SIGNATURE, NO LITIGATION AND DELIVERY CERTIFICATE

We, the undersigned, acting as officers of the municipal corporation of the State of New Jersey, known as the Borough of Wallington, located in the County of Bergen, DO HEREBY SEVERALLY CERTIFY, as follows:

1. Subsequent to March 6, 2024, and on or prior to the date of this certificate we have signed each of the following obligations of said municipal corporation, viz.: $72,000 Special Emergency Note, dated March 18, 2024, payable March 17, 2025, bearing interest from its date at the rate of 4.00% per annum, payable at maturity, numbered 24-1RSEN (the "Current Renewal Note"), issued pursuant to a resolution adopted by the Borough Council of the Borough on December 2, 2021 (Res. No. 2021-183) to finance Tropical Storm Ida related expenses in, by and for the Borough.

No notes have been issued pursuant to such resolution other than a $180,000 special emergency note first issued December 23, 2021, and last renewed by a $108,000 special emergency note dated August 18, 2023, payable March 18, 2024 (the "Outstanding Renewal Note"). The Outstanding Renewal Note has been surrendered, canceled and paid from the proceeds of the Current Renewal Note; the sum of $36,000 having been paid against principal from moneys other than the proceeds of obligations. Interest accrued on the Outstanding Renewal Note through March 18, 2024 was paid to the holder thereof.

Attached hereto is a specimen of the form of Current Renewal Note.

2. The undersigned Chief Financial Officer does hereby certify that at the time said obligations were delivered to Spencer Savings Bank, SLA, Elmwood Park, New Jersey, the purchaser to whom said obligations were duly sold, I received on behalf of the Borough the sum of $72,000 constituting the purchase price and accrued interest, if any, from the date of the obligations to the date of delivery.

3. At the time we signed said obligations we were, and we now are, the duly chosen, qualified and acting officers of said municipal corporation, as indicated below. The seal affixed to or impressed upon this certificate is the corporate seal which has been heretofore adopted for and is now in use by said municipal corporation and said seal has been affixed to or impressed upon each of said obligations.

4. Neither the proceedings authorizing said obligations, hereinbefore described, nor the authority to execute and issue said obligations on behalf of said municipal corporation heretofore granted to the undersigned by said proceedings, have been revoked or rescinded or repealed or modified or amended in any respect.

5. No litigation is now pending or threatened to restrain or enjoin the issuance or delivery of said obligations or in any manner questioning the authority of said municipal corporation to issue or the issuance or validity of said obligations or the constitutionality of any statute or the validity of any proceedings authorizing said obligations, or the levy or collection of taxes to pay said obligations. Neither the corporate existence or boundaries of said municipal corporation, nor the title of any of said officers to their respective offices, is being contested.

IN WITNESS WHEREOF, we have hereunto set our hands and the seal hereinbefore described, this 18th day of March, 2024.

Office	Signature
Mayor	____________________
Chief Financial Officer	____________________
Acting Borough Clerk	HBelli

[SEAL]

I HEREBY CERTIFY that I know the persons whose signatures appear above and am familiar with their signatures, and that I have examined their signatures on this certificate and that such signatures are genuine and that said persons hold the offices of said municipal corporation described in said certificate as stated in said certificate.

____________________ Signature

____________________ Title

____________________ Bank

Rogut McCarthy LLC
Cranford, New Jersey

ATTORNEY'S CERTIFICATE

To enable Rogut McCarthy LLC, of Cranford, New Jersey, to examine into and pass upon the validity of the obligations hereinafter referred to, I HEREBY CERTIFY to them as follows:

1. The Borough of Wallington, located in the County of Bergen, a municipal corporation of the State of New Jersey, proposes to issue the following obligations of such municipal corporation, viz.: $72,000 Special Emergency Note, dated March 18, 2024, payable March 17, 2025, numbered 24-1RSEN, bearing interest from its date at the rate of 4.00% per annum, payable at maturity, and issued pursuant to a resolution adopted by the Borough Council of the Borough on December 2, 2021 (Res. No. 2021-183) to finance Tropical Storm Ida related expenses in, by and for the Borough.

2. I have made reasonable inquiry and I am satisfied that no litigation is now pending or threatened either (1) to restrain or enjoin the issuance or delivery of such obligations or (2) to question in any manner the authority of such municipal corporation to issue, or the issuance or validity of any proceedings authorizing, such obligations or the levy or collection of taxes to pay such obligations; and that neither the corporate existence or the boundaries of such municipal corporation nor the title of any of the officers of such municipal corporation to their respective offices is being contested.

Dated: March 18, 2024.

____
Borough Attorney
Borough of Wallington
County of Bergen
State of New Jersey

TAX CERTIFICATE

I, DAVID A. SIRECI, Chief Financial Officer of the Borough of Wallington, County of Bergen, New Jersey (the "Issuer"), HEREBY CERTIFY and reasonably expect with respect to the issuance of the $72,000 Special Emergency Note (the "Note") of the Issuer, dated March 18, 2024, and issued on the date hereof, as follows:

I. GENERAL

1.1 I am an officer of the Issuer charged with the responsibility for the execution, delivery and issuance of the Note, and I am acting for and on behalf of the Issuer in signing this certificate.

1.2 This certificate is made for the purpose of establishing the reasonable expectations of the Issuer as to the amount and use of proceeds of the Note. It is intended and may be relied upon for purposes of Sections 103 and 148 of the Internal Revenue Code of 1986, as amended (the "Code"), as a certification described in Section 1.148-2(b)(2) of the Treasury Regulations promulgated thereunder. This certificate is executed and delivered as part of the record of proceedings in connection with the issuance of the Note. The provisions of this certificate constitute a contractual obligation of the Issuer in consideration for the purchase of and payment for the Note by the purchaser thereof.

1.3 This certificate sets forth the facts, estimates and circumstances now in existence that form the basis for the Issuer's expectation and intention that the proceeds of the Note will not be used in a manner that would cause the Note to be arbitrage bonds under Section 148 of the Code or private activity bonds under Section 141 of the Code. To the best of my knowledge and belief, such expectation is reasonable and there are no other facts, estimates or circumstances that would materially change that expectation.

1.4 No other governmental obligations have been or are being sold within 15 days of the sale date of the Note pursuant to the same plan of financing and that will be paid from substantially the same source of funds as the Note.

1.5 The Issuer hereby covenants, to the extent permitted by the Constitution and the laws of the State of New Jersey, to do and perform all acts and things permitted by law and necessary to assure that interest paid on the Note be and remain excluded from gross income of the owners thereof for Federal income tax purposes pursuant to Section 103 of the Code.

II. AUTHORIZATION AND PURPOSE OF ISSUE

2.1 The Note is authorized by and is being issued pursuant to a resolution adopted by the Borough Council of the Issuer on December 2, 2021 (Res. No. 2021-183) (the "Proceedings") to refund outstanding special emergency notes previously issued to finance Tropical Storm Ida related expenses in, by and for the Issuer (the "Purpose") as described in the Proceedings. The Purpose constitutes "an extraordinary, nonrecurring item not customarily payable from current revenues" within the meaning of Treasury Regulation Section 1.148-6(d)(3)(ii)(B).

III. USE OF PROCEEDS

3.1 No proceeds of the Note will be used, directly or indirectly, to make loans to any other person or entity. No proceeds of the Note are to be used with respect to any output facility (other than a facility for the furnishing of water). No proceeds of the Note are to be used, directly or indirectly, for the acquisition of a non-governmental output facility.

3.2 The Issuer shall file or cause to be filed the requisite Form 8038-GC on or before the 15th day of the second month after the calendar quarter in which the Note is issued.

IV. SOURCE AND DISTRIBUTION OF FUNDS

4.1 The total proceeds of the sale of all special emergency notes issued to date do not exceed the amount necessary for the Purpose. Special emergency notes in the aggregate principal amount of $180,000 have been heretofore issued for the Purpose. No portion of the proceeds of the Note is replacing funds that were expected to be used for the Purpose and that will be used to acquire investments with a yield in excess of the yield on the Note.

4.2 The amount of proceeds received by the Issuer from the sale of the Note, exclusive of accrued interest, is the principal amount of $72,000. Proceeds of the sale of the Note in the amount of $72,000 will be used to retire on March 18, 2024, its maturity date, a like portion of an outstanding special emergency note issued on August 18, 2023 to finance (or notes issued in a series of refundings of notes used to finance) (the first such issuance of notes being referred to as the "Original Issue") the costs of the Projects (the "Prior Issue"), all as more particularly described in the Proceedings.

V. TEMPORARY PERIODS AND YIELD RESTRICTION

5.1 All of the proceeds of the Note to be used to redeem the Prior Issue will be expended to pay principal on the Prior Issue on its maturity date of March 18, 2024, such date being within 90 days of the date hereof. Pending such expenditure, such proceeds may be invested without restrictions as to yield. No proceeds will be received from the sale of the Note.

5.2 On the date the Prior Issue will be paid, any proceeds from the sale of the Prior Issue that remain unexpended will become transferred proceeds of the Note on such date. Such proceeds may continue to be invested without restriction as to yield for three years from the date of issue of the Original Issue.

5.3 In the event any yield restriction is required, the Issuer shall seek the advice of bond counsel regarding the calculation of yield on the Note and the method of complying with such obligation to yield restrict.

5.4 No investment will be acquired for an amount in excess of its Fair Market Value. No investment will be sold or otherwise disposed of for an amount less than its Fair Market Value. For purposes of this paragraph, Fair Market Value is determined as set forth in Exhibit A attached hereto.

5.5 No portion of the proceeds of the Note will be invested, directly or indirectly, in federally insured deposits, accounts or obligations other than investments of a debt service fund, investments for an initial temporary period, investments in obligations issued by the United States Treasury, or investments guaranteed by the Federal Housing Administration, Veterans Administration, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Government National Mortgage Association or Resolution Trust Company. No proceeds of the Note will be invested at a guaranteed yield for a term of 4 years or more.

VI. TERMS OF THE NOTE; CALCULATION OF YIELD

6.1 The dated date, maturity date, denomination and rate of interest of the Note are as shown on the Determination and Award Certificate of the Issuer dated the date hereof.

6.2 When used in this certificate, the term "yield" refers to yield computed under the economic accrual method, using a 360-day year and semiannual compounding, and means that discount rate that, when used in computing the present value as of the issue date of all unconditionally payable payments of principal, interest and qualified guarantees on an obligation, produces an amount equal to the present value of the aggregate issue price of the issue as of the issue date. The Issuer has relied upon representations made by Spencer Savings Bank, SLA (the "Purchaser"), the purchaser of the Note, in the Purchaser's Certificate as to Issue Price to be delivered to the Issuer. In its certificate, the Purchaser has certified that it purchased the Note in a private placement for the amount of $72,000, that it is a single buyer, that it is not an underwriter (as that term is defined in Treasury Regulation Section 1.148-1(f)(2)(i)) and that it is not a related party to any underwriter (as the term "related" is defined in Treasury Regulation Section 1.150-1(b)).

VII. DEBT SERVICE

7.1 The Issuer expects to pay debt service on the Note from the proceeds of its notes or bonds or taxes levied by the Issuer.

7.2 Any taxes or other funds used to pay debt service on the Note, whether or not deposited in a debt service fund, will be expended within 13 months of the date of deposit for the payment of debt service, except that any earnings derived from the investment thereof will be expended within 12 months of initial receipt. The debt service fund, if any, will be used to achieve a proper matching of revenues with principal and interest payments within each bond year and will be depleted at least once each bond year except for a reasonable carryover amount, which will not exceed the greater of earnings on such fund for the immediately preceding bond year or one-twelfth of the principal and interest payments on the Note for the immediately preceding bond year. Such amounts may be invested without restriction as to yield.

7.3 Neither the Issuer nor any related parties to the Issuer, nor the State in which the Issuer is located, has created, nor does any such entity intend to create or establish, any fund, other than the debt service fund described herein, that is reasonably expected to be used for the payment of debt service on the Note or that will be pledged to the payment of debt service or otherwise be available even if the Issuer encounters financial difficulty.

VIII. REBATE

8.1 The Issuer is a governmental unit with general taxing powers or a subordinate entity of one or more governmental units with general taxing powers which irrevocably allocated a portion of their respective $5,000,000 limitations to the Issuer in amounts not exceeding the benefits received by each of the units from the issuance of the Note. For purposes of this sentence benefits considered include the manner in which proceeds are to be distributed, debt service is to be paid, the facility financed is to be owned, the use or output of the facility is to be shared and the costs of operation and maintenance are to be shared.

8.2 Ninety-five percent (95%) or more of the net sale proceeds of the Note are to be used for local governmental activities of the Issuer.

8.3 The Issuer reasonably expects that the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued and to be issued by or on behalf of the Issuer and its subordinate entities this calendar year will not exceed $5,000,000. For purposes of this paragraph, no tax-exempt obligation will be taken into account if it is a current refunding issue the stated principal amount of which does not exceed the portion of the outstanding stated principal amount of the refunded obligations paid with proceeds of the refunding obligations.

8.4 The aggregate face amount of the refunding portion of the Note does not exceed $5,000,000. The Prior Issue met the requirements set forth in Sections 8.2, 8.3 and 8.4 hereof.

8.5 Both the Prior Issue and the Original Issue had a weighted average maturity of three years or less.

8.6 The maturity date of the refunding portion of the Note is not later than the date 30 years after the Original Note was issued.

IX. QUALIFIED TAX-EXEMPT OBLIGATION

9.1 The Note is hereby designated as a "qualified tax-exempt obligation" for the purpose of Section 265(b)(3) of the Code.

9.2 It is hereby determined and stated that (1) the Note is not a "private activity bond" as defined in the Code and (2) the Issuer and its subordinate entities, if any, do not reasonably anticipate issuing in excess of $10 million of new money tax-exempt obligations (other than private activity bonds) during the calendar year 2024.

9.3 It is further determined and stated that the Issuer has not, as of the date hereof, issued any tax-exempt obligations (other than the Note) during the calendar year 2024.

9.4 The Issuer will, to the best of its ability, attempt to comply with respect to the limitations on issuance of tax-exempt obligations pursuant to Section 265(b)(3) of the Code; however, said Issuer does not covenant to do so, and hereby expressly states that a covenant is not made hereby.

IN WITNESS WHEREOF, I have hereunto set my hand, this 18th day of March, 2024.

DAVID A. SIRECI
Chief Financial Officer
Borough of Wallington
County of Bergen
State of New Jersey

Exhibit A

FAIR MARKET VALUE

For purposes of the Tax Certificate, "Fair Market Value" of an investment shall have the following meanings:

A. General Rule. Except as stated below, the Fair Market Value of an investment is the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction, determined as of the date that a contract to purchase or sell the investment becomes binding.

B. Investments Not Traded on Established Securities Market. Except as otherwise provided below, an investment not of a type traded on an established securities market is rebuttably presumed to be acquired or disposed of for a price not equal to its Fair Market Value. For this purpose an established securities market includes (i) a national securities exchange which is registered under section 6 of the Securities Exchange Act of 1934, (ii) an exchange which is exempted from registration under section 5 of the Securities Exchange Act of 1934 because of its limited volume of transactions, and (iii) any over-the-counter market which is reflected by an interdealer quotation system, i.e., any system of general circulation to brokers and dealers which regularly disseminates quotations of obligations by identified brokers or dealers (other than a quotation sheet prepared and distributed by a broker or dealer in the regular course of business and containing only quotations of such broker or dealer).

C. United States Treasury Obligations. The Fair Market Value of a United States Treasury Obligation acquired directly from the United States Treasury is its purchase price.

D. Certificates of Deposit. The purchase price of a certificate of deposit will be considered its Fair Market Value if (i) it has a fixed interest rate, a fixed principal payment schedule, a fixed maturity, and a substantial penalty for early withdrawal; (ii) the yield is not less than the yield on reasonably comparable direct obligations of the United States; and (iii) the yield is not less than the highest yield that is published or posted by the provider to be currently available on reasonably comparable certificates of deposit offered to the public.

E. Guaranteed Investment Contracts. The purchase price of an investment contract is considered to be its Fair Market Value only if the following conditions are satisfied:

(i) The issuer makes a bona fide solicitation for a specified guaranteed investment contract and receives at least three bona fide bids from providers that have no material financial interest in the issue (e.g., as underwriters or brokers);

(ii) The issuer purchases the highest-yielding investment contract for which a qualifying bid is made determined net of broker's fees;

(iii) The determination of the terms of the guaranteed investment contract takes into account as a significant factor the issuer's reasonably expected drawdown schedule for the amounts to be invested, exclusive of amounts deposited in debt service funds and reasonably required reserve or replacement funds;

(iv) The terms of the guaranteed investment contract, including collateral security requirements are reasonable;

(v) The obligor on the guaranteed investment contract certifies the administrative costs, that it is paying or expects to pay to third parties in connection with the guaranteed investment contract.

(vi) The yield on the guaranteed investment contract is not less than the yield then available from the provider on reasonably comparable guaranteed investment contracts, if any, offered to other persons from a source of funds other than gross proceeds of an issue of tax-exempt bonds.

F. Administrative Costs. Except as otherwise provided below, an allocation to a payment or a receipt on an investment is not adjusted to take into account any costs or expenses paid directly or indirectly, to purchase carry, sell or retire the investment, i.e., these costs generally do not increase the payments for, or reduce receipts from, investments. Qualified administrative costs are, however, taken into account as an increase in the payment for or decrease in the receipts for the investments. "Qualified Administrative Costs" are reasonable direct administrative costs, other than carrying costs, such as separately stated brokerage or selling commissions, but not legal and accounting fees, recordkeeping, custody and similar costs. General overhead costs and similar indirect costs of the issuer such as employee salaries, office expenses and costs associated with computing the rebate amount are not qualified administrative costs. Administrative costs are not reasonable unless they are comparable to administrative costs that would be charged for the same investment or a reasonably comparable investment if acquired with a source of funds other than gross proceeds of tax-exempt bonds. In the case of publicly offered regulated investment companies and certain external commingled funds in which the issuer and its related persons do not own more than 10% of the beneficial interest in the fund, Qualified Administrative Costs include all reasonable administrative costs without regard to the limitation on indirect costs described above. In the case of a Guaranteed Investment Contract, a broker's commission paid on behalf of either an issuer or a provider is a Qualified Administrative Cost only to the extent that the present value of the commission does not exceed the lesser of (i) a reasonable amount comparable to fees charged in connection with investments not acquired with tax-exempt bond proceeds or (ii) the present value of annual payments equal to .05 percent of the weighted average amount reasonably expected to be invested each year of the term of the contract. For this purpose, present value is determined using the taxable discount rate used by the parties to compute the commission or if not readily ascertainable, the yield to the Issuer on the investment contract or other reasonable taxable discount rate.

DETERMINATION AND AWARD CERTIFICATE

($72,000 SPECIAL EMERGENCY NOTE)

BOROUGH OF WALLINGTON, COUNTY OF BERGEN, NEW JERSEY

I, DAVID A. SIRECI, Chief Financial Officer of the Borough of Wallington, in the County of Bergen, New Jersey (herein called "Issuer"), HEREBY CERTIFY as follows:

1. By virtue of the authority conferred upon me by a resolution adopted by the Borough Council of the Borough on December 2, 2021 (Res. No. 2021-183) to finance Tropical Storm Ida related expenses in, by and for the Issuer, I have determined to issue a Special Emergency Note (herein called the "Note") of the Issuer in accordance with the following description:

TOTAL PRINCIPAL AMOUNT: $72,000

DATED: March 18, 2024

MATURITY: March 17, 2025 (non-callable)

NUMBER	DENOMINATION
24-1RSEN	$72,000

INTEREST RATE PER ANNUM (payable at maturity): 4.00%

PLACE OF PAYMENT: Spencer Savings Bank, SLA
611 River Drive
Elmwood Park, New Jersey

2. Pursuant to said authority, I have awarded and will sell the Note to Spencer Savings Bank, SLA, at the price of $72,000 plus an amount equal to the interest on the Note accrued to the date of payment of the purchase price thereof.

3. No obligations of the Issuer other than the Note have been issued pursuant to the resolution referenced above and are now outstanding.

IN WITNESS WHEREOF, I have hereunto set my hand this 18th day of March, 2024.

DAVID A. SIRECI
Chief Financial Officer
Borough of Wallington
County of Bergen
State of New Jersey

UNITED STATES OF AMERICA
STATE OF NEW JERSEY
COUNTY OF BERGEN
BOROUGH OF WALLINGTON

SPECIAL EMERGENCY NOTE

No. 24-1RSEN $72,000

The BOROUGH OF WALLINGTON (hereinafter referred to as the "Borough"), a municipal corporation of the State of New Jersey, located in the County of Bergen, for value received, hereby acknowledges itself indebted and promises to pay to the bearer of this note, or if this note be registered to the registered holder hereof, the sum of

SEVENTY-TWO THOUSAND--DOLLARS

on March 17, 2025, with interest thereon from the date hereof at the rate of 4.00% per annum, payable at maturity. Both principal of and interest on this note are payable at the office of Spencer Savings Bank, SLA, Elmwood Park, New Jersey, in any coin or currency of the United States of America that at the time of payment is legal tender for the payment of public and private debts.

This note is transferable by delivery, except if registered otherwise than to bearer. At the request of the holder, this note may be registered in his name on the books of the Chief Financial Officer of the Borough and such registration noted hereon, after which no valid transfer hereof shall be made except on said books until after registered transfer to bearer.

This note is issued pursuant to the Local Budget Law (Chapter 4 of Title 40A of the New Jersey Statutes, as amended) and pursuant to a resolution adopted by the Borough Council of the Borough on December 2, 2021 (Res. No. 2021-183) to finance Tropical Storm Ida related expenses in, by and for the Borough.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or laws of the State of New Jersey to exist, be performed or happen precedent to or in the

Form **8038-GC**
(Rev. October 2021)
Department of the Treasury
Internal Revenue Service

Information Return for Small Tax-Exempt Governmental Bond Issues, Leases, and Installment Sales

▶ Under Internal Revenue Code section 149(e)

Caution: *If the issue price of the issue is $100,000 or more, use Form 8038-G.*

▶ Go to *www.irs.gov/Form8038GC* for instructions and the latest information.

OMB No. 1545-0047

Part I Reporting Authority Check box if **Amended Return** ▶ ☐

1 Issuer's name Borough of Wallington	2 Issuer's employer identification number (EIN) 22-6002365
3 Number and street (or P.O. box if mail isn't delivered to street address) Civic Center, 24 Union Boulevard	Room/suite
4 City, town, or post office, state, and ZIP code Wallington, New Jersey 07057	5 Report number *(For IRS Use Only)*
6 Name and title of officer or other employee of issuer or designated contact person whom the IRS may call for more information Steven L. Rogut, Esq.	7 Telephone number of officer or legal representative (908) 931-1150

Part II Description of Obligations Check one box: ☐ Single issue ☐ Consolidated return

8a	Issue price of obligation(s) (see instructions)	8a	72,000.00
b	Issue date (single issue) **or** calendar date (consolidated). Enter date in MM/DD/YYYY format (for example, 01/01/2009) (see instructions) ▶ 03/18/2024		
9	Amount of the reported obligation(s) on line 8a that is:		
a	For leases for vehicles	9a	
b	For leases for office equipment	9b	
c	For leases for real property	9c	
d	For leases for other (see instructions)	9d	
e	For bank loans for vehicles	9e	
f	For bank loans for office equipment	9f	
g	For bank loans for real property	9g	
h	For bank loans for other (see instructions)	9h	
i	Used to refund prior issue(s)	9i	
j	Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank)	9j	
k	Other	9k	72,000.00

10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box ▶ ☑

11 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box (see instructions) ▶ ☐

12 Vendor's or bank's name:

13 Vendor's or bank's employer identification number:

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.

Signature of issuer's authorized representative	Date	Type or print name and title
	3/18/24	David A. Sireci, CFO

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Steven L. Rogut, Esq.		3/18/24		P01212217
Firm's name ▶ Rogut McCarthy LLC			Firm's EIN ▶	26-1546993
Firm's address ▶ 37 Alden Street, Cranford, NJ 07016			Phone no.	(908) 931-1150

Future Developments

For the latest information about developments related to Form 8038-GC and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/Form8038GC*.

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

Who Must File

Issuers of tax-exempt governmental obligations with issue prices of less than $100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of $100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Bonds.

Filing a separate return for a single issue. Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than $100,000.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to pay a penalty in lieu of arbitrage rebate. See the instructions for line 11, later.

Filing a consolidated return for multiple issues. For all tax-exempt governmental obligations with issue prices of less than $100,000 that aren't reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, if the issue is a construction issue, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.

When To File

To file a separate return for a single issue, file Form 8038-GC on or before the 15th day of the 2nd calendar month after the close of the calendar quarter in which the issue is issued.

To file a consolidated return for multiple issues, file Form 8038-GC on or before February 15 of the calendar year following the year in which the issue is issued.

Late filing. An issuer may be granted an extension of time to file Form 8038-GC under section 3 of Rev. Proc. 2002-48, 2002-37 I.R.B. 531, if it is determined that the failure to file on time isn't due to willful neglect. Write at the top of the form, "Request for Relief under section 3 of Rev. Proc. 2002-48." Attach to the Form 8038-GC a letter briefly stating why the form wasn't submitted to the IRS on time. Also, indicate whether the obligation in question is under examination by the IRS. Don't submit copies of any bond documents, leases, or installment sale documents. See *Where To File* next.

Where To File

File Form 8038-GC and any attachments at the following address.

Department of the Treasury
Internal Revenue Service Center
Ogden, UT 84201

Private delivery services (PDS). You can use certain PDS designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. These PDS include only the following:

- DHL Express (DHL): DHL Same Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

The PDS can tell you how to get written proof of the mailing date.

Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the federal government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate. For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

For a tax-exempt governmental obligation with an issue price of $100,000 or more, use Form 8038-G.

Rounding to Whole Dollars

You may show the money items on this return as whole-dollar amounts. To do so, drop any amount less than 50 cents and increase any amount from 50 to 99 cents to the next higher dollar. For example, $1.49 becomes $1 and $2.50 becomes $3. If two or more amounts must be added to figure the amount to enter on a line, include cents when adding the amounts and round off only the total.

Definitions

Obligations. This refers to a single tax-exempt governmental obligation if Form 8038-GC is used for separate reporting or to multiple tax-exempt governmental obligations if the form is used for consolidated reporting.

Tax-exempt obligation. This is any obligation including a bond, installment purchase agreement, or financial lease on which the interest is excluded from income under section 103.

Tax-exempt governmental obligation. A tax-exempt obligation that isn't a private activity bond (see below) is a tax-exempt governmental obligation. This includes a bond issued by a qualified volunteer fire department under section 150(e).

Private activity bond. This includes an obligation issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use, and
- More than 10% of the payment of principal or interest of the issue is either (a) secured by an interest in property to be used for a private business use (or payments for such property) or (b) to be derived from payments for property (or borrowed money) used for a private business use.

It also includes a bond, the proceeds of which (a) are to be used to make or finance loans (other than loans described in section 141(c)(2)) to persons other than governmental units and (b) exceeds the lesser of 5% of the proceeds or $5 million.

Issue. Generally, obligations are treated as part of the same issue only if they are issued by the same issuer, on the same date, and as part of a single transaction, or a series of related transactions. However, obligations issued during the same calendar year (a) under a loan agreement under which amounts are to be advanced periodically (a "draw-down loan") or (b) with a term not exceeding 270 days, may be treated as part of the same issue if the obligations are equally and ratably secured under a single indenture or loan agreement and are issued under a common financing arrangement (for example, under the same official statement periodically updated to reflect changing factual circumstances). Also, for obligations issued under a draw-down loan that meets the requirements of the preceding sentence, obligations issued during different calendar years may be treated as part of the same issue if all of the amounts to be advanced under the draw-down loan are reasonably expected to be advanced within 3 years of the date of issue of the first obligation. Likewise, obligations (other than private activity bonds) issued under a single agreement that is in the form of a lease or installment sale may be treated as part of the same issue if all of the property covered by that agreement is reasonably expected to be delivered within 3 years of the date of issue of the first obligation.

Arbitrage rebate. Generally, interest on a state or local bond isn't tax-exempt unless the issuer of the bond rebates to the United States arbitrage profits earned from investing proceeds of the bond in higher yielding nonpurpose investments. See section 148(f).

Construction issue. This is an issue of tax-exempt bonds that meets both of the following conditions:

1. At least 75% of the available construction proceeds of the issue are to be used for construction expenditures with respect to property to be owned by a governmental unit or a 501(c)(3) organization, and

2. All of the bonds that are part of the issue are qualified 501(c)(3) bonds, bonds that aren't private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or a 501(c)(3) organization.

In lieu of rebating any arbitrage that may be owed to the United States, the issuer of a construction issue may make an irrevocable election to pay a penalty. The penalty is equal to 1-1/2% of the amount of construction proceeds that do not meet certain spending requirements. See section 148(f)(4)(C) and the Instructions for Form 8038-T.

Specific Instructions

In general, a Form 8038-GC must be completed on the basis of available information and reasonable expectations as of the date of issue. However, forms that are filed on a consolidated basis may be completed on the basis of information readily available to the issuer at the close of the calendar year to which the form relates, supplemented by estimates made in good faith.

Part I—Reporting Authority

Amended return. An issuer may file an amended return to change or add to the information reported on a previously filed return for the same date of issue. If you are filing to correct errors or change a previously filed return, check the *Amended Return* box in the heading of the form.

The amended return must provide all the information reported on the original return, in addition to the new corrected information. Attach an explanation of the reason for the amended return and write across the top "Amended Return Explanation."

Line 1. The issuer's name is the name of the entity issuing the obligations, not the name of the entity receiving the benefit of the financing. In the case of a lease or installment sale, the issuer is the lessee or purchaser.

Line 2. An issuer that doesn't have an employer identification number (EIN) should apply for one online by visiting the IRS website at *www.irs.gov/EIN*. The organization may also apply for an EIN by faxing or mailing Form SS-4 to the IRS.

Lines 3 and 4. Enter the issuer's address or the address of the designated contact person listed on line 6. If the issuer wishes to use its own address and the issuer receives its mail in care of a third party authorized representative (such as an accountant or attorney), enter on the street address line "C/O" followed by the third party's name and street address or P.O. box. Include the suite, room, or other unit number after the street address. If the post office doesn't deliver mail to the street address and the issuer has a P.O. box, show the box number instead of the street address. If a change in address occurs after the return is filed, use Form 8822, Change of Address, to notify the IRS of the new address.

Note: The address entered on lines 3 and 4 is the address the IRS will use for all written communications regarding the processing of this return, including any notices. By authorizing a person other than an authorized officer or other employee of the issuer to communicate with the IRS and whom the IRS may contact about this return, the issuer authorizes the IRS to communicate directly with the individual listed on line 6, whose address is entered on lines 3 and 4 and consents to disclose the issuer's return information to that individual, as necessary, to process this return.

Line 5. This line is for IRS use only. Don't make any entries in this box.

Part II—Description of Obligations

Check the appropriate box designating this as a return on a single issue basis or a consolidated return basis.

Line 8a. The issue price of obligations is generally determined under Regulations section 1.148-1(b). Thus, when issued for cash, the issue price is the price at which a substantial amount of the obligations are sold to the public. To determine the issue price of an obligation issued for property, see sections 1273 and 1274 and the related regulations.

Line 8b. For a single issue, enter the date of issue (for example, 03/15/2020 for a single issue issued on March 15, 2020), generally the date on which the issuer physically exchanges the bonds that are part of the issue for the underwriter's (or other purchaser's) funds; for a lease or installment sale, enter the date interest starts to accrue. For issues reported on a consolidated basis, enter the first day of the calendar year during which the obligations were issued (for example, for calendar year 2020, enter 01/01/2020).

Lines 9a through 9h. Complete this section if property other than cash is exchanged for the obligation, for example, acquiring a police car, a fire truck, or telephone equipment through a series of monthly payments. (This type of obligation is sometimes referred to as a "municipal lease.") Also, complete this section if real property is directly acquired in exchange for an obligation to make periodic payments of interest and principal.

Don't complete lines 9a through 9d if the proceeds of an obligation are received in the form of cash even if the term "lease" is used in the title of the issue. For lines 9a through 9d, enter the amount on the appropriate line that represents a lease or installment purchase. For line 9d, enter the type of item that is leased. For lines 9e through 9h, enter the amount on the appropriate line that represents a bank loan. For line 9h, enter the type of bank loan.

Lines 9i and 9j. For line 9i, enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any other issue of bonds, including proceeds that will be used to fund an escrow account for this purpose. Several lines may apply to a particular obligation. For example, report on lines 9i and 9j obligations used to refund prior issues which represent loans from the proceeds of another tax-exempt obligation.

Line 9k. Enter on line 9k the amount on line 8a that doesn't represent an obligation described on lines 9a through 9j.

Line 10. Check this box if the issuer has designated any issue as a "small issuer exception" under section 265(b)(3)(B)(i)(III).

Line 11. Check this box if the issue is a construction issue and an irrevocable election to pay a penalty in lieu of arbitrage rebate has been made on or before the date the bonds were issued. The penalty is payable with a Form 8038-T for each 6-month period after the date the bonds are issued. Don't make any payment of penalty in lieu of rebate with Form 8038-GC. See Rev. Proc. 92-22, 1992-1 C.B. 736, for rules regarding the "election document."

Line 12. Enter the name of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

Line 13. Enter the employer identification number of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

Signature and Consent

An authorized representative of the issuer must sign Form 8038-GC and any applicable certification. Also, write the name and title of the person signing Form 8038-GC. The authorized representative of the issuer signing this form must have the authority to consent to the disclosure of the issuer's return information, as necessary to process this return, to the person(s) that has been designated in this form.

Note: If the issuer authorizes on line 6 the IRS to communicate with a person other than an officer or other employee of the issuer (such authorization shall include contact both in writing regardless of the address entered on lines 3 and 4, and by telephone), by signing this form, the issuer's authorized representative consents to the disclosure of the issuer's return information, as necessary to process this return, to such person.

Paid Preparer

If an authorized representative of the issuer filled in its return, the paid preparer's space should remain blank. Anyone who prepares the return but does not charge the organization shouldn't sign the return. Certain others who prepare the return shouldn't sign. For example, a regular, full-time employee of the issuer, such as a clerk, secretary, etc., shouldn't sign.

Generally, anyone who is paid to prepare a return must sign it and fill in the other blanks in the *Paid Preparer Use Only* area of the return. A paid preparer cannot use a social security number in the *Paid Preparer Use Only* **box**. The paid preparer must use a preparer tax identification number (PTIN). If the paid preparer is self-employed, the preparer should enter his or her address in the box.

The paid preparer must:

- Sign the return in the space provided for the preparer's signature, and
- Give a copy of the return to the issuer.

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated burden for tax exempt organizations filing this form is approved under OMB control number 1545-0047 and is included in the estimates shown in the instructions for their information return.

If you have suggestions for making this form simpler, we would be happy to hear from you. You can send us comments through *www.irs.gov/FormComments*. Or you can write to:

Internal Revenue Service
Tax Forms and Publications
1111 Constitution Ave. NW, IR-6526
Washington, DC 20224

Do not send Form 8038-GC to this address. Instead, see *Where To File*, earlier.

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March 18, 2024

Borough Council
Borough of Wallington
County of Bergen
State of New Jersey

Dear Council Members:

We have acted as bond counsel in connection with the issuance of a $72,000 Special Emergency Note (the "Note") by the Borough of Wallington, a municipal corporation of the State of New Jersey, located in the County of Bergen (the "Borough"). The Note is dated March 18, 2024, is payable March 17, 2025, bears interest from its date at the rate of 4.00% per annum, payable at maturity, and is numbered 24-1RSEN.

The Note has been issued pursuant to the Local Budget Law (Chapter 4 of Title 40A of the New Jersey Statutes, as amended) and pursuant to a resolution adopted by the Borough Council of the Borough on December 2, 2021 (Res. No. 2021-183) to finance Tropical Storm Ida related expenses (the "Proceedings") in, by and for the Borough.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Note in order that interest on the Note be and remain excluded from gross income of the owners thereof for Federal income tax purposes pursuant to Section 103 of the Code. Such requirements include requirements relating to the use and investment of proceeds of the Note and other amounts and rebate of certain arbitrage earnings to the United States. Noncompliance by the Borough with such requirements may cause interest on the Note to be included in gross income of the owners thereof retroactive to the date of issuance of the Note, regardless of when such noncompliance occurs.

The Borough has covenanted, to the extent permitted by the Constitution and the laws of the State of New Jersey, to do and perform all acts and things permitted by law and necessary to assure that interest paid on the Note be and remain excluded from gross income of the owners thereof for Federal income tax purposes pursuant to Section 103 of the Code. The Borough's Tax Certificate (the "Tax Certificate"), which will be delivered concurrently with the delivery of the Note, will contain provisions and procedures regarding compliance with the requirements of the Code. The Borough, in executing the Tax Certificate, will certify to the effect that the Borough expects and intends to comply with the provisions and procedures contained therein.

As bond counsel, we have examined certified copies of the Proceedings and a copy of the form of Note. We have also examined originals (or copies certified or otherwise identified to our satisfaction) of such other instruments, certificates and documents as we have deemed necessary or appropriate for the purpose of the opinion rendered below including the Tax Certificate executed by the Chief Financial Officer of the Borough of even date herewith. We have assumed the accuracy of the factual information and the truthfulness of the expectations set forth in the Tax Certificate and any exhibits thereto. In such examination we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to the original documents of all documents submitted to us as copies. As to any facts material to our opinion we have, when relevant facts were not independently established, relied upon the aforesaid instruments, certificates and documents. We have relied, as to the execution and delivery of the Note, on a certificate of the Borough.

We have not been requested to examine or review and have not examined or reviewed any proceedings, reports, correspondence, financial statements or other documents containing information relative to the Borough, which may have been or may hereafter be furnished or disclosed to the purchaser of the Note and we express no opinion with respect to any such proceedings, reports, correspondence, financial statements or other documents or the accuracy or sufficiency thereof.

Based on the foregoing, we are of the opinion that:

1. The Note has been duly authorized, executed and delivered and constitutes a valid and legally binding obligation

of the Borough enforceable in accordance with its terms, except as enforcement of the Note may be limited by bankruptcy, insolvency, reorganization, moratorium, liquidation or other laws relating to or affecting the enforcement of creditors' rights generally now or hereafter in effect to the extent constitutionally applicable, and enforcement may also be subject to the exercise of judicial discretion in certain cases.

2. The Borough has pledged its full faith and credit for the payment of the principal of and interest on the Note, and unless paid from other sources, the Borough is authorized and required by law to levy on all real property taxable by the Borough such ad valorem taxes as may be necessary to pay the Note and the interest thereon, without limitation as to rate or amount.

3. Assuming compliance by the Borough with its Tax Certificate, under existing law, interest on the Note is excluded from gross income of the owners thereof for Federal income tax purposes pursuant to Section 103 of the Code. In addition, under existing law, interest on the Note is not treated as a preference item for purposes of the alternative minimum tax imposed under the Code with respect to individuals; however, for tax years beginning after December 31, 2022, interest on the Note that is included in the "adjusted financial statement income" of certain corporations is not excluded from the Federal corporate alternative minimum tax. In addition, under the New Jersey Gross Income Tax Act, as enacted and construed on the date hereof, interest on the Note and any gain from the sale of the Note are not includable in gross income of the holders thereof.

Very truly yours,

Rogut McCarthy LLC

Rogut McCarthy LLC