

REGISTERED
NO. R-1

AMOUNT
\$ 13,534,075.80

STATE OF OHIO
COUNTY OF PICKAWAY
VILLAGE OF ASHVILLE

WASTEWATER SYSTEM SUBORDINATED REVENUE BOND, SERIES [SERIES]

The Village of Ashville (the "Issuer"), for value received, promises to pay to the State of Ohio (the "State") acting by and through the Ohio Water Development Authority (the "OWDA") and the Director of Environmental Protection of the State of Ohio (the "Director"), but solely from the sources and in the manner set forth in the Trust Agreement, dated as of February 25, 2016 (together with the Term Sheet incorporated therein, the "Agreement," which is attached hereto as Exhibit A and is incorporated herein in its entirety), among the Issuer, the OWDA and the Director, the principal amount (referred to in the Trust Agreement as the "Project Participation Principal Amount") of \$ 13,534,075.80 at the times and in the amounts specified in the Agreement, with interest on the outstanding principal amount payable at the rate or rates and on the dates specified in the Agreement and constituting a portion of the payments referred to in the Agreement as the "Semi-Annual Payments") until the principal amount is paid or provided for. The principal amount is subject to reduction under the Agreement's provisions for adjustment of Semi-Annual Payments, with consequent potential adjustment in the amounts of principal and interest payable on any payment date. Principal and interest are payable when due by check or draft mailed or wire transferred to or for the account of the State in accordance with the Agreement.

This Bond is issued for the purpose of paying a portion of the cost of acquisition, construction or equipping of facilities for or improvements to the Issuer's wastewater system described on the Term Sheet in the Agreement (the "Project"), under authority of, pursuant to and in full compliance with Section 133.08 of the Revised Code, and an ordinance or resolution duly passed by the legislative authority of the Issuer.

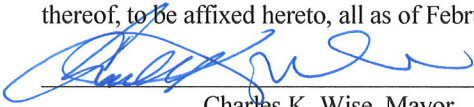
THIS BOND DOES NOT CONSTITUTE A GENERAL OBLIGATION OF THE ISSUER, AND THE GENERAL CREDIT AND TAXING POWER OF THE ISSUER ARE NOT PLEDGED, AND ITS GENERAL AND ORDINARY FUNDS ARE NOT OBLIGATED TO BE USED, FOR THE PAYMENT OF ALL OR ANY PART THEREOF OR THE INTEREST THEREON; AND THE STATE DOES NOT HAVE AND SHALL NOT HAVE ANY RIGHT TO HAVE ANY EXCISES OR TAXES LEVIED BY THE TAXING AUTHORITY OF ANY POLITICAL SUBDIVISION, INCLUDING THE ISSUER, FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND.

This Bond is payable as to principal and interest solely from the revenues defined in the Agreement as the "Pledged Revenues" and is secured by the pledge of the Pledged Revenues under the Agreement on the subordinated basis set forth therein. Among other things, the Issuer, acting through its legislative authority, has covenanted in the Agreement that it will fix and revise the rates and charges for the products, services and facilities of the System (as defined therein) and collect and account for income and revenue therefrom to comply with the Agreement's requirements. Reference is hereby made to the Agreement for a more complete description of the nature and extent of the security for this Bond, the rights of the State and of the Issuer with respect to such security, and the terms and conditions upon which this Bond is, and is to be, issued and secured. To the extent and in the manner permitted by the terms of the Agreement, any covenant, condition or provision of the Agreement or any supplement thereto may be modified or amended, without necessity for notation hereon of reference thereto, by the Issuer by ordinance or resolution of its legislative authority and with the written consent of the State, documented as specified in the Agreement.

If an Event of Default, as defined in the Agreement, shall occur the State shall be entitled to institute any suit, action or proceeding at law or in equity to enforce any rights or remedies granted by the Agreement.

It is certified and recited that there have been performed and have happened in regular and due form, as required by law, all acts and conditions necessary to be done or performed by the Issuer or to have happened precedent to and in the issuing of this Bond in order to make it the legal, valid and binding special obligation of the Issuer; that payment in full for this Bond has been received in the form of the State's execution and delivery of the Agreement and incurrence of its obligations thereunder; and that this Bond does not exceed or violate any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed by the Mayor of Ashville and the Village Administrator of Ashville of the Issuer, in the name and on behalf of the Issuer, and for the seal of the Issuer, or a facsimile thereof, to be affixed hereto, all as of February 25, 2016.



Charles K. Wise, Mayor



Franklin Christman, Village Administrator

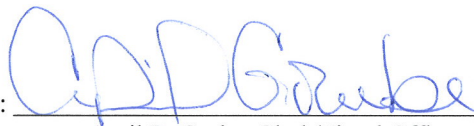


the Issuer]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the Agreement referred to therein.

Date of Registration and Authentication: February 25, 2016

By: 

April D. Grube, Clerk/Fiscal Officer

Registrable and Payable at:
The Office of the Clerk/Fiscal Officer
Village of Ashville