

BOENNING & SCATTERGOOD

ESTABLISHED 1914

\$7,500,000

PLUM BOROUGH SCHOOL DISTRICT

Allegheny County, Pennsylvania

General Obligation Bonds, Series A of 2012

BOND PURCHASE AGREEMENT

Members of the School Board
Plum Borough School District
900 Elicker Road
Plum, PA 15239

September 25, 2012

Ladies and Gentlemen:

Boenning & Scattergood Inc. (the "Underwriter"), offers to enter into the following agreement (the "Agreement") with Plum Borough School District, Allegheny County, Pennsylvania (the "District"). The offer made hereby is subject to acceptance thereof by execution of this Agreement and its delivery to the Underwriter at or prior to 10:00 p.m., New York, New York Time, on the date hereof.

The General Obligation Bonds, Series A of 2012 (the "Bonds") shall be issued as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. Interest on the Bonds shall be payable semiannually on March 15 and September 15 commencing on March 15, 2013. Principal of, and premium, if any, on the Bonds will be paid by Manufacturers and Traders Trust Company in Harrisburg, Pennsylvania, Paying Agent and Sinking Fund Depository (the "Paying Agent").

On the terms and conditions and on the basis of the representations, warranties, covenants and agreements set forth herein, the Underwriter hereby agrees to purchase from the District for offering to the public and the District hereby agrees to sell and deliver to the Underwriter for such purpose, all (but not less than all) of \$7,500,000 aggregate principal amount of the District's General Obligation Bonds, Series A of 2012 (the "Bonds").

The proceeds from the sale of the Series A Bonds will be used to: (1) finance improvements to Adlai Stevenson, Holiday Park and/or Regency Park Elementary Schools and any other capital projects the District deems necessary; (2) fund capitalized interest; and (3) pay the cost of issuing the Bonds.

The District will deliver the Bonds to the Underwriter in definitive form against payment of the purchase price in immediately available funds on or about October 25, 2012 or at such other time or place as the underwriter and District agree upon and such payment and delivery is herein referred to as the "Closing".

The purchase price of the Bonds will be \$7,286,555.75 (comprised of the principal of the Series A of 2012 Bonds, minus net original issue discount of \$157,194.25 less an underwriter's

discount of \$56,250.00). The form of the Preliminary Official Statement of the District relating to the Bonds is dated September 20, 2012.

The Preliminary Official Statement as amended to delete the preliminary language, to insert the final terms and provisions of the Bonds, and with such additional changes as may be approved by the District and the Underwriter, or required by counsel and SEC Rule 15(c)2-12, is hereinafter referred to as the "Official Statement." The Bonds have been authorized and are being issued pursuant to the laws of the Commonwealth of Pennsylvania and pursuant to Resolution (the "Resolution") duly adopted on September 25, 2012 by the District's Board, acting as the governing body of the District (the "District Board").

2. It is a condition of the District's obligation to sell and deliver the Bonds to the Underwriter, and of the obligation of the Underwriter to purchase and accept delivery of the Bonds, that the entire principal amount of the Bonds is sold and delivered by the District and accepted and paid for by the Underwriter at the Closing. The Underwriter intends to make an initial public offering of all of the Bonds at a price or prices not in excess of the public offering price or prices set forth on the inside front cover page of the Official Statement. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into investment trusts) at prices lower than the public offering price or prices stated on the inside front cover page of the Official Statement.

3. The District has approved or ratified the production and distribution of the Preliminary Official Statement by the Underwriter on or prior to the date of this Agreement in connection with the public offering and sale of the Bonds. As of its date, the Preliminary Official Statement was "deemed final" by the District for purposes of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule"). The District has authorized the distribution of the Official Statement by the Underwriter in connection with the public offering and the sale of the Bonds. In addition, the District hereby approves and authorizes the Underwriter to coordinate the printing of the Official Statement by Boenning & Scattergood Inc. The District agrees to provide to the Underwriter, at such address as the Underwriter shall specify, as many copies of the Official Statement as the Underwriter reasonably requests as necessary to comply with paragraph (b)(4) of the Rule and with Rule G-32 and all other applicable rules of the Municipal Securities Rulemaking Board. The District agrees to deliver such Official Statement within seven business days after the execution hereof and, in any event, in sufficient time to accompany any confirmation that requests payment from any customer. As soon as practical after the receipt thereof, the Underwriter will deliver the Official Statement, and any supplement or amendment thereto, to a nationally recognized municipal securities information repository. The Official Statement may be revised, amended, changed or supplemented after the execution of this Agreement only with the permission of the Underwriter.

4. The Underwriter will give notice to the District of the date after which no "participating underwriter", as such term is defined in the Rule, remains obligated to deliver Official Statements pursuant to paragraph (b)(4) of the Rule. The District will be entitled to treat as the "end of the underwriting period" for the Bonds under the Rule (the "End of the Underwriting Period"), the date specified by the Underwriter in such notification.

5. The District hereby represents, warrants, covenants and agrees as follows:

(a) The District is a School District and a political subdivision of the Commonwealth of Pennsylvania and has full legal right, power and authority to (i) adopt the Resolution, (ii) execute and deliver this Agreement, (iii) execute and deliver any other agreements, certificates and documents executed by the District in connection with the issuance of the Bonds (collectively, the "Issuer Documents"), (iv) sell, issue and deliver the Bonds to the Underwriter as provided herein, and (v) carry out and consummate the transactions contemplated by this Agreement, the Issuer Documents, the Resolution, the Preliminary Official Statement and the Official Statement; and the District has complied, and at the Closing will be in compliance, in all respects with the Constitution and laws of the Commonwealth of Pennsylvania and with the obligation on its part in connection with the issuance of the Bonds the Resolution and this Agreement;

(b) By all necessary official actions, the District has duly adopted the Resolution, has duly authorized and approved the issuance of the Bonds and the execution and delivery of this Agreement, the Issuer Documents, the Preliminary Official Statement and the Official Statement, and has duly authorized and approved the execution, delivery and performance of its obligations as such obligations are referenced in the Bonds, the Resolution, the Issuer Documents and this Agreement, and the consummation by it of all other transactions contemplated in connection with the issuance of the Bonds;

(c) This Agreement and the Issuer Documents constitute valid, binding and enforceable obligations of the District, subject to applicable bankruptcy, insolvency, and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity;

(d) The Bonds, when issued and delivered to the Underwriter in accordance with the Resolution and this Agreement, will constitute valid, binding and enforceable obligations of the District, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity;

(e) The Resolution has been duly adopted by the District Board and has not been amended, modified or repealed since the date of its adoption and is in full force and effect;

(f) The District is not in material breach of or material default under any applicable constitutional provision, law, or administrative regulation of the Commonwealth of Pennsylvania or the United States or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which it is a party or to which it or any of its property or assets is otherwise subject, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; and the execution and delivery of the Bonds, the Issuer Documents and this Agreement and the adoption of the Resolution, and compliance with the provisions contained therein and herein, will not conflict with or constitute a breach of or default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, resolution, agreement, or other instrument to which it is a party or any of its property or assets is otherwise subject;

(g) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter have been duly obtained, or will by the closing be obtained, which are required for the due authorization by or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the District of its obligations in connection with the issuance of the Bonds and under this Agreement, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds;

(h) There is no 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 best knowledge of the officials of the District executing this Agreement, threatened against the District (i) to restrain or enjoin the issuance or delivery of any of the Bonds, (ii) in any way to contest or affecting any authority for the issuance of the Bonds or the validity, due authorization, execution or delivery of the Bonds, the Resolution, the Issuer Documents or this Agreement, (iii) in any way to contest the existence or powers of the District, (iv) to restrain or enjoin the levy or collection by the District of taxes necessary to pay the Bonds when due, (v) to result in any material adverse change in the business or the financial condition of the District; or (vi) to assert that the Official Statement contains any untrue statement of a material fact or omits any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(i) Since June 30, 2011, no material adverse change has occurred in the financial position or results of operations of the District, except as set forth in the Official Statement; and the District has not, since June 30, 2011, incurred any material liabilities other than in the ordinary course of business or as set forth in the Official Statement;

(j) The District will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order to (i) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (ii) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds; provided, however, that the District will not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction;

(k) The information (other than information set forth under the captions "RATING" and "UNDERWRITING" as to which no view is or need be expressed) contained in (i) the Preliminary Official Statement was (except as modified by the Official Statement), and (ii) the Official Statement in the form delivered to the Underwriter is, and will be as of their respective dates and the date of Closing (unless an event occurs of the nature described in paragraph (l) of this Section), true, correct and complete in all material respects and does not, and will not, as of their respective dates and at all times subsequent hereto up to and including a date 25 days following the End of the Underwriting Period, 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;

(l) If between the date of this Agreement and a date 25 days following the End of the Underwriting Period (i) an event occurs or any pre-existing fact or condition becomes known which might or would cause the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or which should be included therein for the purpose for which the Official Statement is to be used, or which is necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the District will promptly notify the Underwriter and (ii) if in the opinion of the Underwriter, such event, fact or condition requires the preparation and publication of an amendment or supplement to the Official Statement, the District will amend or supplement the Official Statement at its own expense such that the Official Statement, as so supplemented or amended will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or which should be included therein for the purpose for which the Official Statement is used, or which is necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, in a form and manner approved by the Underwriter which approval will not be unreasonably withheld;

(m) Any certificate signed by an authorized officer of the District and delivered to the Underwriter will be deemed a representation, warranty, covenant and agreement by the District to the Underwriter as to the statements made therein.

6. To permit the Underwriter to comply with the Rule, the District hereby represents, warrants, covenants and agrees as follows:

(a) Beginning with the fiscal year ended June 30, 2012, the District agrees to provide or cause to be provided annual financial information delivered not later than 270 days following the end of each of its fiscal years to the Municipal Securities Rulemaking Board ("MSRB") with the MSRB's Electronic Municipal Market Access ("EMMA") system. Annual financial information, as used in the previous sentence, means the financial information and operating data with respect to the District of the type set forth in the Official Statement under "Continuing Disclosure Undertaking." The District also shall provide notice of certain material events as described in the Official Statement under "Continuing Disclosure Undertaking."

(b) In a timely manner not in excess of ten business days after the occurrence of the event, to file with the MSRB, notice of the occurrence of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (7) modifications to rights of holders of the Bonds, if material; (8) Bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the District; (13) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its

terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material.

The District may from time to time choose to provide notice of the occurrence of certain other events, in addition to those listed above, if, in the judgment of the District, such other event is material with respect to the Bonds and Notes, but does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above. Any or all the information listed above may be incorporated by reference from other documents, as permitted by the Rule.

The continuing disclosure undertaking described in this Section 6 is for the benefit of the holders of the Bonds and Notes (the "Bondholders"). Unless otherwise required by law, no Bondholder is entitled to damages resulting from the District's noncompliance with its continuing disclosure undertaking; however, Bondholders may take action to require performance of such obligation by any judicial proceeding available. Breach of the continuing disclosure undertaking of the District does not constitute an event of default under the Resolution, and any rights and remedies provided in the Resolution in the event of default are not applicable to a breach of the continuing disclosure undertaking of the District.

7. The Underwriter will have the right to cancel its obligation to purchase the Bonds if between the date hereof and the date of Closing, (i) legislation has been enacted or a decision by a federal court of the United States or the United States Tax Court has been rendered, or a ruling, regulation or official statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency has been made or proposed to be made with respect to federal taxation on revenues or other income to be derived from the operation of the District, or on interest on the Bonds, or other action or events have occurred which have the purpose or effect, directly or indirectly, of materially adversely affecting the federal income tax consequences of any of the transactions contemplated in connection herewith, including the tax-exempt status of the District under the Code, any of which, in the reasonable opinion of the Underwriter, materially adversely affects the market for the Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Bonds, or (ii) legislation has been enacted, or actively considered for enactment with an effective date being prior to the date of the issuance of the Bonds, or a decision by a court of the United States has been rendered, or a ruling or regulation by the Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter has been made, the effect of which is that the Bonds are not exempt from the registration or other requirements of the Securities Act of 1933, as amended and as then in effect, or that the Resolution is not exempt from the qualification or other requirements of the Trust Indenture Act of 1939, as amended and as then in effect, or (iii) a stop order, ruling or regulation by the Securities and Exchange Commission has been issued or made, the effect of which is that the issuance, offering or sale of the Bonds as contemplated hereby or by the Official Statement is or would be in violation of any provision of the Securities Act of 1933, as amended and as then in effect, or of the Securities Exchange Act of 1934, as amended and as then in effect, or of the Trust Indenture Act of 1939, as amended and as then in effect; or (iv) there exists any event which in the reasonable judgment of the Underwriter either (A) makes untrue or incorrect in any material respect any statement or information contained in the Official Statement or (B) is not reflected in the Official Statement but should be reflected therein in order to make the statements and information contained therein not misleading in any material respect and, in either such event, the District refuses to permit the Official Statement to be supplemented to correct or supply such statement or information, or the statement or information as supplemented is such as in the reasonable judgment of the Underwriter would materially adversely affect the market for the Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Bonds, or (v) there has occurred any outbreak of hostilities or any national or international calamity or crisis, including a financial crisis, the effect of which on the financial markets of the

United States is such as, in the reasonable judgment of the Underwriter, would materially adversely affect the market for the Bonds, or the sale, at the contemplated offering prices, by the Underwriter of the Bonds, or (vi) there is in force a general suspension of trading on the New York Stock Exchange, the effect of which on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would materially adversely affect the market for the Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Bonds, or (vii) a general banking moratorium has been declared by Federal, Pennsylvania or New York authorities, the effect of which on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would materially adversely affect the market for the Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Bonds, or (viii) there has occurred since June 30, 2011, any material adverse change in the affairs of the District from that reflected in the financial information and data of the District included in or as an appendix to the Official Statement, other than as previously disclosed to the Underwriter.

8. The Underwriter has entered into this Agreement in reliance on the representations, warranties, covenants and agreements of the District contained herein, and in reliance on the representations, warranties, covenants and agreements to be contained in the documents and instruments to be delivered at the Closing and on the performance by the District of its obligations hereunder, both as of September 25, 2012 and as of closing. Accordingly, the Underwriter's obligations under this Agreement to purchase, to accept delivery of and to pay for the Bonds are conditioned on the performance by the District of its obligations to be performed hereunder and the delivery of such documents and instruments enumerated herein in form and substance reasonably satisfactory to the Underwriter, at or before the Closing, and are also subject to the following additional conditions:

(a) The representations, warranties, covenants and agreements of the District contained herein are 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) At the time of the Closing, the Resolution is in full force and effect in accordance with its terms and has not been amended, modified or supplemented, except in any such case as may have been agreed to by the Underwriter, and the Official Statement has not been supplemented or amended, except in any such case as may have been agreed to by the Underwriter;

(c) At the time of the Closing, all official action of the District and the other parties thereto relating to this Agreement, the Issuer Documents, the Bonds, and the Resolution are in full force and effect in accordance with their respective terms and have not have been amended, modified or supplemented in any material respect, except in each case as may have been agreed to by the Underwriter;

(d) At the time of the Closing the District will perform or has performed all of its obligations required under or specified in this Agreement and in the Resolution, or contemplated by the Resolution or the Official Statement, to be performed prior to the Closing; and

(e) At or before the Closing, the Underwriter has received true and correct copies of each of the following documents:

(1) The Resolution certified by an authorized officer of the District under seal as having been duly adopted by the District Board and as being in effect, with such supplements or amendments as may have been agreed to by the Underwriter;

(2) Counterparts of each of the fully executed Issuer Documents;

(3) The unqualified approving opinion of Eckert Seamans Cherin & Mellott, LLC, Pittsburgh, Pennsylvania ("Bond Counsel"), in form and substance satisfactory to the Underwriter.

(4) The opinion of Andrews & Price LLC, Pittsburgh, Pennsylvania, Solicitor to the District, dated the date of Closing, addressed to the District and to the Underwriter, to the effect that:

(i) the District is a duly constituted political subdivision of the Commonwealth of Pennsylvania duly organized and validly existing under the laws of the Commonwealth of Pennsylvania and has the right and power under the Constitution and laws of the Commonwealth of Pennsylvania to adopt the Resolution, to issue the Bonds, and to execute and deliver the Official Statement, the Issuer Documents and this Agreement;

(ii) this Agreement and the Issuer Documents have been duly authorized, executed and delivered by the District and constitute valid, binding and enforceable obligations of the District, except to the extent that enforceability of the rights and remedies set forth therein may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally, and subject, as to enforceability, to general principles of equity, and no other authorization is required;

(iii) the Resolution has been duly and lawfully adopted by the District Board, has not been amended, modified or repealed since the date of its adoption without the written consent of the Underwriter and is in full force and effect;

(iv) the Bonds have been duly authorized, executed and delivered by the District and are valid, binding and enforceable obligations of the District, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity and are entitled to the benefits of the Resolution and the Constitution and laws of the Commonwealth of Pennsylvania; and

(v) the Official Statement has been duly authorized, executed and delivered by the District;

(vi) nothing has come to the attention of such counsel that would lead such counsel to believe that the information contained in the Official Statement contains an untrue statement of a material fact or that the information, taken collectively, 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, and, in furtherance of this purpose, as appropriate, representatives of the School

District and the Purchaser will review the Official Statement prior to Settlement; it being understood that in rendering such opinion, such counsel is not required to express an opinion with respect to matters related to the financial condition of the District or any financial data concerning the District, or the financial statements or other statistical or financial data included in the Official Statement, or with respect to any statement or omission made in the Official Statement, or in any amendment thereof or supplement thereto, in reliance upon the conformity with written information furnished to the District by or on behalf of Underwriter specially for inclusion therein;

(vii) there is no 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 best knowledge of the such counsel, threatened against the District (i) to restrain or enjoin the issuance or delivery of any of the Bonds or the levy or collection of taxes to pay the Bonds, (ii) in any way to contest or affect any authority for the issuance of the Bonds or the validity, due authorization, execution or delivery of the Bonds, the Resolution, the Issuer Documents or this Agreement, (iii) in any way to contest the existence or powers of the District, (iv) to restrain or enjoin the levy or collection by the District of taxes necessary to pay the Bonds when due, (v) to result in any material adverse change in the business or the financial condition of the District or (vi) to assert that the Official Statement contains any untrue statement of a material fact or omits any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(viii) on the basis of the statements, representations, warranties, covenants and agreements made by the District, contained in the Resolution, the Issuer Documents, this Agreement, the Bonds or any other documents furnished pursuant to this Agreement, the District is not, to the best knowledge of such counsel, in material breach of or material default under any applicable constitutional provision, law or administrative regulation of the Commonwealth of Pennsylvania or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, material resolution, material agreement or other material instrument to which any of them is a party or to which it or any of its property or assets it otherwise subject and which would materially adversely affect the legal ability of the District to perform its obligations under this Agreement, the Issuer Documents, the Bonds or the Resolution, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; the execution and delivery of the Bonds, the Issuer Documents and this Agreement and the adoption of the Resolution, and compliance with the provisions contained therein and herein, to the best knowledge of such counsel, will not conflict with or constitute a material breach of or material default under constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, Resolution, agreement or other instrument to which the District is a party or to which the District or 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 material lien, charge or other security interest or

encumbrance of any nature whatsoever on any of the property or assets of the District or under the terms of any such law, regulation or instrument, except as expressly provided by the Bonds and the Resolution; and

(ix) the members of the District School Board have been duly elected and are serving in full compliance with the laws of the Commonwealth of Pennsylvania;

(6) A certificate of the District, dated the date of Closing, to the effect that the representations, warranties, covenants and agreements of the District 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, and that the District has performed all obligations to be performed hereunder as of the date of Closing;

(7) A certificate of the District, dated the date of Closing, to the effect that the Resolution and any other Resolution of the District Board relating to the issuance of the Bonds or authorizing, as applicable, the execution and delivery of the Official Statement, the Issuer Documents, this Agreement and the Bonds have not been modified, amended or repealed without the written consent of the Underwriter;

(8) A certificate of the District, dated the date of Closing, approved by Bond Counsel, (i) setting forth the facts, estimates and circumstances in existence on the date of Closing which establishes 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 the Code and any Regulations, Temporary Treasury Regulations and Proposed Treasury Regulations issued pursuant to the Code, and (ii) certifying that to the best of the knowledge and belief of the signing officer, there are no other facts, estimates or circumstances that would materially change the conclusions, representations and expectations contained in such certificate;

(9) A Series A of 2012 Bond specimen;

(10) Evidence that Standard & Poor's has issued an insured rating for the Bonds which is not lower than "AA-" and an underlying rating of "A+/Stable";

(11) An executed copy of the Letter of Representations between the District and The Depository Trust Company or a copy of the District's Blanket Letter of Representations on file with The Depository Trust Company;

(12) A copy of the proceedings filed by the District with the Pennsylvania Department of Community and Economic Development (the "Department") for the incurring of nonelectoral debt under the Pennsylvania Local Government Unit Debt Act, together with the Department's Certificate of Approval for the incurring of such debt;

(13) Certified copies of the Municipal Bond Insurance Policy (the "Policy") issued by Assured Guaranty Municipal Corp., (the "Bond Insurer") in standard form, accompanied by an opinion of counsel to the Bond Insurer substantially to the effect that: (a) the Bond Insurer is duly organized and validly existing under the laws of its state of incorporation and is qualified to do business in the Commonwealth of Pennsylvania and (b) the Policy has been duly and validly issued by the Bond Insurer

and constitutes the legal, valid and binding obligations of the Bond Insurer enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium and other similar laws affecting creditors' rights generally and by general principles of equity; and

(14) Such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the District's representations, warranties, covenants and agreements contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the District on or prior to the date of the Closing of all the agreements then to be performed and conditions then to be satisfied by it.

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

9. If the District is unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept the 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 is terminated for any reason permitted by this Agreement, this Agreement will terminate and neither the Underwriter nor the District will be under any further obligation hereunder, except that the respective obligation of the District to pay expenses, as set forth in Section 10 hereof, will continue in full force and effect. If the Underwriter cancels its obligations to purchase the Bonds pursuant to Section 8 hereunder, the Underwriter will pay all expenses incurred by the Underwriter and the District as of the date of such cancellation, including, but not limited to, the cost of preparation, printing and delivery of the Preliminary Official Statement and the Official Statement.

10. The District will pay all costs of issuance of the Bonds including, but not limited to (i) the cost of preparation, printing and delivery of the Preliminary Official Statement and the Official Statement, together with the number of copies the Underwriter deem reasonable; (ii) the cost of preparation and printing of the Bonds; (iii) the fees and disbursements of Bond Counsel and Solicitor; (iv) the fees and disbursements of any accountants, consultants, financial advisors or additional legal counsel retained in connection with the issuance of the Bonds; (v) fees for Bond ratings; (vi) the fees for Bond insurance; (vii) the initial fees and disbursements of the registrar and paying agent for the Bonds; (viii) all advertising expenses in connection with the public offering of the Bonds; (ix) the costs of filing fees required by any of the Blue Sky laws; (x) CUSIP Service Bureau charges; and (xi) all out-of-pocket and computer costs associated with the issuance of the Bonds.

11. Any notice or other communication to be given to the District under this Agreement may be given by delivering the same in writing to the address shown on the first page of this Agreement and any notice or other communication to be given to the Underwriter under this Agreement may be given by delivering the same in writing to: Boenning & Scattergood Inc. 2025 Greentree Road, Suite 200, Pittsburgh, Pennsylvania 15220, Attention: Joseph Muscatello.

12. (a) The District agrees to indemnify and hold harmless the Underwriter, the directors, officers, employees and agents of Underwriter and each person who controls the Underwriter within the meaning of either the Securities Act of 1933, as amended (the "Securities Act") or the Securities Exchange Act of 1934, as amended (the "Exchange Act") against any and all

losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act, the Exchange Act or other Federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Preliminary Official Statement, the Final Official Statement (or in any supplement or amendment thereto), or arise out of or are based upon the omission or alleged omission to state therein 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, and agrees to reimburse each such indemnified party, as incurred, for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the District will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made in the Preliminary Official Statement or the Final Official Statement, or in any amendment thereof or supplement thereto, in reliance upon and in conformity with written information furnished to the District by or on behalf of Underwriter specifically for inclusion therein. This indemnity agreement will be in addition to any liability which the District may otherwise have.

(b) Underwriter agrees to indemnify and hold harmless the District, each of its officials, directors, officers, agents and employees, and each person who controls the District within the meaning of either the Securities Act or the Exchange Act, to the same extent as the foregoing indemnity from the District to the Underwriter, but only with reference to written information furnished to the District by or on behalf of the Underwriter specifically for inclusion in the Preliminary Official Statement or the Final Official Statement (or in any amendment or supplement thereto). This indemnity agreement will be in addition to any liability which the Underwriter may otherwise have.

(c) Promptly after receipt by an indemnified party under this Section 12 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 12, notify the indemnifying party in writing of the commencement thereof; but the failure so to notify the indemnifying party (i) will not relieve it from liability under paragraph (a) or (b) above unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the indemnifying party of substantial rights and defenses; and (ii) will not, in any event, relieve the indemnifying party from any obligations to any indemnified party other than the indemnification obligation provided in paragraph (a) or (b) above. The indemnifying party shall be entitled to appoint counsel of the indemnifying party's choice at the indemnifying party's expense to represent the indemnified party in any action for which indemnification is sought (in which case the indemnifying party shall not thereafter be responsible for the fees and expenses of any separate counsel retained by the indemnified party or parties except as set forth below); provided, however, that such counsel shall be satisfactory to the indemnified party. Notwithstanding the indemnifying party's election to appoint counsel to represent the indemnified party in an action, the indemnified party shall have the right to employ separate counsel (including local counsel), and the indemnifying party shall bear the reasonable fees, costs and expenses of such separate counsel if (i) the use of counsel chosen by the indemnifying party to

represent the indemnified party would present such counsel with a conflict of interest; (ii) the actual or potential defendants in, or targets of, any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party; (iii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of the institution of such action; or (iv) the indemnifying party shall authorize the indemnified party to employ separate counsel at the expense of the indemnifying party. An indemnifying party will not, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit or proceeding.

(d) In the event that the indemnity provided in paragraph (a) or (b) of this Section 12 is unavailable to or insufficient to hold harmless an indemnified party for any reason, the District and the Underwriter agrees to contribute to the aggregate losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with investigating or defending same) (collectively "Losses") to which the District and the Underwriter may be subject. The District and the Underwriter shall contribute in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the District on the one hand and of the Underwriter on the other in connection with the statements or omissions which resulted in such Losses, as well as any other relevant equitable considerations. Benefits received by the District shall be deemed to be equal to the total net proceeds from the offering (before deducting expenses) received by it, and benefits received by the Underwriter shall be deemed to be equal to the total purchase discounts and commissions in each case set forth in the Official Statement. Relative fault shall be determined by reference to, among other things, whether any untrue or any alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information provided by the District on the one hand or the Underwriter on the other, the intent of the parties and their relative knowledge, information and opportunity to correct or prevent such untrue statement or omission. The District and the Underwriter agree that it would not be just and equitable if contribution were determined by pro rata allocation or any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this paragraph (d), no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 12, each person who controls the Underwriter within the meaning of either the Securities Act or the Exchange Act and each director, officer, employee and agent of the Underwriter shall have the same rights to contribution as the Underwriter, and each person who controls the District within the meaning of either the Securities Act or the Exchange Act and each official, director, officer, agent and employee of the District shall have the same rights to contribution as the District, subject in each case to the applicable terms and conditions of this paragraph (d).

13. This Agreement is made solely for the benefit of the District and the Underwriter and no other person will acquire or have any right hereunder or by virtue hereof. All of the District's representations, warranties, covenants and agreements contained in this Agreement will 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.

14. This Agreement will become effective upon its acceptance by the District, as evidenced by the execution hereof by the appropriate officials of the District, and will be valid and enforceable at the time of such acceptance.

Boenning & Scattergood Inc.

By: _____
Joseph Muscatello
Managing Director

Accepted: September 25, 2012

Plum Borough School District
Allegheny County, Pennsylvania

By: _____
President
Board of School Directors

[SEAL]

Attest:

Name: _____
Secretary

\$7,500,000
PLUM BOROUGH SCHOOL DISTRICT
 Allegheny County, Pennsylvania
 General Obligation Bonds, Series A of 2012

Summary

Dated	September 25, 2012
First Interest Payment Date	March 15, 2013
Interest Payable	March 15 and September 15
Expected Settlement Date	September 25, 2012
First Call Date (Par)	March 15, 2018

Sources	Total
Bond Principal	\$7,500,000.00
Original Issue Discount	(157,194.25)
Total	\$7,342,805.75

Uses	
Construction Fund Deposit	\$6,589,049.09
Capitalized Interest Account	595,985.97
Insurance Premium	52,670.69
Underwriter's Discount	56,250.00
Cost of Issuance	48,850.00
Total	\$7,342,805.75

EXHIBIT A

MATURITY SCHEDULE

<u>Year</u>	<u>Principal Amount</u>	<u>Coupon</u>	<u>Yield</u>	<u>Price</u>
9/15/2015	\$5,000	1.000%	1.000%	100.000
9/15/2016	\$5,000	1.000%	1.150%	99.430
9/15/2017	\$5,000	1.250%	1.400%	99.293
9/15/2018	\$5,000	1.500%	1.650%	99.160
9/15/2019	\$5,000	1.750%	1.950%	98.715
9/15/2020	\$5,000	2.000%	2.200%	98.557
9/15/2021	\$5,000	2.250%	2.400%	98.804
9/15/2022	\$5,000	2.400%	2.550%	98.694
9/15/2035	\$5,220,000	3.350%	3.480%	97.957
9/15/2036	\$770,000	3.400%	3.550%	97.595

\$1,470,000 3.250% Term Bond due September 15, 2034 at 97.846 to yield 3.390%

Optional Redemption

The Bonds stated to mature on or after September 15, 2018 are subject to redemption prior to maturity at the option of the District, in whole or in part on any date on and after March 15, 2018, upon not less than 30 days notice, to be given in the manner required by the Resolution, at 100% of principal, together with accrued interest to the redemption date.

Mandatory Redemption

The Bonds maturing on September 15, 2034 are subject to mandatory redemption by the School District in part, by lot, at a redemption price of 100% of the principal amount thereof plus accrued interest to the date fixed for redemption, on September 15 in the years and in amounts set forth below:

Bonds Maturing September 15

<u>2034 Redemption Date</u>	<u>Principal Amount to be Redeemed</u>
2023	\$5,000
2024	\$5,000
2025	\$5,000
2026	\$5,000
2027	\$5,000
2028	\$5,000
2029	\$5,000
2030	\$5,000
2031	\$5,000
2032	\$5,000
2033	\$5,000
2034*	\$1,415,000

*Stated Maturity