THE CFTC BUSINESS CONDUCT STANDARDS FOR SWAP DEALERS AND MAJOR SWAP PARTICIPANTS WITH COUNTERPARTIES (THE "CFTC BUSINESS CONDUCT STANDARDS") AND ALL OTHER ACTIONS NECESSARY TO COMPLY WITH THE REQUIREMENTS OF DODD-FRANK AND THE CFTC BUSINESS CONDUCT STANDARDS, INCLUDING THE EXECUTION OF ALL NECESSARY DOCUMENTATION; AND REPEALING ALL ORDINANCES INCONSISTENT HEREWITH.

WHEREAS, the County of Dauphin, Pennsylvania (the "County") has heretofore executed a certain cooperation agreement dated October 23, 2013, as amended on October 23, 2013 (the "Cooperation Agreement"), with the Lancaster County Solid Waste Management Authority ("LCSWMA"), in connection with the issuance by LCSWMA of its Guaranteed Authority Bonds (Dauphin County Guaranty), Series B of 2013 (the "Bonds"); and

WHEREAS, pursuant to the Cooperation Agreement, LCSWMA is responsible for payment on interest on the Bonds in the amount of \$240,000 per annum, and the County is responsible for the balance of the interest payable on the Bonds (the "County Obligation"); and

WHEREAS, the Board of Commissioners (the "Governing Body") of the County has appointed Susquehanna Group Advisors, Inc. (the "Financial Advisor") to prepare an interest rate management plan, as contemplated by the Pennsylvania Local Government Unit Debt Act, 53 Pa. C.S. §8001 *et seq.* (the "Act") with respect to the County Obligation for the Bonds (the "Swapped Bonds"); and

WHEREAS, the Financial Advisor has prepared an interest rate management plan (the "Plan"), in the form attached hereto as *Exhibit A*, with respect to the Swapped Bonds; and

WHEREAS, the County has previously entered into an International Swaps and Derivatives Association, Inc. ("ISDA") 1992 Master Agreement and Schedule, dated as of April 29, 2004 (together with all related schedules, supplements, exhibits and addenda, the "2004 Swap Agreement") with Royal Bank of Canada ("RBC" or the "Swap Counterparty"), which contemplates the execution of various confirmations to evidence specific qualified interest rate management agreements between the County and the Swap Counterparty; and

WHEREAS, the Swap Counterparty has presented to the Governing Body a qualified rate management agreement as to the Swapped Bonds, to be evidenced by a transaction set forth in a confirmation under the 2004 Swap Agreement (the "2014 Confirmation," as subject to the terms of, and governed by, the 2004 Swap Agreement, the "Swap") with respect to the Swapped Bonds, with a trade date to be determined by the Proper Officers of the County (as defined herein) and the Swap Counterparty; and

WHEREAS, as contemplated by the Act, the maximum net payments by fiscal year for periodic scheduled payments by the County, not including any termination payments, on the Swap, plus interest on the Swapped Bonds, could exceed in the aggregate the maximum payment amounts approved for various fiscal years in the proceedings of the County filed with and approved by the Department of Community and Economic Development (the "Department") for the Swapped Bonds (Approval No. LRA-13111801, dated November 18, 2013); and

WHEREAS, the Governing Body desires to amend the interest rate specified in Ordinance No. 6-2013 as to the Swapped Bonds duly enacted in accordance with the Act on October 23, 2013 (the "Enabling Ordinance") on or before the date of enactment of this Ordinance; as well as the provisions of the related documents, to include a maximum net interest rate of 35% per annum, for calculating net payments by the County under the Swap, in addition to the fixed rates specified for the maturities of the Swapped Bonds, which is in excess of the

sum of the net interest exposure described in the preceding paragraph, as contemplated by Section 8284 of the Act; and

WHEREAS, the Swap, in the judgment of the County is designed, as set forth in the Plan, to manage interest rate risk or interest cost of the County with respect to the Swapped Bonds; and

WHEREAS, the County desires to take certain actions in order to comply with Dodd-Frank and the CFTC Business Conduct Standards, including the appointment of a designated qualified independent representative (as defined in the CFTC Business Conduct Standards, a "QIR"); and

WHEREAS, the County desires to authorize the execution, and ratify the prior execution, of all documents, regulatory filings and agreements required to comply with Dodd-Frank and the regulations promulgated thereunder, including without limitation the ISDA Protocols (as defined herein).

NOW, THEREFORE, BE IT RESOLVED, by the County, as follows:

Section 1. Financial Advisor; Designated Qualified Independent Representative; Interest Rate Management Plan. The appointment of the Financial Advisor is hereby ratified and confirmed. The Financial Advisor has represented to the Governing Body that it is an "independent financial advisor" within the meaning of and in accordance with the Act, in that the Financial Advisor is not the Swap Counterparty or an affiliate or agent thereof. The Plan, in the form attached hereto as *Exhibit A* as prepared by the Financial Advisor and presented to the Governing Body as of the date of consideration of this Ordinance by the Governing Body, together with such modifications from time to time as the Chairman, Vice Chairman or any other member of the Board of Commissioners, and the Chief Clerk or the solicitor to the County (the "Solicitor"), being proper officers of the County (the "Proper Officers") and the Financial Advisor shall approve, is hereby approved and adopted as an "interest rate management plan," within the meaning of the Act, of the County in connection with the Swap.

The County finds that under the terms of the Plan the County can select, and monitor the performance of, a QIR meeting the applicable requirements of the CFTC Business Conduct Standards. The County hereby ratifies and confirms the Financial Advisor as its QIR.

As set forth in the Plan and as restated herein, the "applicable requirements of the CFTC Business Conduct Standards" are as follows: the QIR (i) has sufficient knowledge to evaluate the transaction and risks; (ii) is not subject to a statutory disqualification; (iii) is independent of the swap dealer; (iv) undertakes a duty to act in the best interests of the County; (v) makes appropriate and timely disclosures to the County; (vi) evaluates, consistent with any guidelines provided by the County, fair pricing and the appropriateness of the swap; and (vii) is subject to restrictions on certain political contributions imposed by the CFTC, the Securities Exchange Commission ("SEC") or a self-regulatory organization subject to jurisdiction of the CFTC or the SEC.

The Plan and other materials provided to the Governing Body by the Financial Advisor have fully identified and disclosed the risks inherent in the contemplated transactions, and the Governing Body recognizes that implementation of such transactions may result in exposure of the County to risks such as, but not limited to, basis, counterparty credit, tax, termination, interest rate and other risks.

Pursuant to the Plan, the County intends to enter into the Swap on such date as shall be determined by the Governing Body and the Swap Counterparty, to be effective on such date as shall be determined by the Governing Body and the Swap Counterparty.

Section 2. Qualified Interest Rate Management Agreement. The 2014 Confirmation, which shall be substantially in the form attached hereto as *Exhibit B*, and containing such other terms presented to the Governing Body by or on behalf of the Swap Counterparty as of the date of consideration of this Ordinance, in consultation with and upon the advice of the Financial Advisor, together with such modifications from time to time as the Chairman or Vice Chairman of the Governing Body and the Financial Advisor shall approve, are hereby approved. Further, the Governing Body hereby ratifies and affirms in all respects the 2004 Swap Agreement, as attached hereto as *Exhibit B*, and its provisions as they relate to and govern the 2014 Confirmation. Pursuant to and in accordance with the terms and provisions thereof, the County approves the award of the Swap to the Swap Counterparty on private sale by negotiation, which the Governing Body hereby confirms to have been determined to be in the best financial interest of this County. The Director of Budget and Finance, with the advice of the Financial Advisor, the Solicitor, and McNeese Wallace & Nurick LLC, as swap counsel to the County (the "Swap Counsel"), is hereby authorized and directed to approve final terms and conditions under the Swap, as may be required, provided, however, that the rate the Swap Counterparty will pay to the County will be a fixed rate equal to or greater than 3.50%; and, the Proper Officers, or any one of such Proper Officers alone, are hereby authorized and directed to execute, to attest, to seal and to deliver the 2014 Confirmation and all other documents related to the Swap to the Swap Counterparty, as may be required, and to take any and all related, necessary or appropriate action.

Section 3. Method of Award. In compliance with Sections 8281(b)(3) and 8281(e) of the Act, the Governing Body, in consultation with the Financial Advisor, has determined that a private sale by negotiation, rather than a public sale or private sale by invitation, is in the best financial interest of the County. Therefore, the Swap shall be awarded to the Swap Counterparty subject to the requirements of this Ordinance; provided that the proceedings have been filed with the Department of Community and Economic Development in accordance with this Ordinance, the award of the Swap at a private sale by negotiation 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. The ratings of the Swap Counterparty meet the requirements of Section 8281(e)(2) of the Act.

Section 4. Award of Swaps/Market Pricing Letter. As part of completing the closing on the Swap (the "Closing"), the County will receive a written final market pricing letter from the Financial Advisor, in form and substance satisfactory to the Director of Budget and Finance, dated as of the Closing, that the terms and conditions of the Swap executed and delivered by the parties are fair and reasonable to the County as of the trade date and the date of

execution and delivery. Based on the recommendations received to date from the Financial Advisor, other information provided to the Governing Body, and the market pricing letter to be received from the Financial Advisor, the Governing Body determines that the structure and terms of the Swap are in the County's best financial interest.

Section 5. Covenants Respecting Swap Payments and Limitations Thereon. The County hereby covenants to make the payments required under the Swap and further covenants that the County shall include the periodic scheduled amounts payable in respect of the Swap in its budget for each fiscal year in which such amounts are payable, shall appropriate such amounts from its general revenues for the payment of amounts due under the Swap, and hereby pledges its full faith, credit and taxing power to the payment of such periodic scheduled payments due under the Swap.

The County further covenants that it shall (i) include any amounts for termination payments or similar payments (the "Termination Payments") due under the Swap in its current budget at any time during a fiscal year or in a budget adopted in a future fiscal year, as the Swap shall provide, (ii) appropriate such amounts from its general revenues for the payment of such Termination Payments, and (iii) duly and punctually pay or cause to be paid from any other of its revenues or funds the Termination Payments at the dates and places and in the manner stated in the Swap. The periodic scheduled payments due from the County under the Swap shall be equally and ratably payable and secured with the debt service due on the Swapped Bonds.

The total and annual notional amounts and dates on the Swap do not and shall not exceed or extend beyond the maturity amounts and dates applicable to the Swapped Bonds. The County's obligations to make periodic scheduled payments related to the Swap and debt service due on the Swapped Bonds shall be senior in right and priority of payment to Termination Payments. The maximum annual interest rate which the County may pay, and the provisions addressing the actions to be taken if the credit rating of the Swap Counterparty changes, are set forth in the Swap and the Plan and are hereby approved.

The Swap may be terminated, as provided by and pursuant to the terms thereof, at the option of the County without cause, but may not be terminated by the Swap Counterparty without cause, as described in the Swap. The County acknowledges and agrees that upon a termination of the Swap by either party, the County may owe a Termination Payment to the Swap Counterparty.

Pursuant to Section 8129 of the Act, in the event of a Termination Payment owed by the County such Termination Payment shall constitute "unfunded debt."

Section 6. Amendment of Enabling Ordinance. The maximum payment obligation in the Enabling Ordinance is hereby amended to insert a maximum net interest rate of 35% per annum for calculating net payments by the County under the Swap, in addition to the fixed rates specified for the maturities of the Swapped Bonds. Schedules referenced on *Exhibit C* illustrate the maximum payments on the Swapped Bonds and the 2014 Confirmation, based on the maximum net interest rate specified herein, which supersede the schedule attached to or filed with the Enabling Ordinance, as the same may have been previously amended.

Section 7. DCED Proceedings, Execution of Documents. The Proper Officers of the County, or any one of such Proper Officers alone, are authorized and directed to: (i) prepare, verify and file a copy of this Ordinance and related proceedings with the Department of Community and Economic Development within 15 days following the enactment of this Ordinance; and (ii) take all action, execute, deliver, file and/or record all documents, and publish all notices deemed necessary or appropriate to complete the Closing on the Swap and the swap transaction.

Section 8. Authorizing Actions Required to Comply with Dodd-Frank and Incidental Action. The Proper Officers of the County are hereby authorized, empowered and directed on behalf of the County to execute any and all papers and documents as shall be incidental to or necessary or appropriate in connection with the transactions authorized by this Ordinance, and documents necessary to do or cause to be done any and all acts and things necessary or proper for the execution or carrying out of the purposes of this Ordinance; including, but not limited to, executing any and all agreements required in order to comply with the provisions of Dodd-Frank and the regulations promulgated by the CFTC thereunder, including without limitation the CFTC Business Conduct Standards, including by the execution of, and adherence to, the ISDA August 2012 DF Protocol (including without limitation, the ISDA August 2012 DF Protocol Agreement, the ISDA August 2012 DF Supplement, the ISDA August 2012 DF Protocol Questionnaire and the related Adherence Letter (the "ISDA August 2012 DF Protocol")); the ISDA March 2013 DF Protocol (including without limitation, the ISDA March 2013 DF Protocol Agreement, the ISDA March 2013 DF Supplement, the ISDA March DF Protocol Questionnaire and the related Adherence Letter (the "ISDA March 2013 DF Protocol" and, together with the ISDA August 2012 DF Protocol, the "ISDA Protocols")); and such other documents as may be required to comply with Dodd-Frank and the regulations promulgated by the CFTC thereunder and addressed in the ISDA Protocols, and making all filings and taking all actions necessary thereunder. All actions to date taken in connection with the Swap are hereby ratified, approved and confirmed.

Section 9. Dodd-Frank CFTC Business Conduct Standards Safe Harbor Requirements. The County hereby acknowledges that RBC will only transact within the safe harbors provided by the CFTC Business Conduct Standards. The County acknowledges that, among other requirements, the CFTC safe harbors require that the County represent that it will not rely on any recommendations provided by a swap dealer with respect to a swap but will instead rely on advice from its QIR in respect of any swap and that the County has complied in good faith with written policies and procedures reasonably designed to ensure it has selected a QIR that satisfies the applicable requirements and that such policies and procedures provide for ongoing monitoring of the performance of the QIR consistent with the requirements.

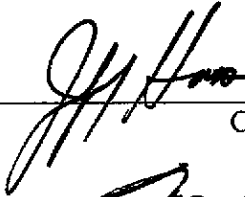
Section 10. Rescinding Inconsistent Resolutions. All prior Ordinances or parts thereof inconsistent herewith are hereby rescinded, canceled and annulled.

Section 11. Effective Date; Governing Law and Amendments. This Ordinance is enacted pursuant to the provisions of the Act and all of the mandatory provisions thereof shall apply to this Ordinance whether or not explicitly stated herein. This Ordinance shall be effective in accordance with the Act. This Ordinance may at any time be amended in

accordance with law. The laws of the Commonwealth of Pennsylvania shall govern the construction and interpretation of this Ordinance.

DULY ENACTED, by the Board of Commissioners, in lawful session duly assembled,
this 9th day of July, 2014.


COUNTY OF DAUPHIN, PENNSYLVANIA

By: 
County Commissioner

By: 
County Commissioner

By: 
County Commissioner

ATTEST:


Chief Clerk

(SEAL)

COUNTY OF DAUPHIN
COMMONWEALTH OF PENNSYLVANIA
Interest Rate Management Plan

OVERVIEW

In accordance with the requirements under Act 23 amending the Local Government Unit Debt Act (“LGUDA”) this report shall serve as the Interest Rate Management Plan (the “Plan”) of the County of Dauphin, Pennsylvania (the “County”). The Plan shall cover all Qualified Interest Rate Management Agreements (“Swaps”) including, but not limited to, interest rate swaps, swaptions, and similar derivative instruments.

This plan has been prepared by Susquehanna Group Advisors, Inc. (“SGA”) which is a firm that meets the requirements to serve as an Independent Financial Advisor under the Act.

SGA has been appointed by the County as its “qualified independent representative” (as such term is defined in Commodity Futures Trading Commission Regulation 23.450) in connection with the District’s outstanding Swaps for purposes of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder (collectively, the “Dodd-Frank Act”).

The Plan has been updated in connection with the execution of a fixed receiver swaption agreement (the “2014 Swaption”) with Royal Bank of Canada (“RBC”), with a notional amount of \$24,000,000, relating to a Cooperation Agreement between the County and the Lancaster County Solid Waste Management Authority (the “Authority”) dated October 23, 2013 (the “Cooperation Agreement”). The Cooperation Agreement relates to the Authority’s Guaranteed Authority Bonds (Dauphin County Guaranty), Series B of 2013 (the “2013B Authority Bonds”) and the County’s payment obligations thereunder.

2014 Swaption

Under the 2014 Swaption, the County will receive an up-front payment in the amount of [approximately \$_____], and in exchange, RBC will have the option to cause the 2014 Swaption to become effective, thus commencing the exchange of swap payments.

The option is European style and may be exercised by RBC on only one day, [_____, 20__].

- If RBC does not exercise its option on [_____, 20__], the 2014 Swaption expires and both counterparties are released from any further obligations under the 2014 Swaption.
- If RBC does exercise its option on [_____, 20__], [periodic] swap payments between the County and RBC will commence on [_____, __, 20__]. The County will make [periodic] payments to RBC based upon a floating taxable index [3-Month LIBOR] and RBC will make [periodic] payments to the County based upon a fixed rate of [no less than 3.50%]. The payments under the 2014 Swaption would effectively convert the County’s obligation under the 2013B Authority Bonds from a fixed rate to a net synthetic floating rate.

The notional amount of the 2014 Swaption is \$24,000,000. If exercised, the notional amount will not amortize and the termination date will be December 15, 2033. The maximum net rate payable by the County under the 2014 Swaption is [35.0%].

I. Debt Outstanding

The County has total non-electoral debt outstanding as of July 1, 2014 of approximately \$108,552,723 and Lease Rental debt outstanding of \$233,823,283. Schedules of currently outstanding debt issues, expected annual debt service and, for variable-rate debt, estimated and maximum annual debt service is shown in Schedules 1A, 1B, 1C, and 1D, attached hereto and incorporated herein by this reference.

II. Swaps Outstanding

Following the execution of the 2014 Swaption, the County will have three (3) qualified interest rate management agreements outstanding:

The first swap outstanding (the "2015 Swap") relates to the County's General Obligation Bonds, Series B of 2005 (the "2005B Bonds") and a portion of the County's General Obligation Bonds, Series C of 2005 (the "2005C Bonds") until the 2005B Bonds and 2005C Bonds are refunded by the 2015 Bonds (expected to occur on or about May 15, 2015), at which time the 2015 Swap will transfer to the 2015 Bonds. The 2015 Swap has an initial notional amount of \$20,330,000, an effective date of May 15, 2015 and a maturity date of November 15, 2024. The notional amount of the 2015 Swap will amortize from November 15, 2015 to the maturity date. Commencing on May 15, 2015, the County will make quarterly payments to RBC equal to the notional amount outstanding multiplied by a fixed rate of 2.252%, and RBC will make quarterly payments to the County equal to the notional amount outstanding multiplied by 70% of 3-month LIBOR. The County has the option to terminate the 2015 Swap at the market termination value at any time. It is expected that, beginning May 15, 2015, the combined net payments owed by the County on the 2015 Bonds (including annual fees) and the 2015 Swap will be less than the payments that would have been owed by the County on the 2005B Bonds and 2005C Bonds.

The second swap outstanding (the "2016 Swap") relates to the County's General Obligation Bonds, Series of 2006 (the "2006 Bonds") until the 2006 Bonds are refunded by the 2016 Bonds (expected to occur on or about May 15, 2016), at which time the 2016 Swap will transfer to the 2016 Bonds. The 2016 Swap has an initial notional amount of \$14,405,000, an effective date of May 15, 2016 and a maturity date of November 15, 2023. The notional amount of the 2016 Swap will amortize from November 15, 2016 to the maturity date. Commencing on May 15, 2016, the County will make quarterly payments to RBC equal to the notional amount outstanding multiplied by a fixed rate of 2.403%, and RBC will make quarterly payments to the County equal to the notional amount outstanding multiplied by 70% of 3-month LIBOR. The County has the option to terminate the 2016 Swap at the market termination value at any time. It is expected that, beginning May 15, 2016, the combined net payments owed by the County on the 2016 Bonds (including annual fees) and the 2016 Swap will be less than the payments that would have been owed by the County on the 2006 Bonds.

The third swap outstanding is the 2014 Swaption as described above.

III. Fees Paid or Payable

A schedule of all consulting, advisory, legal, brokerage or similar fees payable directly by the County and a schedule of any finders fees, consulting fees or brokerage fees paid or payable by the Counterparty in connection with the 2014 Swaption is shown in Schedule 3 attached hereto and incorporated herein by this reference.

IV. Scheduled Periodic Payments under the Outstanding Swaps and Related Bonds

Schedules of estimated and maximum periodic scheduled annual payments to be paid by the County and to be received by the County from the Counterparty under the outstanding Swaps and Related Bonds are shown in Schedule 4 attached hereto and incorporated herein by this reference.

V. Risk Analysis - Outstanding Swaps

Schedule 5 attached hereto and incorporated herein by this reference contains a summary of the risks inherent to the outstanding Swaps.

VI. Valuation Analysis - Swaps Outstanding

The County will have three (3) outstanding qualified interest rate management agreements.

Schedule 6 lists the current estimated termination values for the County's outstanding Qualified Interest Rate Management Agreements.

VII. Monitoring of Swap

The County plans to monitor ongoing interest rate risk, basis risk, tax risk, termination risk, credit risk, market-access risk, and other risks. A written report providing the status of all interest rate swap agreements entered into by the County, including current termination valuations, will be prepared by or on behalf of the County and provided to the Finance Director of the County at least on an annual basis (or other basis, if so directed by the Finance Director).

Schedule 1A

Current Estimated Debt Service, Outstanding Bonds - Non-Electoral Debt

	4	5	6	7	8	9	10	11	12	13
Series C of 2005										
3,625	1,768,641	1,183,835	1,496,013	2,433,600	1,836,085	1,697,100	673,034		320,290	12,136,473
1,875	1,765,391	1,562,650	1,349,488		1,835,010	1,695,350	2,675,528		199,605	11,694,897
1,125	1,759,641	1,580,250	1,352,988		1,836,010	1,696,100	2,654,990		199,588	11,690,692
4,625	1,761,391	1,592,250	232,725		1,837,460	1,699,100	2,641,966		1,594,563	11,964,080
2,625	1,766,673	1,626,500	232,725		1,833,210	1,694,100	2,605,687		1,591,563	11,963,082
3,025	1,760,073	1,671,750	232,725		1,832,960	1,696,150	2,565,609		1,590,188	11,957,479
5,150	1,758,323	2,912,250	232,725		1,837,663	1,695,400	167,434		1,586,288	11,956,231
1,400	1,763,323	2,953,000	232,725		1,833,600	1,696,400	171,120		1,591,888	11,963,455
3,525	1,769,573	3,000,750	232,725		1,833,400	1,698,400	169,574		1,591,788	11,961,734
	1,770,710	3,039,750	907,725		1,835,600	1,698,000	1,790,588		912,250	11,954,623
	1,772,250		1,822,750			1,695,200	1,756,197			7,046,397
			822,188							822,188
			820,188							820,188
			822,188							822,188
			822,988							822,988
			822,588							822,588
Series B of 2010										
3,975	19,415,988	21,122,985	12,435,450	2,433,600	18,350,998	18,661,300	17,871,726	-	11,178,008	130,399,279
Series D of 2010										
3,000	14,955,000	15,630,000	9,225,000	2,340,000	14,915,000	14,570,000	15,905,000	4,272,723	9,880,000	108,552,723

Schedule 1B

Current Estimated Debt Service, Outstanding Bonds - Lease Rental Debt

	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
A s of 7B	DCIDA Series of 2007	DCIDA Series of 2007A	DCGA Series of 2009C	DCGA Series of 2009D	DCIDA Series of 2010 (Vet B)	DCIDA Series of 2010 (HS)	DCGA Series A of 2011	DCGA Series B of 2011	DCIDA 2012 Note (Solar)	DCIDA 2012 Note (Vet Bldg)	LCSWMA Series B of 2013	PEDFA Series B of 2013	PEDFA Series C of 2013	DCIDA Series of 2013	Total Requirements
10,000	32,253	71,048	491,125	346,375	159,852	22,201	1,154,431	430,555	183,166	22,792	938,667	2,135,784	1,256,597	548,793	9,515,599
10,000	32,253	71,048	492,000	344,475	159,852	22,201	1,154,431	430,555	183,166	22,792	960,000	4,089,800	2,406,250	559,600	12,600,731
10,000	32,253	71,048	490,750	346,240	159,852	22,201	9,545,848	1,987,893	183,166	22,792	960,000	4,089,800	2,918,125	560,030	23,066,052
10,000	32,253	71,048	494,200	346,790	159,852	22,201			183,166	22,792	960,000	4,226,300	3,013,750	560,160	11,767,070
10,000	32,253	71,048	496,400	346,390	159,852	27,509			183,166	42,112	960,000	4,389,925	3,132,375	559,990	12,079,159
10,000	32,253	71,048	492,290		159,852	27,509			183,166	41,134	960,000	4,539,925	3,238,375	559,520	11,986,703
	32,253	71,048	492,203		1,374,328	27,509			183,166	40,164	960,000	4,705,800	3,361,250	559,750	11,987,565
	32,253	71,048	495,923			27,509			183,166	39,051	960,000	5,154,425	3,680,125	559,650	11,386,586
	32,253	71,048	488,213			27,509			183,166	37,938	960,000	5,324,800	3,799,375	560,220	11,671,274
	32,253	71,048				27,509			274,944	36,777	960,000	5,493,175	3,923,250	560,430	11,569,364
	32,253	71,048				27,509			267,067	35,603	960,000	5,673,675	4,051,000	648,636	11,959,946
	32,253	71,048				27,509			258,395	34,302	960,000	5,859,500	4,180,725	640,412	12,255,306
	32,253	71,048				27,509			249,625	32,981	960,000	6,058,325	4,320,475	632,605	12,533,618
	32,253	71,048				27,509			240,512	31,602	960,000	6,258,450	4,464,275	624,168	12,822,011
						27,509			231,184	30,185	960,000	6,558,700	4,611,025	616,101	13,166,643
						27,509			221,205	28,661	960,000	6,783,700	4,764,488	607,354	13,527,619
						27,509			210,977	27,092	960,000	6,988,700	4,903,838	597,929	13,853,440
									200,348	25,454	960,000	7,198,700	5,043,388	588,824	14,016,714
									189,329	23,749	960,000	7,418,700	5,186,900	579,992	14,358,670
											24,960,000	7,643,700	5,337,863	570,384	38,511,947
												7,873,700	5,645,000		13,518,700
												8,168,700	5,855,000		14,023,700
												8,428,700	6,045,000		14,473,700
												8,263,700	5,925,000		14,188,700
												8,398,700	6,025,000		14,423,700
												8,608,700	6,170,000		14,778,700
												8,413,700	6,035,000		14,448,700
												8,213,700	5,890,000		14,103,700
												8,013,700	5,745,000		13,758,700
												7,803,700	5,595,000		13,398,700
												7,583,700	5,440,000		13,023,700
												15,023,700	10,775,000		25,798,700
												15,023,700	10,775,000		25,798,700
												15,023,700	10,773,285		25,796,985
												15,021,763	10,774,771		25,796,534
												15,023,700	10,775,000		25,798,700
												14,671,350	10,771,993		25,443,343
												14,650,500	10,773,006		25,423,506
												14,626,150	10,773,673		25,399,823
												17,870,750	13,357,907		31,228,657
10,000	440,791	988,570	4,433,103	1,730,270	2,333,440	446,424	11,854,710	2,849,003	3,992,079	597,973	43,178,667	337,297,897	241,513,083	11,694,547	675,261,665
10,000	320,838	712,997	3,735,000	1,580,000	1,733,764	283,596	8,820,712	2,179,842	2,464,553	295,271	24,000,000	97,172,029	68,453,474	8,330,000	231,494,719

Schedule 1C

Current Maximum Debt Service, Outstanding Bonds - Non-Electoral Debt

	4	5	6	7	8	9	10	11	12	13
Total Debt										
Series B of 2005	Series C of 2005	Series of 2006	Series of 2009	Series B of 2010	Series D of 2010	Series of 2011	Series of 2013	2013 Note (Liq Fuels)	Series of 2014	Total Requirements
3,625	1,768,641	1,183,835	1,496,013	2,433,600	1,836,085	1,697,100	673,034		320,290	12,136,473
1,875	1,765,391	1,562,650	1,349,488		1,835,010	1,695,350	2,675,528		199,605	11,694,897
1,125	1,759,641	1,580,250	1,352,988		1,836,010	1,696,100	2,654,990		199,588	11,690,692
4,625	1,761,391	1,592,250	232,725		1,837,460	1,699,100	2,641,966		1,594,563	11,964,080
2,625	1,766,673	1,626,500	232,725		1,833,210	1,694,100	2,605,687		1,591,563	11,963,082
3,025	1,760,073	1,671,750	232,725		1,832,960	1,696,150	2,565,609		1,590,188	11,957,479
5,150	1,758,323	2,912,250	232,725		1,837,663	1,695,400	167,434		1,586,288	11,956,231
1,400	1,763,323	2,953,000	232,725		1,833,600	1,696,400	171,120		1,591,888	11,963,455
5,525	1,769,573	3,000,750	232,725		1,833,400	1,698,400	169,574		1,591,788	11,961,734
	1,770,710	3,039,750	907,725		1,835,600	1,698,000	1,790,588		912,250	11,954,623
	1,772,250		1,822,750			1,695,200	1,756,197			7,046,397
			822,188							822,188
			820,188							820,188
			822,188							822,188
			822,988							822,988
			822,588							822,588
3,975	19,415,988	21,122,985	12,435,450	2,433,600	18,350,998	18,661,300	17,871,726	-	11,178,008	130,399,279
3,000	14,955,000	15,630,000	9,225,000	2,340,000	14,915,000	14,570,000	15,905,000	4,272,723	9,880,000	108,552,723

Schedule 1D

Current Maximum Debt Service, Outstanding Bonds - Lease Rental Debt

	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
A s of 7B	DCIDA Series of 2007	DCIDA Series of 2007A	DCGA Series of 2009C	DCGA Series of 2009D	DCIDA Series of 2010 (Vet B)	DCIDA Series of 2010 (Hst)	DCGA Series A of 2011	DCGA Series B of 2011	DCIDA 2012 Note (Solar)	DCIDA 2012 Note (Vet Bldg)	LCSWMA Series B of 2013	PEDFA Series B of 2013	PEDFA Series C of 2013	DCIDA Series of 2013	Total Requirements
10,000	32,253	71,048	491,125	346,375	159,852	22,201	1,154,431	430,555	183,166	22,792	938,667	2,135,784	1,256,597	548,793	9,515,539
10,000	32,253	71,048	492,000	344,475	159,852	22,201	1,154,431	430,555	183,166	22,792	960,000	4,089,800	2,406,250	559,600	12,600,731
10,000	32,253	71,048	490,750	346,240	159,852	22,201	9,545,848	1,987,893	183,166	22,792	960,000	4,089,800	2,918,125	560,030	23,066,052
10,000	32,253	71,048	494,200	346,790	159,852	22,201			183,166	22,792	960,000	4,226,300	3,013,750	560,160	13,767,070
10,000	32,253	71,048	496,400	346,390	159,852	27,509			183,166	42,112	960,000	4,389,925	3,132,375	559,990	12,079,159
10,000	32,253	71,048	492,290		159,852	27,509			183,166	41,134	960,000	4,539,925	3,238,375	559,520	11,986,703
	32,253	71,048	492,203		1,374,328	27,509			183,166	40,164	960,000	4,705,800	3,361,250	559,750	11,987,565
	32,253	71,048	495,923			27,509			183,166	39,051	960,000	5,154,425	3,680,125	559,650	11,386,586
	32,253	71,048	488,213			27,509			183,166	37,938	960,000	5,324,800	3,799,375	560,220	11,671,274
	32,253	71,048				27,509			274,944	36,777	960,000	5,493,175	3,923,250	560,430	11,569,364
	32,253	71,048				27,509			267,057	35,603	960,000	5,673,675	4,051,000	648,636	11,959,946
	32,253	71,048				27,509			258,395	34,302	960,000	5,859,500	4,180,725	640,412	12,255,306
	32,253	71,048				27,509			249,625	32,981	960,000	6,058,325	4,320,475	632,605	12,533,618
	21,502	64,944				27,509			240,512	31,602	960,000	6,258,450	4,464,275	624,168	12,822,011
						27,509			231,184	30,185	960,000	6,558,700	4,611,025	616,101	13,166,643
						27,509			221,205	28,661	960,000	6,783,700	4,764,488	607,354	13,527,619
						27,509			210,977	27,092	960,000	6,988,700	4,903,838	597,929	13,853,440
									200,348	25,454	960,000	7,198,700	5,043,388	588,824	14,016,714
									189,329	23,749	960,000	7,418,700	5,186,900	579,992	14,358,670
											24,960,000	7,643,700	5,337,863	570,384	38,511,947
												7,873,700	5,645,000		13,518,700
												8,168,700	5,855,000		14,023,700
												8,428,700	6,045,000		14,473,700
												8,263,700	5,925,000		14,188,700
												8,398,700	6,025,000		14,423,700
												8,608,700	6,170,000		14,778,700
												8,413,700	6,035,000		14,448,700
												8,213,700	5,890,000		14,103,700
												8,013,700	5,745,000		13,758,700
												7,803,700	5,595,000		13,398,700
												7,583,700	5,440,000		13,023,700
												15,023,700	10,775,000		25,798,700
												15,023,700	10,775,000		25,798,700
												15,023,700	10,773,285		25,796,985
												15,021,763	10,774,771		25,796,534
												15,023,700	10,775,000		25,798,700
												14,671,350	10,771,993		25,443,343
												14,650,500	10,773,006		25,423,506
												14,626,150	10,773,673		25,399,823
												17,870,750	13,357,907		31,228,657
10,000	440,791	988,570	4,433,103	1,730,270	2,333,440	446,424	11,854,710	2,849,003	3,992,079	597,973	43,178,667	397,297,897	241,513,083	11,694,547	675,261,665
10,000	320,838	712,997	3,735,000	1,580,000	1,733,764	283,596	8,820,712	2,179,842	2,464,553	295,271	24,000,000	97,172,029	68,453,474	8,330,000	231,494,719

Schedule 2

Outstanding Qualified Interest Rate Management Agreements

The 2014 Swaption [will be] outstanding in the notional amount of \$24,000,000.

The 2015 Swap is outstanding in the notional amount of \$20,330,000.

The 2016 Swap is outstanding in the notional amount of \$14,405,000.

Schedule 3

Summary of Swap Fees Paid in Connection with the Execution of the 2014 Swaption

In connection with the execution of the 2014 Swaption, the County will pay fees as shown below, which will be paid by RBC to the County for payment. We are not aware of any other fees paid or payable by the County or the counterparties. The County may contract for services related to GASB reporting or swap monitoring.

Susquehanna Group Advisors, Inc.
Independent Financial Advisor

Approximately [\$_____]
(present value of approximately ___ basis points on the outstanding notional amount to maturity; taking into consideration option value, this amount effectively reduces the fixed swap rate to the County by ___ basis points)

McNees Wallace & Nurick LLC
Swap Counsel

[\$_____]

In addition to the amounts above paid by RBC to the County for payment, RBC will charge a total dealer spread equal to or less than, the present value of ___ basis points, or approximately [\$_____]. This amount is inclusive of expenses, including the cost of the interest rate cap, charges and production. Such amount is quoted as the present value of ___ basis points on the outstanding notional amount of the swap through final maturity. Taking into consideration option value, such amount has the effect of reducing the fixed swap rate to the County by approximately ___ basis points or ____%.

Schedule 4A

2015 Swap and Related Bonds (1): Estimated Periodic Scheduled Payments

1	2	3	4	5	6	7	8	9	10
	Related Bonds				2015 Swap		Net		
	<i>Pay:</i>				<i>Pay:</i>		<i>Receive:</i>		
Date	Principal	Bond Rate (2)	Estimated Annual VRDB Fees	Net Interest	Fixed Swap Rate [2.252%]	Floating Swap Rate [1.63%] (3)	Net Semiannual Payment	Net Annual Payment	Net Rate
11/15/2011		4.659%	0.00%	473,633			473,633	473,633	4.659%
05/15/2012		4.659%	0.00%	473,633			473,633		4.659%
11/15/2012		4.659%	0.00%	473,633			473,633	947,266	4.659%
05/15/2013		4.659%	0.00%	473,633			473,633		4.659%
11/15/2013		4.659%	0.00%	473,633			473,633	947,266	4.659%
05/15/2014		4.659%	0.00%	473,633			473,633		4.659%
11/15/2014		4.659%	0.00%	473,633			473,633	947,266	4.659%
05/15/2015		4.659%	0.00%	473,633			473,633		4.659%
11/15/2015	1,430,000	1.653%	0.75%	244,265	228,916	165,690	1,737,491	2,211,124	3.025%
05/15/2016		1.653%	0.75%	227,084	212,814	154,035	285,863		3.025%
11/15/2016	1,495,000	1.653%	0.75%	227,084	212,814	154,035	1,780,863	2,066,725	3.025%
05/15/2017		1.653%	0.75%	209,121	195,980	141,851	263,251		3.025%
11/15/2017	1,565,000	1.653%	0.75%	209,121	195,980	141,851	1,828,251	2,091,501	3.025%
05/15/2018		1.653%	0.75%	190,318	178,358	129,096	239,580		3.025%
11/15/2018	1,655,000	1.653%	0.75%	190,318	178,358	129,096	1,894,580	2,134,160	3.025%
05/15/2019		1.653%	0.75%	170,433	159,723	115,608	214,548		3.025%
11/15/2019	1,710,000	1.653%	0.75%	170,433	159,723	115,608	1,924,548	2,139,096	3.025%
05/15/2020		1.653%	0.75%	149,887	140,469	101,671	188,684		3.025%
11/15/2020	2,950,000	1.653%	0.75%	149,887	140,469	101,671	3,138,684	3,327,369	3.025%
05/15/2021		1.653%	0.75%	114,443	107,252	77,629	144,066		3.025%
11/15/2021	3,050,000	1.653%	0.75%	114,443	107,252	77,629	3,194,066	3,338,131	3.025%
05/15/2022		1.653%	0.75%	77,797	72,909	52,771	97,934		3.025%
11/15/2022	3,145,000	1.653%	0.75%	77,797	72,909	52,771	3,242,934	3,340,869	3.025%
05/15/2023		1.653%	0.75%	40,010	37,496	27,140	50,366		3.025%
11/15/2023	1,630,000	1.653%	0.75%	40,010	37,496	27,140	1,680,366	1,730,733	3.025%
05/15/2024		1.653%	0.75%	20,426	19,142	13,855	25,713		3.025%
11/15/2024	1,700,000	1.653%	0.75%	20,426	19,142	13,855	1,725,713	1,751,425	3.025%
TOTALS	20,330,000			6,432,365	2,477,200	1,793,000	27,446,565	27,446,565	

(1) Related Bonds include: *i. 2005B Bonds (2015-2022 maturities) and 2005C Bonds (2015-2022 maturities) to May 15, 2015; and ii. 2015 Bonds from May 15, 2015 to maturity.*

(2) Equals the average bond rate of the 2005B Bonds and 2005C Bonds through May 15, 2015; and an assumed 2015 Bond rate equal to the current 10-year average of SIFMA from May 15, 2015 to maturity.

(3) From Schedule 4A; based on 10-year average rates.

Schedule 4B

2015 Swap and Related Bonds (1): Maximum Periodic Scheduled Payments

1	2	3	4	5	6	7	8	9	10
	Related Bonds				2015 Swap		Net		
	Pay:		Pay:		Pay:	Receive:			
Date	Principal	Bond Rate (2)	Estimated Annual VRDB Fees	Net Interest	Fixed Swap Rate [2.252%]	Floating Swap Rate [0.00%] (3)	Net Semiannual Payment	Net Annual Payment	Net Rate
11/15/2011		4.659%	0.00%	473,633			473,633	473,633	4.659%
05/15/2012		4.659%	0.00%	473,633			473,633		4.659%
11/15/2012		4.659%	0.00%	473,633			473,633	947,266	4.659%
05/15/2013		4.659%	0.00%	473,633			473,633		4.659%
11/15/2013		4.659%	0.00%	473,633			473,633	947,266	4.659%
05/15/2014		4.659%	0.00%	473,633			473,633		4.659%
11/15/2014		4.659%	0.00%	473,633			473,633	947,266	4.659%
05/15/2015		4.659%	0.00%	473,633			473,633		4.659%
11/15/2015	1,430,000	20.000%	0.75%	2,109,237	228,916	-	3,768,153	4,241,786	23.002%
05/15/2016		20.000%	0.75%	1,960,875	212,814	-	2,173,689		23.002%
11/15/2016	1,495,000	20.000%	0.75%	1,960,875	212,814	-	3,668,689	5,842,378	23.002%
05/15/2017		20.000%	0.75%	1,805,769	195,980	-	2,001,749		23.002%
11/15/2017	1,565,000	20.000%	0.75%	1,805,769	195,980	-	3,566,749	5,568,498	23.002%
05/15/2018		20.000%	0.75%	1,643,400	178,358	-	1,821,758		23.002%
11/15/2018	1,655,000	20.000%	0.75%	1,643,400	178,358	-	3,476,758	5,298,517	23.002%
05/15/2019		20.000%	0.75%	1,471,694	159,723	-	1,631,417		23.002%
11/15/2019	1,710,000	20.000%	0.75%	1,471,694	159,723	-	3,341,417	4,972,834	23.002%
05/15/2020		20.000%	0.75%	1,294,281	140,469	-	1,434,750		23.002%
11/15/2020	2,950,000	20.000%	0.75%	1,294,281	140,469	-	4,384,750	5,819,499	23.002%
05/15/2021		20.000%	0.75%	988,219	107,252	-	1,095,470		23.002%
11/15/2021	3,050,000	20.000%	0.75%	988,219	107,252	-	4,145,470	5,240,941	23.002%
05/15/2022		20.000%	0.75%	671,781	72,909	-	744,690		23.002%
11/15/2022	3,145,000	20.000%	0.75%	671,781	72,909	-	3,889,690	4,634,379	23.002%
05/15/2023		20.000%	0.75%	345,488	37,496	-	382,983		23.002%
11/15/2023	1,630,000	20.000%	0.75%	345,488	37,496	-	2,012,983	2,395,967	23.002%
05/15/2024		20.000%	0.75%	176,375	19,142	-	195,517		23.002%
11/15/2024	1,700,000	20.000%	0.75%	176,375	19,142	-	1,895,517	2,091,034	23.002%
TOTALS	20,330,000			26,614,065	2,477,200	-	49,421,265	49,421,265	

(1) Related Bonds include: i. 2005B Bonds (2015-2022 maturities) and 2005C Bonds (2015-2022 maturities) to May 15, 2015; and ii. 2015 Bonds from May 15, 2015 to maturity.

(2) Equals the average bond rate of the 2005B Bonds and 2005C Bonds through May 15, 2015; and an assumed maximum 2015 Bond rate equal to 20.00% from May 15, 2015 to maturity.

(3) From Schedule 4B; for the purpose of determining maximum swap payments, 70% of 1-month LIBOR is assumed to be 0%.

Schedule 4C

2016 Swap and Related Bonds (1): Estimated Periodic Scheduled Payments

1	2	3	4	5	6	7	8	9	10
	Related Bonds				2016 Swap		Net		
	<i>Pay:</i>			<i>Pay:</i>	<i>Pay:</i>		<i>Receive:</i>		
Date	Principal	Bond Rate (2)	Estimated Annual VRDB Fees	Net Interest	Fixed Swap Rate [2.403%]	Floating Swap Rate [1.63%] (3)	Net Semiannual Payment	Net Annual Payment	Net Rate
11/15/2011		5.000%	0.00%	360,125			360,125	360,125	5.000%
05/15/2012		5.000%	0.00%	360,125			360,125		5.000%
11/15/2012		5.000%	0.00%	360,125			360,125	720,250	5.000%
05/15/2013		5.000%	0.00%	360,125			360,125		5.000%
11/15/2013		5.000%	0.00%	360,125			360,125	720,250	5.000%
05/15/2014		5.000%	0.00%	360,125			360,125		5.000%
11/15/2014		5.000%	0.00%	360,125			360,125	720,250	5.000%
05/15/2015		5.000%	0.00%	360,125			360,125		5.000%
11/15/2015		5.000%	0.75%	360,125			360,125	720,250	5.000%
05/15/2016		5.000%	0.75%	360,125			360,125		5.000%
11/15/2016	860,000	1.653%	0.75%	173,076	173,076	117,401	1,088,751	1,448,876	3.176%
05/15/2017		1.653%	0.75%	162,743	162,743	110,392	215,095		3.176%
11/15/2017	915,000	1.653%	0.75%	162,743	162,743	110,392	1,130,095	1,345,189	3.176%
05/15/2018		1.653%	0.75%	151,749	151,749	102,935	200,564		3.176%
11/15/2018	995,000	1.653%	0.75%	151,749	151,749	102,935	1,195,564	1,396,129	3.176%
05/15/2019		1.653%	0.75%	139,795	139,795	94,825	184,764		3.176%
11/15/2019	1,090,000	1.653%	0.75%	139,795	139,795	94,825	1,274,764	1,459,528	3.176%
05/15/2020		1.653%	0.75%	126,698	126,698	85,942	167,455		3.176%
11/15/2020	2,385,000	1.653%	0.75%	126,698	126,698	85,942	2,552,455	2,719,909	3.176%
05/15/2021		1.653%	0.75%	98,042	98,042	66,504	129,581		3.176%
11/15/2021	2,545,000	1.653%	0.75%	98,042	98,042	66,504	2,674,581	2,804,162	3.176%
05/15/2022		1.653%	0.75%	67,464	67,464	45,762	89,166		3.176%
11/15/2022	2,720,000	1.653%	0.75%	67,464	67,464	45,762	2,809,166	2,898,332	3.176%
05/15/2023		1.653%	0.75%	34,783	34,783	23,594	45,973		3.176%
11/15/2023	2,895,000	1.653%	0.75%	34,783	34,783	23,594	2,940,973	2,986,945	3.176%
TOTALS	14,405,000			5,336,877	1,735,627	1,177,308	20,300,195	20,300,195	

(1) Related Bonds include: i. 2006 Bonds (2016-2023 maturities) to May 15, 2016; and ii. 2016 Bonds from May 15, 2016 to maturity.

(2) Equals the average bond rate of the 2006 Bonds through May 15, 2016; and an assumed 2016 Bond rate equal to the current 10-year average of SIFMA from May 15, 2016 to maturity.

(3) From Schedule 4C; based on 10-year average rates.

Schedule 4D

2016 Swap and Related Bonds (1): Maximum Periodic Scheduled Payments

1	2	3	4	5	6	7	8	9	10
	Related Bonds				2016 Swap		Net		
	Pay:				Pay:	Receive:			
Date	Principal	Bond Rate (2)	Estimated Annual VRDB Fees	Net Interest	Fixed Swap Rate [2.403%]	Floating Swap Rate [0.00%] (3)	Net Semiannual Payment	Net Annual Payment	Net Rate
11/15/2011		5.000%	0.00%	360,125			360,125	360,125	5.000%
05/15/2012		5.000%	0.00%	360,125			360,125	720,250	5.000%
11/15/2012		5.000%	0.00%	360,125			360,125	720,250	5.000%
05/15/2013		5.000%	0.00%	360,125			360,125	720,250	5.000%
11/15/2013		5.000%	0.00%	360,125			360,125	720,250	5.000%
05/15/2014		5.000%	0.00%	360,125			360,125	720,250	5.000%
11/15/2014		5.000%	0.00%	360,125			360,125	720,250	5.000%
05/15/2015		5.000%	0.00%	360,125			360,125	720,250	5.000%
11/15/2015		5.000%	0.00%	360,125			360,125	720,250	5.000%
05/15/2016		5.000%	0.00%	360,125			360,125	720,250	5.000%
11/15/2016	860,000	20.000%	0.75%	1,494,519	173,076	-	2,527,595	2,887,720	23.153%
05/15/2017		20.000%	0.75%	1,405,294	162,743	-	1,568,037	3,455,757	23.153%
11/15/2017	915,000	20.000%	0.75%	1,405,294	162,743	-	2,483,037	4,051,074	23.153%
05/15/2018		20.000%	0.75%	1,310,363	151,749	-	1,462,112	3,592,893	23.153%
11/15/2018	995,000	20.000%	0.75%	1,310,363	151,749	-	2,457,112	3,919,224	23.153%
05/15/2019		20.000%	0.75%	1,207,131	139,795	-	1,346,926	3,476,053	23.153%
11/15/2019	1,090,000	20.000%	0.75%	1,207,131	139,795	-	2,436,926	3,783,852	23.153%
05/15/2020		20.000%	0.75%	1,094,044	126,698	-	1,220,742	3,304,594	23.153%
11/15/2020	2,385,000	20.000%	0.75%	1,094,044	126,698	-	3,605,742	4,826,484	23.153%
05/15/2021		20.000%	0.75%	846,600	98,042	-	944,642	3,411,842	23.153%
11/15/2021	2,545,000	20.000%	0.75%	846,600	98,042	-	3,489,642	4,434,285	23.153%
05/15/2022		20.000%	0.75%	582,556	67,464	-	650,020	3,784,305	23.153%
11/15/2022	2,720,000	20.000%	0.75%	582,556	67,464	-	3,370,020	4,020,041	23.153%
05/15/2023		20.000%	0.75%	300,356	34,783	-	335,140	3,684,901	23.153%
11/15/2023	2,895,000	20.000%	0.75%	300,356	34,783	-	3,230,140	3,565,279	23.153%
TOTALS	14,405,000			18,588,456	1,735,627	-	34,729,083	34,729,083	

(1) Related Bonds include: i. 2006 Bonds (2016-2023 maturities) to May 15, 2016; and ii. 2016 Bonds from May 15, 2016 to maturity.

(2) Equals the average bond rate of the 2006 Bonds through May 15, 2016; and an assumed maximum 2016 Bond rate equal to 20.00% from May 15, 2016 to maturity.

(3) From Schedule 4D; for the purpose of determining maximum swap payments, 70% of 1-month LIBOR is assumed to be 0%.

Schedule 4E

2014 Swaption and Related Bonds (1): Estimated Periodic Scheduled Payments

1	2	3	4	5	6	7	8	9
	Related Bonds			2014 Swaption (2)		Net		
	Pay:		Pay:	Pay:	Receive:			
Date	Principal	Net Bond Rate (2)	Net Interest	Floating Swap Rate [2.02%] (3)	Fixed Swap Rate [3.50%] (4)	Net Semiannual Payment	Net Annual Payment	Net Rate
06/15/2014		4.000%	480,000			480,000		2.520%
12/15/2014		4.000%	480,000			480,000	960,000	2.520%
06/15/2015		4.000%	480,000			480,000		2.520%
12/15/2015		4.000%	480,000			480,000	960,000	2.520%
06/15/2016		4.000%	480,000			480,000		2.520%
12/15/2016		4.000%	480,000			480,000	960,000	2.520%
06/15/2017		4.000%	480,000			480,000		2.520%
12/15/2017		4.000%	480,000			480,000	960,000	2.520%
06/15/2018		4.000%	480,000	242,400	(420,000)	302,400		2.520%
12/15/2018		4.000%	480,000	242,400	(420,000)	302,400	604,800	2.520%
06/15/2019		4.000%	480,000	242,400	(420,000)	302,400		2.520%
12/15/2019		4.000%	480,000	242,400	(420,000)	302,400	604,800	2.520%
06/15/2020		4.000%	480,000	242,400	(420,000)	302,400		2.520%
12/15/2020		4.000%	480,000	242,400	(420,000)	302,400	604,800	2.520%
06/15/2021		4.000%	480,000	242,400	(420,000)	302,400		2.520%
12/15/2021		4.000%	480,000	242,400	(420,000)	302,400	604,800	2.520%
06/15/2022		4.000%	480,000	242,400	(420,000)	302,400		2.520%
12/15/2022		4.000%	480,000	242,400	(420,000)	302,400	604,800	2.520%
06/15/2023		4.000%	480,000	242,400	(420,000)	302,400		2.520%
12/15/2023		4.000%	480,000	242,400	(420,000)	302,400	604,800	2.520%
06/15/2024		4.000%	480,000	242,400	(420,000)	302,400		2.520%
12/15/2024		4.000%	480,000	242,400	(420,000)	302,400	604,800	2.520%
06/15/2025		4.000%	480,000	242,400	(420,000)	302,400		2.520%
12/15/2025		4.000%	480,000	242,400	(420,000)	302,400	604,800	2.520%
06/15/2026		4.000%	480,000	242,400	(420,000)	302,400		2.520%
12/15/2026		4.000%	480,000	242,400	(420,000)	302,400	604,800	2.520%
06/15/2027		4.000%	480,000	242,400	(420,000)	302,400		2.520%
12/15/2027		4.000%	480,000	242,400	(420,000)	302,400	604,800	2.520%
06/15/2028		4.000%	480,000	242,400	(420,000)	302,400		2.520%
12/15/2028		4.000%	480,000	242,400	(420,000)	302,400	604,800	2.520%
06/15/2029		4.000%	480,000	242,400	(420,000)	302,400		2.520%
12/15/2029		4.000%	480,000	242,400	(420,000)	302,400	604,800	2.520%
06/15/2030		4.000%	480,000	242,400	(420,000)	302,400		2.520%
12/15/2030		4.000%	480,000	242,400	(420,000)	302,400	604,800	2.520%
06/15/2031		4.000%	480,000	242,400	(420,000)	302,400		2.520%
12/15/2031		4.000%	480,000	242,400	(420,000)	302,400	604,800	2.520%
06/15/2032		4.000%	480,000	242,400	(420,000)	302,400		2.520%
12/15/2032		4.000%	480,000	242,400	(420,000)	302,400	604,800	2.520%
06/15/2033		4.000%	480,000	242,400	(420,000)	302,400		2.520%
12/15/2033	24,000,000	4.000%	480,000	242,400	(420,000)	24,302,400	24,604,800	2.520%
TOTALS	24,000,000		19,200,000	7,756,800	(13,440,000)	37,516,800	37,516,800	

(1) Related Bonds include the 2013B Authority Bonds.
(2) Assumes the 2014 Swaption is exercised on 12/15/2017.
(3) Based on the 10-year average of 3-Month LIBOR
(4) Preliminary, subject to change.

Schedule 4F

2014 Swaption and Related Bonds (1): Maximum Periodic Scheduled Payments

1	2	3	4	5	6	7	8	9
	Related Bonds			2014 Swaption (2)		Net		
	Pay:		Pay:	Pay:	Receive:			
Date	Principal	Net Bond Rate (2)	Net Interest	Floating Swap Rate [38.5%] (3)	Fixed Swap Rate [3.50%] (3)	Net Semiannual Payment	Net Annual Payment	Net Rate
06/15/2014		4.000%	480,000			480,000		39.000%
12/15/2014		4.000%	480,000			480,000	960,000	39.000%
06/15/2015		4.000%	480,000			480,000		39.000%
12/15/2015		4.000%	480,000			480,000	960,000	39.000%
06/15/2016		4.000%	480,000			480,000		39.000%
12/15/2016		4.000%	480,000			480,000	960,000	39.000%
06/15/2017		4.000%	480,000			480,000		39.000%
12/15/2017		4.000%	480,000			480,000	960,000	39.000%
06/15/2018		4.000%	480,000	4,620,000	(420,000)	4,680,000		39.000%
12/15/2018		4.000%	480,000	4,620,000	(420,000)	4,680,000	9,360,000	39.000%
06/15/2019		4.000%	480,000	4,620,000	(420,000)	4,680,000		39.000%
12/15/2019		4.000%	480,000	4,620,000	(420,000)	4,680,000	9,360,000	39.000%
06/15/2020		4.000%	480,000	4,620,000	(420,000)	4,680,000		39.000%
12/15/2020		4.000%	480,000	4,620,000	(420,000)	4,680,000	9,360,000	39.000%
06/15/2021		4.000%	480,000	4,620,000	(420,000)	4,680,000		39.000%
12/15/2021		4.000%	480,000	4,620,000	(420,000)	4,680,000	9,360,000	39.000%
06/15/2022		4.000%	480,000	4,620,000	(420,000)	4,680,000		39.000%
12/15/2022		4.000%	480,000	4,620,000	(420,000)	4,680,000	9,360,000	39.000%
06/15/2023		4.000%	480,000	4,620,000	(420,000)	4,680,000		39.000%
12/15/2023		4.000%	480,000	4,620,000	(420,000)	4,680,000	9,360,000	39.000%
06/15/2024		4.000%	480,000	4,620,000	(420,000)	4,680,000		39.000%
12/15/2024		4.000%	480,000	4,620,000	(420,000)	4,680,000	9,360,000	39.000%
06/15/2025		4.000%	480,000	4,620,000	(420,000)	4,680,000		39.000%
12/15/2025		4.000%	480,000	4,620,000	(420,000)	4,680,000	9,360,000	39.000%
06/15/2026		4.000%	480,000	4,620,000	(420,000)	4,680,000		39.000%
12/15/2026		4.000%	480,000	4,620,000	(420,000)	4,680,000	9,360,000	39.000%
06/15/2027		4.000%	480,000	4,620,000	(420,000)	4,680,000		39.000%
12/15/2027		4.000%	480,000	4,620,000	(420,000)	4,680,000	9,360,000	39.000%
06/15/2028		4.000%	480,000	4,620,000	(420,000)	4,680,000		39.000%
12/15/2028		4.000%	480,000	4,620,000	(420,000)	4,680,000	9,360,000	39.000%
06/15/2029		4.000%	480,000	4,620,000	(420,000)	4,680,000		39.000%
12/15/2029		4.000%	480,000	4,620,000	(420,000)	4,680,000	9,360,000	39.000%
06/15/2030		4.000%	480,000	4,620,000	(420,000)	4,680,000		39.000%
12/15/2030		4.000%	480,000	4,620,000	(420,000)	4,680,000	9,360,000	39.000%
06/15/2031		4.000%	480,000	4,620,000	(420,000)	4,680,000		39.000%
12/15/2031		4.000%	480,000	4,620,000	(420,000)	4,680,000	9,360,000	39.000%
06/15/2032		4.000%	480,000	4,620,000	(420,000)	4,680,000		39.000%
12/15/2032		4.000%	480,000	4,620,000	(420,000)	4,680,000	9,360,000	39.000%
06/15/2033		4.000%	480,000	4,620,000	(420,000)	4,680,000		39.000%
12/15/2033	24,000,000	4.000%	480,000	4,620,000	(420,000)	28,680,000	33,360,000	39.000%
TOTALS	24,000,000		19,200,000	147,840,000	(13,440,000)	177,600,000	177,600,000	

(1) Related Bonds include the 2013B Authority Bonds.
(2) Assumes the 2014 Swaption is exercised on 12/15/2017.
(3) Preliminary, subject to change.

Schedule 5A

Summary of Swap Risks

The County shall at all times manage its use of financial derivative products to avoid excessive exposure to any and all of the following risks:

1. **Interest Rate Risk** - the risk that a generally adverse move in variable rates increases the overall cost of borrowing or that credit concerns relating to the County or credit enhancer will have the same impact. The County will monitor its exposure to Interest Rate Risk and take steps to mitigate such risks in the event this exposure results in significant negative impact to the County.
2. **Counterparty Credit Risk** - the risk of default under the swap by the Counterparty which results in an economic loss to the County. Steps have been taken in the documentation of the County's swaps to protect the County from Counterparty Credit Risk. Counterparty Credit Risk applies to all of the County's outstanding swaps. Proper monitoring of such risk by the County and adherence to the documents will allow the County to manage Counterparty Credit Risk exposure.
3. **Termination Risk** - the risk that a swap could be terminated (while valued in favor of a counterparty and against the County) as a result of any of several events, which may include a ratings downgrade for the County or a counterparty, covenant violation by either party, bankruptcy of either party, swap payment default by either party, and other default events as defined by the documents. Any such termination may require the County to make significant termination payments in the future.
4. **Basis Risk** - the risk resulting from a mismatch between a floating rate paid by the County and a floating rate received by the County. In connection with its 2015 Swap and 2016 Swap, the County has attempted to minimize such risk by using 70% of 3-month LIBOR as the basis for both the floating swap rate received. In the event Basis Risk begins to negatively impact the County to a significant degree, the County may amend or terminate any of its swaps at any time in the future, subject to a market termination payment.
5. **Tax Risk** - all issuers who issue tax-exempt variable rate debt inherently accept risk stemming from changes in marginal income tax rates. The County does not currently have any exposure to tax-exempt variable interest rates. In the event Tax Risk begins to negatively impact the County to a significant degree, the County may amend or terminate any of its swaps at any time in the future, subject to a market termination payment.
6. **Market Access Risk** - the risk that the County is unable to access the debt market or secure financing in the future. This risk is subject to overall general market conditions as well as the County's credit. This risk applies to the County's 2015 Swap and 2016 Swap if the swaps remain outstanding as of the respective effective dates. The County should monitor this risk and react appropriately should its credit rating begin to decline in the future.
7. **Credit / Remarketing Risk** - the risk that the County cannot secure a cost effective renewal of a Letter or Line of Credit, experiences higher than expected remarketing agent fees or suffers a failed auction or remarketing. Liquidity/Remarketing Risk may result in exposure to Termination Risk in the event floating rate bonds are put back to the remarketing agent or refinanced with fixed rate

bonds. This risk applies to the County's 2015 Swap and 2016 Swap if the swaps remain outstanding as of the respective effective dates.

8. **Amortization Risk** - the risk of the potential cost to the County of servicing debt or honoring swap obligations resulting from a mismatch of outstanding bonds and the notional amount of an outstanding swap. Amortization Risk occurs to the extent bond principal balances and swap notional amounts become mismatched over the life of a transaction. In the event of amortization mismatches, the County could potentially be negatively impacted.
9. **Cost of Issuance Risk** - the risk that higher than anticipated costs associated with issuing or restructuring future bonds negatively impacts the economics of the County's swaps.

Schedule 5B

Basis/Tax Risk: Annual Sensitivity Cashflow Analysis - 2015 Swap

Initial Notional Amount: 20,330,000
 Swap Rate Received: 70.00% of 3-Month LIBOR

ANNUAL SWAP CASHFLOW SENSITIVITY

<u>3-Month LIBOR</u>	<u>Actual SIFMA / 3-Month LIBOR Ratio</u>					
	<u>60.0%</u>	<u>67.0%</u>	<u>70.0%</u>	<u>75.0%</u>	<u>85.0%</u>	<u>100.0%</u>
1.00%	20,330	6,099	-	(10,165)	(30,495)	(60,990)
2.00%	40,660	12,198	-	(20,330)	(60,990)	(121,980)
3.00%	60,990	18,297	-	(30,495)	(91,485)	(182,970)
4.00%	81,320	24,396	-	(40,660)	(121,980)	(243,960)
5.00%	101,650	30,495	-	(50,825)	(152,475)	(304,950)
6.00%	121,980	36,594	-	(60,990)	(182,970)	(365,940)
7.00%	142,310	42,693	-	(71,155)	(213,465)	(426,930)
8.00%	162,640	48,792	-	(81,320)	(243,960)	(487,920)
9.00%	182,970	54,891	-	(91,485)	(274,455)	(548,910)
10.00%	203,300	60,990	-	(101,650)	(304,950)	(609,900)

* Assumes the 2015 Bonds trade at SIFMA flat. Any outperformance or underperformance will affect net cashflows on the transaction.

** Annual cashflows are based on the initial notional amount. Potential cashflows will decrease as the notional amount amortizes.

Schedule 5C

Termination Risk: Estimated Potential Termination Values - 2015 Swap

*PRESENT VALUE GAIN (LOSS) OF CHANGE IN RATES**

Effective Date of Change	Outstanding Notional	From Current Rates (as of 7/1/14)						
		-2.00%	-1.00%	0.00%	+1.00%	+2.00%	+3.00%	+4.00%
7/1/2015	20,330,000	(2,068,054)	(1,226,846)	(440,081)	296,397	986,392	1,633,389	2,240,582
7/1/2016	18,900,000	(1,443,531)	(760,797)	(117,538)	488,990	1,061,320	1,601,788	2,112,551
7/1/2017	17,405,000	(1,016,556)	(468,931)	50,920	544,755	1,014,203	1,460,778	1,885,888
7/1/2018	15,840,000	(674,422)	(269,065)	118,936	490,561	846,724	1,188,284	1,516,040

* Assumes parallel shift in LIBOR swap curve.

Schedule 5D

Basis/Tax Risk: Annual Sensitivity Cashflow Analysis - 2016 Swap

Initial Notional Amount: 14,405,000
 Swap Rate Received: 70.00% of 3-Month LIBOR

ANNUAL SWAP CASHFLOW SENSITIVITY

3-Month LIBOR	Actual SIFMA / 3-Month LIBOR Ratio					
	<u>60.0%</u>	<u>67.0%</u>	<u>70.0%</u>	<u>75.0%</u>	<u>85.0%</u>	<u>100.0%</u>
1.00%	14,405	4,321	-	(7,203)	(21,608)	(43,215)
2.00%	28,810	8,643	-	(14,405)	(43,215)	(86,430)
3.00%	43,215	12,965	-	(21,608)	(64,823)	(129,645)
4.00%	57,620	17,286	-	(28,810)	(86,430)	(172,860)
5.00%	72,025	21,607	-	(36,013)	(108,038)	(216,075)
6.00%	86,430	25,929	-	(43,215)	(129,645)	(259,290)
7.00%	100,835	30,251	-	(50,418)	(151,253)	(302,505)
8.00%	115,240	34,572	-	(57,620)	(172,860)	(345,720)
9.00%	129,645	38,894	-	(64,823)	(194,468)	(388,935)
10.00%	144,050	43,215	-	(72,025)	(216,075)	(432,150)

* Assumes the 2015 Bonds trade at SIFMA flat. Any outperformance or underperformance will affect net cashflows on the transaction.

** Annual cashflows are based on the initial notional amount. Potential cashflows will decrease as the notional amount amortizes.

Schedule 5E

Termination Risk: Estimated Potential Termination Values - 2016 Swap

*PRESENT VALUE GAIN (LOSS) OF CHANGE IN RATES**

Effective Date of Change	Outstanding Notional	From Current Rates (as of 7/1/14)						
		-2.00%	-1.00%	0.00%	+1.00%	+2.00%	+3.00%	+4.00%
7/1/2015	14,405,000	(1,268,405)	(706,132)	(186,484)	293,803	737,726	1,148,035	1,527,257
7/1/2016	14,405,000	(1,255,300)	(705,987)	(188,349)	299,762	760,332	1,195,200	1,606,067
7/1/2017	13,545,000	(905,750)	(461,591)	(39,644)	361,445	742,936	1,106,002	1,451,738
7/1/2018	12,630,000	(616,000)	(285,005)	32,287	336,610	628,652	909,058	1,178,437

* Assumes parallel shift in LIBOR swap curve.

Schedule 5F

Interest Rate Risk: Annual Sensitivity Cashflow Analysis - 2014 Swaption

Initial Notional Amount: 24,000,000
 Swap Rate Received: 3.50% (estimate)

ANNUAL SWAP CASHFLOW SENSITIVITY

3-Month LIBOR								
<u>Year</u>	<u>0.00%</u>	<u>1.00%</u>	<u>2.00%</u>	<u>3.50%</u>	<u>5.00%</u>	<u>7.00%</u>	<u>10.00%</u>	<u>15.00%</u>
2018	840,000	600,000	360,000	-	(360,000)	(840,000)	(1,560,000)	(2,760,000)
2019	840,000	600,000	360,000	-	(360,000)	(840,000)	(1,560,000)	(2,760,000)
2020	840,000	600,000	360,000	-	(360,000)	(840,000)	(1,560,000)	(2,760,000)
2021	840,000	600,000	360,000	-	(360,000)	(840,000)	(1,560,000)	(2,760,000)
2022	840,000	600,000	360,000	-	(360,000)	(840,000)	(1,560,000)	(2,760,000)
2023	840,000	600,000	360,000	-	(360,000)	(840,000)	(1,560,000)	(2,760,000)
2024	840,000	600,000	360,000	-	(360,000)	(840,000)	(1,560,000)	(2,760,000)
2025	840,000	600,000	360,000	-	(360,000)	(840,000)	(1,560,000)	(2,760,000)
2026	840,000	600,000	360,000	-	(360,000)	(840,000)	(1,560,000)	(2,760,000)
2027	840,000	600,000	360,000	-	(360,000)	(840,000)	(1,560,000)	(2,760,000)
2028	840,000	600,000	360,000	-	(360,000)	(840,000)	(1,560,000)	(2,760,000)
2029	840,000	600,000	360,000	-	(360,000)	(840,000)	(1,560,000)	(2,760,000)
2030	840,000	600,000	360,000	-	(360,000)	(840,000)	(1,560,000)	(2,760,000)
2031	840,000	600,000	360,000	-	(360,000)	(840,000)	(1,560,000)	(2,760,000)
2032	840,000	600,000	360,000	-	(360,000)	(840,000)	(1,560,000)	(2,760,000)
2033	840,000	600,000	360,000	-	(360,000)	(840,000)	(1,560,000)	(2,760,000)
2034	840,000	600,000	360,000	-	(360,000)	(840,000)	(1,560,000)	(2,760,000)
Total	14,280,000	10,200,000	6,120,000	-	(6,120,000)	(14,280,000)	(26,520,000)	(46,920,000)

Schedule 5G

Termination Risk: Estimated Potential Termination Values - 2014 Swaption

*PRESENT VALUE GAIN (LOSS) OF CHANGE IN RATES**

Effective Date of Change	Outstanding Notional	From Current Rates (as of 7/1/14)						
		<u>-2.00%</u>	<u>-1.00%</u>	<u>0.00%</u>	<u>+1.00%</u>	<u>+2.00%</u>	<u>+3.00%</u>	<u>+4.00%</u>
7/1/2015	24,000,000							
7/1/2016	24,000,000							
7/1/2017	24,000,000							
7/1/2018	24,000,000							

[to come]

* Assumes parallel shift in LIBOR swap curve.

Schedule 6

Outstanding Qualified Interest Rate Management Agreements

Estimated Termination Values

2014 Swaption	[\$_____]
2015 Fixed Payer Swap	-439,433
2016 Fixed Payer Swap	-186,933

TOTAL	-\$ 626,366

Fax # 1-717-257-1604

[TBD]

**COUNTY OF DAUPHIN, PA
DAUPHIN COUNTY ADMINISTRATION
BUILDING
2 SOUTH SECOND STREET - 4TH FLOOR
HARRISBURG , PA
USA, 17101**

Attention: MICHAEL YOHE

Re: Transaction maturing 15 Dec 2033 FOR USD 24,000,000.00

(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 29 Apr 2004, 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 SWAP Transaction to which this Confirmation relates is a Swaption, the terms of which are as follows:-

Trade Date: [TBD]
Seller: COUNTY OF DAUPHIN, PA
Buyer: ROYAL BANK OF CANADA
Premium: USD [TBD]

Premium Payment Date: [TBD]

Premium Payment Date: London, New York

Procedure for Exercise:

Option Style: EUROPEAN

Exercise Date: [TBD]

Exercise Time: Verbal notice by telephone by the Buyer to the Seller between 9:00AM and 11:00AM New York time on the Exercise Date, to be followed by written confirmation.

Fallback Exercise: Applicable.

Exercise Business Day: London, New York

Settlement Terms:

Settlement: PHYSICAL

3. The particular terms of the underlying Swap Transaction to which this Swaption relates are as follows:

NOTIONAL Amount: USD 24,000,000.00 (see Schedule A attached)

Trade Date: [TBD]

Effective Date: [TBD]

Termination Date: 15 Dec 2033

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

Fixed Amounts:

Fixed Rate Payer: ROYAL BANK OF CANADA

Fixed Rate Payer Payment Dates: QUARTERLY commencing on [TBD] subject to adjustment in accordance with the Modified Following Business Day Convention and there will be an adjustment

to the Calculation Period.

Fixed Rate: [TBD] percent
Fixed Rate Day Count Fraction: 30/360
Business Day Payments: London, New York

Floating Amounts:

Floating Rate Payer: COUNTY OF DAUPHIN, PA
Spread: 0.0000 percent
Floating Rate Payer Payment Dates: QUARTERLY commencing on [TBD] subject to adjustment in accordance with the Modified Following Business Day Convention and there will be an adjustment to the Calculation Period.
Floating Rate for initial Period: To be determined (Exclusive of Spread)
Floating Rate Option: USD-LIBOR-BBA
Designated Maturity: 3MONTH
Floating Rate Day Count Fraction: Actual/360
Reset Dates: The first day of each Calculation Period
Compounding: Not applicable.
Business Day (for Payments): London, New York
Business Day (for Rate Resets): London

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 DAUPHIN, PA** **Please provide wire instructions**

4. Offices:

(a) The Office of **COUNTY OF DAUPHIN, PA** for the Transaction is: **HARRISBURG**

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

5. Other.

(a) **RELATED BONDS**

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

(b) **MAXIMUM INTEREST RATE**

The maximum interest rate (the "Maximum Interest Rate") payable by Party B with respect to the Transaction for periodic scheduled net payments pursuant to this Transaction, not including termination payments, will not exceed **[TBD]**% per annum.

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 DAUPHIN, PA** 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.: **416-842-5610**

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

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 DAUPHIN, PA

By: _____

By: _____

Authorized signature

Authorized signature

BANK OF CANADA pays USD Fixed to COUNTY OF DAUPHIN, PA
(Our Ref. No. xxxxxxxx / xxxxxxxx)

EM GENERATED.]

DRAFT

TY OF DAUPHIN, PA pays USD Float to ROYAL BANK OF CANADA
(Our Ref. No. xxxxxxxx / xxxxxxxx)

DRAFT

EXHIBIT C

Maximum Net Payments

See Schedule 4F of the County's Interest Rate Management Plan. The Interest Rate Management Plan is attached hereto as Exhibit A.