

Ordinance 84-3

Sewer Bonds Revenue

7/25/1984

TOWNSHIP OF HOPEWELL

Beaver County, Pennsylvania

AN ORDINANCE

AUTHORIZING THE INCURRENCE OF NONELECTORAL DEBT OF THE TOWNSHIP BY THE ISSUANCE OF \$2,465,000 SPECIAL OBLIGATION REFUNDING BONDS, 1984 SERIES, TO PROVIDE FUNDS FOR THE REFUNDING OF HOPEWELL TOWNSHIP AUTHORITY SEWER REVENUE BONDS, SERIES OF 1963, AND HOPEWELL TOWNSHIP AUTHORITY SEWER REVENUE BONDS, SERIES OF 1973, SUCH REFUNDING BEING IN CONNECTION WITH THE ACQUISITION BY THE TOWNSHIP OF THE AUTHORITY'S SEWER SYSTEM; FIXING THE TERMS OF SAID SPECIAL OBLIGATION REFUNDING BONDS; PLEDGING THE INVESTMENT REVENUES OF AN ESCROW FUND FOR THE PAYMENT OF THE BONDS; AUTHORIZING THE RECEIPT OF A PROPOSAL FOR THE PURCHASE OF THE BONDS AT PRIVATE SALE AND AUTHORIZING THE DISBURSEMENT OF THE PROCEEDS OF SALE THEREOF; AUTHORIZING THE EXECUTION OF AN ESCROW DEPOSIT AGREEMENT; AUTHORIZING THE FILING OF A DEBT STATEMENT; AUTHORIZING THE PROPER OFFICERS OF THE TOWNSHIP TO CONTRACT FOR THE SERVICES OF A PAYING AGENT AND SINKING FUND DEPOSITARY; AND AUTHORIZING OTHER NECESSARY ACTION.

Ordinance No. 84-3

Adopted July 25, 1984

**Keith R. McMillan, Esquire
23rd & Davidson Streets
Aliquippa, PA 15001**

Solicitor

**John A. Havey, Esquire
2422 Mill Street
Aliquippa, PA 15001**

Bond Counsel

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WHEREAS, the Hopewell Township Authority (the "Authority") authorized and issued \$2,240,000 principal amount of Sewer Revenue Bonds, Series of 1963 (the "1963 Sewer Bonds") pursuant to a Trust Indenture dated as of February 1, 1963 between the Authority and Pittsburgh National Bank as Trustee (the "Trustee"), the 1963 Sewer Bonds being now outstanding in the principal amount of \$975,000; and

WHEREAS, the Authority authorized and issued \$1,290,000 principal amount of Sewer Revenue Bonds, Series of 1973 (the "1973 Sewer Bonds") pursuant to a First Supplemental Indenture dated as of June 1, 1973 between the Authority and the Trustee, the 1973 Sewer Bonds being now outstanding in the principal amount of \$1,150,000; and

WHEREAS, Hopewell Township (the "Township") hereby determines that it is in the best interest of the Township to provide monies to refund the 1963 Sewer Bonds and the 1973 Sewer Bonds in order to enable it to acquire title to the Sewer System properties now owned by the Authority and to discharge the Township's lease obligation to the Authority and thereby eliminate unduly burdensome covenants and restrictions; and

WHEREAS, the Township desires to refund the 1963 Sewer Bonds and the 1973 Sewer Bonds (collectively, the "Existing Bonds") in order also to restructure its outstanding obligations, permit a change in the flow of investment income from certain Township funds and eliminate certain restrictions in the Indentures governing the Existing Bonds, and to finance additional sewer construction and other improvements; and

WHEREAS, in order to accomplish such refunding and financing, the Township desires to authorize and issue \$1,105,000 of General Obligation Bonds, Series of 1984 (the "1984 General Obligation Bonds"), \$1,495,000 Guaranteed Sewer Revenue Bonds, Series of 1984 (the "1984 Sewer Bonds") and \$2,465,000 of Special Obligation Bonds, Series of 1984 (the "Special Obligation Bonds" or "Bond" or "Bonds") (collectively the "1984 Bonds"), the Special Obligation Bonds to be authorized and issued pursuant to this Ordinance and the 1984 General Obligation Bonds and the 1984 Sewer Bonds to be authorized and issued pursuant to separate ordinances to be adopted concurrently

herewith; and

WHEREAS, in order to provide for the payment at maturity of the Existing Bonds and to provide for the defeasance of the liens of the Indentures under which the Existing Bonds were issued, the Township and the Authority are entering into an Escrow Deposit Agreement (the "Escrow Deposit Agreement") with Pittsburgh National Bank as Escrow Agent, pursuant to which the approximate sum of \$3,657,898.02 from certain of the proceeds of the 1984 Bonds will be deposited by the Township with such Escrow Agent.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED BY the Board of Commissioners of the Township of Hopewell, Beaver County, Pennsylvania, and IT IS HEREBY ENACTED AND ORDAINED, as follows:

ARTICLE I

DEFINITIONS, INTERPRETATIONS AND LEGAL AUTHORITY

Section 1.01. Definitions. In this Ordinance and any ordinance supplemental hereto (except as otherwise expressly provided or unless the context otherwise requires) the following terms shall have the meanings specified in the foregoing recitals:

Authority
Bond or Bonds
Escrow Deposit Agreement
Existing Bonds
Special Obligation Bonds
Township
1963 Sewer Bonds
1973 Sewer Bonds
1984 Bonds
1984 Sewer Bonds
1984 General Obligation Bonds

and the following additional terms shall have the meanings specified below:

"Act" means the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, Act of July 12, 1972, No. 185, as now amended and as from time to time hereafter amended or supplemented.

"Authorized Newspaper" means a newspaper printed in the english language and customarily published at least once a day five days a week and generally circulated in the Township or in the City of Pittsburgh, Pennsylvania. When successive publications in an authorized Newspaper are required, they may be in the same or different Authorized Newspapers.

"Bondholder" or "holder of Bonds" means the bearer of any Bond, of which the ownership is not at the time registered, and the registered owner of any registered Bond.

"Certified Ordinance" means a copy of one or more ordinances certified by the Secretary or an Assistant Secretary of the Township, under its seal, to have been duly adopted by the Board of Commissioners of the Township and to be in effect on the date of such certification.

"Depository" means Pittsburgh National Bank, Pittsburgh, Pennsylvania, in its capacity as paying agent and sinking fund depository or such other bank or trust company as may at the time be appointed by the Board of Commissioners of the Township to act as depository of said funds or accounts or any one or more of them, and its or their successors.

"Escrow Agent" means the Escrow Agent under the Escrow Deposit Agreement.

"Escrow Fund" means the fund established under Section 2 of the Escrow Deposit Agreement.

"Ordinance" means this Ordinance as amended or supplemented at the time of reference.

"Outstanding", in connection with Bonds, means, as of the time in question, all Bonds authorized and issued pursuant to the Ordinance, except:

A. Bonds theretofore cancelled or required to be cancelled under Section 2.07;

B. Bonds for the payment of which the required amount shall have been or shall concurrently be deposited with the Depositary and which shall have matured by their terms, but shall not have been surrendered for payment.

C. Bonds for the payment or redemption of which funds, which either with or without interest thereon to date of payment or redemption are sufficient to pay all principal, interest and premium, if any, to the date of maturity or date fixed for redemption, shall have been theretofore deposited with the Depositary, provided, in the case of redemption, that notice thereof has been published as required by this Ordinance or irrevocable instructions given to the Depositary to publish such notice;

D. Bonds in exchange or substitution for which other Bonds have been delivered pursuant to Section 2.06; or

E. Bonds which are no longer deemed to be outstanding in accordance with the provisions of Section 1110(b) of the Act.

"Refunding Investment Revenues" means the interest on the Government Obligations as defined in the Escrow Deposit Agreement.

"Registered owner," in connection with a Bond, means the person in whose name the Bond is registered on the books of the Paying Agent.

"Sinking Fund" means the fund so designated which is established pursuant to Section 4.02 hereof.

The words "hereof", "hereto", "hereby" and "hereunder" (except in the form of Bond) refer to the entire Ordinance.

Every "request", "requisition", "order", "demand", "application", "notice", "statement", "certificate", "consent", or similar action hereunder by the Township shall, unless the form thereof is specifically provided, be in writing signed by the Chairman or Vice Chairman and the Treasurer or the Secretary of the Township.

Section 1.02. Legal Authority. This Ordinance is adopted pursuant to the Act and the First Class Township Code of the Commonwealth of Pennsylvania and the

Township hereby determines and declares that each and every matter and thing provided for herein is necessary and desirable to carry out and effectuate the public purposes of the Township in accordance with such laws. All of the mandatory provisions of the Act shall apply hereunder whether or not explicitly stated herein.

Section 1.03. Contract with Bondholders. In consideration of the purchase and acceptance of the Bonds authorized to be issued hereunder by those who shall purchase the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the Township and the holders of all Bonds; and the covenants and agreements herein set forth to be performed on behalf of the Township shall be for the benefit, protection and security of holders of all Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank, without preference, priority or distinction of any Bond over any other thereof except as expressly provided therein or in this Ordinance.

ARTICLE II

CONCERNING THE SPECIAL OBLIGATION BONDS

Section 2.01. Increase in Indebtedness. The nonelectoral indebtedness of the Township shall be increased in the aggregate amount of \$2,465,000 for the purpose of providing a portion of the funds needed to refund the Existing Bonds in order to make provision for the transfer of the Authority's sewer system to the Township, restructure the Township's outstanding obligations, permit a change in the flow of investment income from certain funds, and eliminate certain restrictions in the indentures governing the Existing Bonds.

Section 2.02. Authorization of Special Obligation Bonds. There are hereby authorized for issuance \$2,465,000 principal amount of Special Obligation Refunding Bonds, 1984 Series, of the Township which shall be dated July 15, 1984, shall be numbered SOB 1 to SOB 493, inclusive, in the order of maturity, shall be fully registered, without

coupons, shall bear interest from July 15, 1984 payable semi-annually on May 1 and November 1 of each year commencing November 1 1984, at the rates per annum, and shall mature on the dates and in the principal amounts as follow:

<u>Bonds Numbered SOB (Inclusive)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
1 - 4	\$ 20,000	6.25%	November 1, 1984
5 - 21	\$ 85,000	6.75%	May 1, 1985
22 - 38	\$ 85,000	6.75%	November 1, 1985
39 - 55	\$ 85,000	7.25%	May 1, 1986
56 - 72	\$ 85,000	7.25%	November 1, 1986
73 - 88	\$ 80,000	7.75%	May 1, 1987
89 - 104	\$ 80,000	7.75%	November 1, 1987
105 - 120	\$ 80,000	8.00%	May 1, 1988
121 - 135	\$ 75,000	8.00%	November 1, 1988
136 - 151	\$ 75,000	8.25%	May 1, 1989
152 - 165	\$ 75,000	8.25%	November 1, 1989
166 - 179	\$ 70,000	8.50%	May 1, 1990
180 - 193	\$ 70,000	8.50%	November 1, 1990
194 - 207	\$ 70,000	8.75%	May 1, 1991
208 - 220	\$ 65,000	8.75%	November 1, 1991
221 - 233	\$ 65,000	9.00%	May 1, 1992
234 - 245	\$ 60,000	9.00%	November 1, 1992
246 - 258	\$ 65,000	9.25%	May 1, 1993
259 - 269	\$ 55,000	9.25%	November 1, 1993
270 - 493	\$1,120,000	10.60%	May 1, 2012

The principal of and interest on the Bonds shall be payable solely out of the Refunding Investment Revenues of the Township, and the Bonds shall so provide.

The principal of and interest on the Bonds shall be payable at the principal corporate trust office of the Depositary, or at the principal corporate trust office of other paying agents, if any, designated in the Bond, in legal tender for the payment of public and private debts at the place of payment.

Bonds maturing on May 1, 2013, are subject to semiannual mandatory redemption from the Sinking Fund in the order of their maturities and within a maturity by lot upon payment of the redemption price equal to 100% of the principal amount thereof together with accrued interest to the date fixed for redemption as follows:

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
May 1, 1994	\$60,000	November 1, 2003	\$30,000
November 1, 1994	\$50,000	May 1, 2004	\$30,000
May 1, 1995	\$55,000	November 1, 2004	\$25,000
November 1, 1995	\$50,000	May 1, 2005	\$25,000
May 1, 1996	\$50,000	November 1, 2005	\$25,000
November 1, 1996	\$45,000	May 1, 2006	\$25,000
May 1, 1997	\$45,000	November 1, 2006	\$25,000
November 1, 1997	\$40,000	May 1, 2007	\$20,000
May 1, 1998	\$40,000	November 1, 2007	\$25,000
November 1, 1999	\$35,000	May 1, 2008	\$20,000
May 1, 2000	\$35,000	November 1, 2008	\$15,000
November 1, 2000	\$30,000	May 1, 2009	\$20,000
May 1, 2001	\$35,000	November 1, 2009	\$15,000
November 1, 2001	\$30,000	May 1, 2010	\$15,000
May 1, 2002	\$35,000	November 1, 2010	\$10,000
November 1, 2002	\$25,000	May 1, 2011	\$15,000
May 1, 2003	\$30,000	November 1, 2011	\$ 5,000

Notice of any redemption shall be furnished by mailing a notice by first class mail, postage prepaid, not less than thirty (30) nor more than sixty (60) days prior to the redemption date to the registered owner of bonds to be redeemed at the addresses which appear in the Bond Register. Neither failure to mail such notice nor any defect in the notice so mailed or in the mailing thereof with respect to any one bond will affect the validity of the proceedings for the redemption of any other Bonds. Notice having been so given or waived, and provision having been made for redemption from funds deposited with the Depositary, all interest on Bonds called for redemption accruing after the date fixed for redemption shall cease, and the holders or registered owners of the Bonds called for redemption shall have no security, benefit or lien under the ordinance or any right except to receive payment of the redemption price.

The Township agrees to mail copies of the notices of such redemptions not later than fifteen (15) days prior to the redemption date to Moody's Investors Service, Standard & Poor's Corp. and The Bond Buyer so long as they maintain investment services; provided that the failure of the Township to mail such notice shall not affect the validity of any redemption proceedings.

Section 2.03. Form of Bond. The Special Obligation Bonds and the authentication certificate, shall be in substantially the following form with appropriate insertions, omissions and variations:

(FORM OF BOND)

No. SOB

\$5,000

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA

TOWNSHIP OF HOPEWELL

Beaver County, Pennsylvania

SPECIAL OBLIGATION REFUNDING BOND, 1984 SERIES

Township of Hopewell, Beaver County, Pennsylvania (the "Township"), a municipal corporation organized and existing under the laws of the Commonwealth of Pennsylvania, for value received, hereby promises to pay (but only out of the Refunding Investment Revenues described in the Ordinance hereinafter mentioned) to the registered owner hereof, on the first day of _____, upon surrender hereof, the principal sum of Five Thousand Dollars (\$5,000) and to pay (but only out of said Refunding Investment Revenues) interest thereon from July 15, 1984 until payment of such principal sum has been made or provided for at maturity, at the rate of _____ per centum (_____ %) per annum, payable semi-annually on May 1 and November 1 in each year commencing November 1, 1984. The principal of and interest on this Bond shall be payable at the principal corporate trust office of Beaver Trust Company, Beaver, Pennsylvania, the paying agent for the Township (the "Paying Agent"), in legal tender for the payment of public and private debts at the place of payment.

This Bond is one of the duly authorized issue of \$2,465,000 Special Obligation Refunding Bonds, 1984 Series, of the Township, dated as of July 15, 1984 (the "Bonds") issued pursuant to the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, Act of July 12, 1972, No. 185, as amended (the "Act"). The Bonds are in fully registered form, without coupons, in the denomination of \$5,000 each, are numbered SOB 1 to SOB 493, inclusive, are all of the like date, amount and tenor, except as to date of maturity, interest rate and interest payment date, and are all issued without the assent of the electors pursuant to an ordinance of the Township adopted on July 25, 1984 (the "Ordinance").

The Bonds are being issued for the purpose of providing a portion of the funds needed to refund the Hopewell Township Authority (the "Authority") Sewer Revenue Bonds, Series of 1963, now outstanding in the principal amount of \$975,000, and the Authority's Sewer Revenue Bonds, Series of 1973, now outstanding in the principal amount of \$1,150,000, in order to make arrangements for the acquisition by the Township of the Authority's sewer system, cancel an outstanding sewer system lease, restructure the Township's outstanding obligations, permit a change in the flow of investment income from certain Township funds, and eliminate certain restrictions in the indentures governing said outstanding bonds.

The Ambac Indemnity Corporation, a Wisconsin-domiciled stock insurance company, has issued its Municipal Bond Insurance Policy No. _____, with respect to the payments due for principal of and interest on this bond to the United States Trust Company of New York, in New York, New York, as the Insurance Trustee under said Policy. Said Policy is on file and available for inspection at the principal office of said Insurance Trustee from said Corporation or said Insurance Trustee.

Bonds maturing on May 1, 2013, are subject to semiannual mandatory redemption from the Sinking Fund in the order of their maturities and within a maturity by lot upon payment of the redemption price equal to 100% of the principal amount

thereof together with accrued interest to the date fixed for redemption as follows:

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
May 1, 1994	\$60,000	November 1, 2003	\$30,000
November 1, 1994	\$50,000	May 1, 2004	\$30,000
May 1, 1995	\$55,000	November 1, 2004	\$25,000
November 1, 1995	\$50,000	May 1, 2005	\$25,000
May 1, 1996	\$50,000	November 1, 2005	\$25,000
November 1, 1996	\$45,000	May 1, 2006	\$25,000
May 1, 1997	\$45,000	November 1, 2006	\$25,000
November 1, 1997	\$40,000	May 1, 2007	\$20,000
May 1, 1998	\$40,000	November 1, 2007	\$25,000
November 1, 1999	\$35,000	May 1, 2008	\$20,000
May 1, 2000	\$35,000	November 1, 2008	\$15,000
November 1, 2000	\$30,000	May 1, 2009	\$20,000
May 1, 2001	\$35,000	November 1, 2009	\$15,000
November 1, 2001	\$30,000	May 1, 2010	\$15,000
May 1, 2002	\$35,000	November 1, 2010	\$10,000
November 1, 2002	\$25,000	May 1, 2011	\$15,000
May 1, 2003	\$30,000	November 1, 2011	\$ 5,000

Reference is hereby made to the Ordinance for a statement of the custody and application of the proceeds of the Bonds; a description of the Refunding Investment Revenues of the Township assigned and pledged for the security of the Bonds; a description of the duties and rights of the Township and of the Depositary; and the provisions relating to amendments to and modifications of the Ordinance and the extent of the rights of bondholders.

Neither the credit nor the taxing power of the Commonwealth of Pennsylvania or the Township or any other political subdivision of the Commonwealth is pledged for the payment of the principal of or interest on this Bond; nor shall this Bond be or be deemed an obligation or debt of the Commonwealth; nor shall the Commonwealth or the Township or any other political subdivision of the Commonwealth be liable for the payment of this Bond. The principal of and interest on the Bonds shall be payable solely out of the Refunding Investment Revenues hereinafter mentioned.

No recourse shall be had for the payment of the principal of or interest on this Bond, or for any claim based hereon or on the Ordinance, against any member, officer or employee, past, present or future, of the Township or of any successor body, as

such, either directly or through the Township or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise.

This Bond is transferable by the registered owner in person or by his duly authorized attorney on the books of the Township to be kept for that purpose at the principal office of the Paying Agent, such registration to be noted hereon by the Paying Agent on behalf of the Township.

The Township and the Paying Agent may treat the registered owner of this Bond as the absolute owner for all purposes and neither the Township nor the Paying Agent shall be affected by any notice to the contrary.

Pursuant to a pledge of the Commonwealth of Pennsylvania contained in the Act, this Bond, its transfer, and the income therefrom, including any gains made on the sale hereof (other than the underwriting spread in a distribution thereof) shall at all times be free from taxation within and by the Commonwealth of Pennsylvania, but this exemption shall not extend to underwriting profits or to gift, succession or inheritance taxes or any other taxes not levied directly on this Bond, the receipt of income herefrom, or the realization of gains on the sale hereof.

If the Township shall fail to pay the principal of or interest on this Bond when due, or shall otherwise default on any of its obligations hereunder, under the Ordinance or under the Act, the registered owner shall be entitled to all the rights and remedies provided by the Act in the event of such default.

It is hereby certified that the approval of the Department of Community Affairs of the Commonwealth of Pennsylvania for the Township to issue and deliver this Bond has been duly given pursuant to the Act; that all acts, conditions and things required by the laws of the Commonwealth of Pennsylvania to exist, to have happened or to have been performed, precedent to or in the issuance of this Bond or in the creation of the debt of which this Bond is evidence, exist, have happened and have been performed in

regular and due form and manner as required by law; that this Bond does not violate any debt or other limit prescribed by the Constitution and the statutes of the Commonwealth of Pennsylvania; that the Township has established with the Paying Agent a Sinking Fund and has made provision for the deposit therein from the aforesaid Refunding Investment Revenues of amounts sufficient to pay, and from which the Paying Agent is required to pay, the principal of, and interest on, the Bonds as the same shall become due and payable.

This Bond shall not be entitled to any benefit under the Ordinance, nor be valid nor become obligatory for any purpose, until this Bond shall have been authenticated by the Paying Agent, by execution of the certificate endorsed hereon.

IN WITNESS WHEREOF, the Township of Hopewell has caused this Bond to be signed in its name by the facsimile signature of the Chairman of the Board of Commissioners and a facsimile of its common or corporate seal to be hereto affixed and duly attested by the facsimile signature of the Secretary of the Board of Commissioners, all as of the 15th day of July, 1984.

TOWNSHIP OF HOPEWELL

By (Facsimile Signature)
Chairman

Attest:

(Facsimile Signature)
Secretary

(FORM OF AUTHENTICATION CERTIFICATE)

AUTHENTICATION CERTIFICATE

This Bond is one of the Township of Hopewell Special Obligation Refunding Bonds, 1984 Series, described in the within mentioned Ordinance.

The Text of Opinion printed above is the text of opinion of John A. Havey, Aliquippa, Pennsylvania, Bond Counsel, on file with the undersigned, which was dated and delivered on the date of delivery of and payment for the Bonds.

**PITTSBURGH NATIONAL BANK,
PAYING AGENT**

By _____
Authorized Officer

Section 2.04. Execution of Bonds. The Special Obligation Bonds shall be executed by the facsimile signature of the Chairman or Vice Chairman of the Board of Commissioners and a facsimile of the corporate seal shall be thereunto affixed and attested by the facsimile signature of the Secretary of the Board of Commissioners. The Bonds shall be authenticated by the manual signature of the Depositary which shall also certify that the approving opinion of Bond Counsel, which shall be printed on the reverse of each Bond, is an accurate reproduction of the approving opinion delivered at the Closing.

Section 2.05. Registration of Bonds. The Township shall keep or cause to be kept at the office of the Depositary books for the registration and transfer of Bonds in the manner provided therein so long as any of the Bonds shall remain Outstanding. The Township and the Depositary may treat the registered owner of any Bond which shall at the time be registered, as the absolute owner of such Bond for all purposes, and neither the Township nor the Depositary shall be affected by notice to the contrary.

Section 2.06. Lost, Stolen and Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Township may, in its discretion, issue and deliver a new bond of like tenor, amount and maturity as the Bond so mutilated, destroyed, stolen or lost, (a) in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or (b) in place of and substitution for the Bond or coupon destroyed, stolen or lost, (i) upon the holder's filing with the Township evidence satisfactory to it that such Bond has been destroyed, stolen or lost and of his ownership thereof, and (ii) upon the holder's furnishing the Township with indemnity satisfactory to it and complying with such other reasonable regulations as the Township may require. The Township may, for each new Bond authenticated and delivered upon the provisions of this Section 2.06, require the payment of a sum sufficient to pay printing expenses, and in addition expenses, including counsel fees, which may be incurred by the Township or the Depositary. All Bonds so surrendered shall be delivered to the

Depository for cancellation and cremation. If any such Bond shall have matured or be about to mature, instead of issuing a substituted Bond the Township may direct the Depository to pay the same, and, if such Bond be lost, stolen or destroyed, without surrender thereof upon being indemnified as aforesaid.

All duplicate Bonds issued pursuant to this Section 2.06 shall constitute original additional contractual obligations on the part of the Township, whether or not the lost, stolen or destroyed Bonds be at any time found by anyone, and such duplicate Bonds shall be entitled to equal and proportionate benefits with all other Bonds issued under this Ordinance.

Section 2.07. Cancellation of Bonds. All Bonds which shall be paid, purchased or redeemed by the Township or Depository pursuant to the terms and provisions of this Ordinance, shall be cancelled and cremated or otherwise destroyed by the Depository which shall furnish the Township with its certificates of cremation or destruction.

Section 2.08. Sale of Bonds. The Special Obligation Bonds shall be and hereby are sold at private sale to Commonwealth Securities and Investments, Inc. at the price of \$2,403,375 as specified in the purchase proposal dated July 25, 1984 presented to the meeting of the Board of Commissioners of the Township at which this Ordinance was enacted. A copy of said proposal shall be lodged with the official minutes of such meeting. The Board of Township Commissioners does hereby find that a private sale by negotiation is in the best financial interest of the Township.

Section 2.09. Authentication of Bonds and Application of Proceeds. The Depository, as Paying Agent, is hereby authorized and directed to authenticate the Special Obligation Bonds in the aggregate principal amount of \$2,465,000 and to deliver them upon the order of the Township signed by the Chairman or Vice Chairman of the Board of Commissioners, but only upon receipt of the proceeds of sale of the Bonds less the underwriting discount and other costs of issuance.

Upon receipt of the net proceeds of sale, the Depository shall deposit the

same, including accrued interest received on such sale, as follows:

(a) an amount equal to the accrued interest on the Special Obligation Bonds, in the Sinking Fund; and

(b) the balance in the Escrow Fund after payment of offering expenses.

Section 2.10. Execution of Escrow Deposit Agreement. The Township hereby authorizes and directs its Chairman or Vice Chairman to execute and deliver, on behalf of the Township, the Escrow Deposit Agreement with the Depositary, as Escrow Agent, relating to the irrevocable deposit of a portion of the proceeds from the Special Obligation Bonds and the 1984 Bonds for the purchase of government obligations for the refunding of the Existing Bonds.

Section 2.11. Official Statement. The Preliminary Official Statement prepared with respect to the Bonds is hereby approved. The President is hereby authorized to execute and approve a Final Official Statement relating to the Bonds, provided that said Official Statement shall have been approved by the Township Solicitor. The distribution of the Preliminary Official Statement is hereby ratified and the Underwriter is hereby authorized to use the Preliminary and the Final Official Statements in connection with the sale of the Bonds.

ARTICLE III

COVENANTS OF THE TOWNSHIP

Section 3.01. Payment of the Bonds. The Township covenants that it will promptly pay the principal of and interest on every Bond issued under this Ordinance at the place, on the dates and in the manner provided herein and in said Bonds and in the coupons appertaining thereto according to the true intent and meaning thereof. The Township shall appoint one or more paying agents for such purpose, each such agent to be a bank and trust company or a trust company or a national banking association having trust powers. The principal and interest are payable solely from the moneys in the

Sinking Fund, said moneys being derived solely from the Refunding Investment Revenues, which are hereby specifically pledged to the payment thereof in the manner and to the extent herein specified, and from the moneys initially deposited in the Sinking Fund pursuant to Section 2.09 hereof, and nothing in the Bonds or in this Ordinance should be considered as pledging any other funds or assets of the Township.

Section 3.02. Performance of Covenants; Legal Authority. The Township covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Ordinance, in any and every Bond executed, authenticated and delivered hereunder and in all proceedings pertaining thereto. The Township covenants that it is duly authorized under the Constitution and laws of the Commonwealth of Pennsylvania to issue the Bonds authorized hereby, and to enact this Ordinance, and to pledge the moneys hereby pledged in the manner and to the extent herein set forth; that all action on its part for the issuance of the Bonds and the enactment of this Ordinance has been duly and effectively taken, and that the Bonds in the hands of the holders and owners thereof are and will be valid and enforceable obligations of the Township according to the true intent and meaning thereof.

Section 3.03. Covenant Against Arbitrage Bonds. The Township hereby covenants with the Bondholders that it will make no use of and will not permit any use to be made of the proceeds of the Bonds, or any moneys which may be deemed to be the proceeds of the Bonds pursuant to Section 103(c) [formerly 103(d)] of the Internal Revenue Code of 1954, as amended, and the applicable regulations thereunder, which, if such use had been reasonably expected on the date of issue of the Bonds, would have caused the Bonds to be "arbitrage bonds" within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended and the regulations thereunder in effect on the date of such use and applicable to obligations issued on the date of issuance of the Bonds.

The Depositary shall not make any investment inconsistent with the foregoing covenants.

Section 3.04. Filing of Security Instrument. The Township shall cause all such security instruments, financing statements and all supplements thereto and other instruments as may be required from time to time to be filed in such manner and in such places as may be required by law in order to fully preserve and protect the security of the holders and owners of the Bonds and the rights of the Depositary hereunder and to perfect the lien of and the security interest created by this Ordinance.

Section 3.05. Interest Not To Be Funded. In order to prevent any accumulation of claims for interest after maturity, the Township covenants and agrees that it will not directly or indirectly extend or assent to the extension of the time of payment of any claim for interest on any of the Bonds and will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding such claims for interest or in any other manner. In case any such claim for interest shall be extended or funded, such claim for interest shall not be entitled in case of any default hereunder, to the benefit or security of this Ordinance except subject to the prior payment in full of the principal of all Bonds issued and Outstanding hereunder, and of all claims for interest which shall not have been so extended or funded.

ARTICLE IV

REVENUES AND FUNDS

Section 4.01. Source of Payment of Bonds. The Bonds herein authorized and all payments by the Township hereunder are not general obligations of the Township but are special obligations payable solely from the Refunding Investment Revenues and the moneys initially deposited in the Sinking Fund pursuant to Section 2.09 hereof.

Section 4.02. Creation of the Sinking Fund. There is hereby established with the Depositary a Sinking Fund, the moneys in which shall be used to pay the principal of

and the interest on the Bonds.

Section 4.03. Payments Into the Sinking Fund. There shall be deposited in the Sinking Fund (i) upon the delivery of and payment for the Bonds, the amount provided for in Section 2.09 from the net proceeds of the sale of the Bonds, and (ii) as and when received, the Refunding Investment Revenues which are required by the Escrow Deposit Agreement to be transferred to the Depositary for deposit in the Sinking Fund. The Township hereby covenants and agrees that so long as any of the Bonds issued hereunder are Outstanding it will deposit, or cause to be deposited, in the Sinking Fund for its account such Refunding Investment Revenues as are necessary to pay the interest on the Bonds as the same shall become due and payable and the principal of the Bonds as and when the Bonds shall mature or be called for redemption.

Section 4.05. Non-presentment of Bonds. In the event any Bonds shall not be presented for payment when the principal thereof becomes due, if funds sufficient to pay such Bonds shall have been made available to the Depositary for the benefit of the holder or holders thereof, all liability of the Township to the holders thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Depositary to hold such fund or funds, without liability for interest thereon, for the benefit of the holder of such Bond who shall thereafter be restricted exclusively to such fund or funds, for any claim of whatever nature on his part under this Ordinance or on, or with respect to, said Bond.

Section 4.06. No Lien by Depositary or Paying Agent. Neither the Depositary nor the Paying Agent shall have any lien whatsoever upon any of the moneys in the Sinking Fund for the payment of fees and expenses for services rendered by either of them under this Ordinance or otherwise.

Section 4.07. Moneys to be held in Trust. All moneys required to be deposited with, or paid to, the Depositary for the account of the Sinking Fund shall be held by the Depositary in trust and be subject to the lien hereof.

Section 4.08. Repayment to the Township from the Sinking Fund. Any amounts remaining in the Sinking Fund after payment in full of the principal of and interest on the Bonds shall be paid to the Township or to any person lawfully entitled to receive the same.

ARTICLE V

PROCEEDINGS UNDER THE ACT AND APPOINTMENT OF DEPOSITARY

Section 5.01. Debt statement and Proceedings Authorizing Bonds. The Chairman or Vice Chairman and Secretary or Treasurer of the Township Board of Commissioners are hereby authorized and directed to execute and file the debt statement required by Section 410 of the Act, and to apply to the Department of Community Affairs for approval of the proceedings authorizing the issuance of the Special Obligation Bonds, and to execute and file with said Department any and all documents required to be submitted as part of said application.

Section 5.02. Self-Liquidating Debt. The proper officers of the Township are hereby authorized and directed to prepare, execute and file such statements and other documents as may be required by Article II of the Act in order to qualify all or any portion of the Special Obligation Bonds as self-liquidating debt.

Section 5.03. Contract with Depositary. Beaver Trust Company is hereby appointed paying agent for the Bonds and sinking fund depositary for the purposes of this Ordinance and the Act. The proper officers of the Township are hereby authorized to enter into a contract with the Depositary in connection with the performance of its duties as paying agent and sinking fund depositary on usual and customary terms, including an agreement on the part of the Depositary to observe and comply with the provisions of this Ordinance and of the Act.

Section 5.04. Execution of Bonds; Other Action. The proper officers of the Township are hereby authorized to execute the Special Obligation Bonds in accordance with Section 2.04 hereof, to deliver the Special Obligation Bonds to the successful Bond purchasers upon receipt of the purchase price therefor, and to take such other action as may be necessary or proper to effect the issuance of said Bonds or otherwise to comply with the Act or this Ordinance.

ARTICLE VI

AMENDMENTS AND SUPPLEMENTS

Section 6.01. Amendments and Supplements Without Consent of Bondholders. This Ordinance may be amended or supplemented with the consent of the Depositary and without the consent of the Bondholders, by a supplemental ordinance for one or more of the following purposes:

- (a) to add additional covenants of the Township or to surrender any right or power herein conferred upon the Township; and
- (b) to cure any ambiguity, defect or omission in this Ordinance in such manner as shall not be inconsistent with this Ordinance and shall not impair the security hereof or adversely affect the Bondholders.

Section 6.02. Amendments and Supplements With Consent of Bondholders. This Ordinance may be amended or supplemented from time to time by a supplemental ordinance approved by the holders of not less than 66-2/3% in aggregate principal amount of the Bonds then Outstanding; provided, however, no such amendment or supplement shall permit a change in the terms of maturity of the principal of any Bond then Outstanding or of any installment of interest thereon or a reduction in the principal amount thereof or in the rate of interest thereon without the consent of the holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the holders of which is required to effect any such amendment or supplement.

ARTICLE VII

SATISFACTION AND RELEASE OF LIEN

Section 7.01. Satisfaction and Release. When the principal of and interest on all Bonds issued hereunder and all other sums payable by the Township under this Ordinance shall have been paid, or provision shall have been made for payment of same by deposit in the Sinking Fund or in a trust or fiduciary account with the Paying Agent, of an amount evidenced by moneys or direct obligations of the United States of America (which are not callable or otherwise redeemable by any person other than the holder thereof) which together with the interest thereon when due will be sufficient to pay the principal of and interest on all Bonds then Outstanding at maturity and all other sums payable by the Township under this Ordinance, the right, title and interest of the Depository and Paying Agent under this Ordinance shall thereupon cease and the Depository and Paying Agent, on demand of the Township, shall release the lien of this Ordinance and shall execute such documents to evidence such release as may be reasonably required by the Township and shall turn over to the Township or to such person, body or authority as may be entitled to receive the same, all balances remaining in any funds hereunder.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Default. If the Township shall fail to pay the principal of or interest on the Bonds when due or shall otherwise default in the performance of any of its obligations hereunder, under the Bonds or under the Act, the registered owners of the Bonds shall be entitled to all of the rights and remedies provided by the Act in the event of such default.

Section 8.02. Further Action. The proper officers of the Township are hereby authorized and directed to take all such action, execute, deliver, file and/or record all

such documents, publish all notices and otherwise comply with the provisions of this Ordinance and the Act insofar as the same relate to the Bonds in the name and on behalf of the Township.

Section 8.03. Severability. In case any one or more of the provisions contained in this Ordinance or in any Bond or coupon issued pursuant hereto shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Ordinance or of said Bonds or coupons, and this Ordinance or said Bonds or coupons shall be construed and enforced as if such invalid, illegal or unenforceable provision has never been contained therein.

Section 8.04. Scope of Ordinance. Nothing in the Ordinance expressed or implied, is intended or shall be construed to confer upon, or to give any person, firm or corporation other than the parties hereto, and the holders of the bonds and coupons, any right, remedy or claim under or by reason of the Ordinance or any covenant, condition or stipulation hereof; and the covenants, stipulations and agreements in this Ordinance contained are and shall be for the sole and exclusive benefit of the parties hereto, their successors and assigns, and the holders of the bonds and coupons.

Section 8.05. Repealer. All ordinances and parts of ordinances hereto adopted to the extent that the same are inconsistent in any manner herewith are hereby repealed.

ORDAINED AND ENACTED THIS 25th day of July, 1984.

TOWNSHIP OF HOPEWELL

Vincent D'Ermo
Chairman

Attest:

Carol Wancura
Secretary



LEGAL ADVERTISING INVOICE

PROOF OF PUBLICATION

The attached advertisement, which is exactly as printed and published, appeared in the regular issue on **7/20/84**

By E. A. Putnam

EDWIN METZGER, who being duly sworn according

sworn to and subscribed before me

Maiden X change

BEAVER

By

Notice is hereby given that on Wednesday, July 23, 1964, at a public meeting of the Board of Commissioners of the Township of Hopewell, Beaver County, Pennsylvania, to be held at 7:30 P.M. at the Municipal Building, Clark Boulevard, Hopewell Township, Pennsylvania, the Board of Commissioners will consider the enactment of an Ordinance, a summary of which is set forth below. A copy of the full proposed text of the Ordinance may be examined by any citizen in the office of the Secretary of the Township at Clark Boulevard, Hopewell Township, Pennsylvania, on any working day during the normal working hours. The contents of the Ordinance as proposed are summarized as follows:

AN ORDINANCE
AUTHORIZING INCURRENCE OF NONELECTORAL DEBT OF THE TOWNSHIP BY THE ISSUANCE OF \$2,460,000 (ESTIMATED) SPECIAL OBLIGATION REFUNDING BONDS, 1964 SERIES, TO PROVIDE FUNDS FOR THE REFUNDING OF HOPEWELL TOWNSHIP AUTHORITY SEWER REVENUE BONDS, SERIES OF 1963, AND HOPEWELL TOWNSHIP AUTHORITY SEWER REVENUE BONDS SERIES OF 1973, SUCH REFUNDING BEING IN CONNECTION WITH THE ACQUISITION BY THE TOWNSHIP OF THE AUTHORITY'S SEWER SYSTEM; FIXING THE TERMS OF SAID SPECIAL OBLIGATION REFUNDING BONDS; PLEDGING THE INVESTMENT REVENUES OF AN ESCROW FUND FOR THE PAYMENT OF THE BONDS; AUTHORIZING THE RECEIPT OF A PROPOSAL FOR THE SALE OF THE BONDS AT PRIVATE SALE TO COMMONWEALTH SECURITIES AND INVESTMENTS, INC. AND AUTHORIZING THE DISBURSEMENT OF THE PROCEEDS OF SALE THEREOF; AUTHORIZING THE EXECUTION OF AN ESCROW DEPOSIT AGREEMENT; AUTHORIZING THE FILING OF A DEBT STATEMENT; AUTHORIZING THE PROPER OFFICERS OF THE TOWNSHIP TO CONTRACT FOR THE SERVICES OF A PAYING AGENT AND SINKING FUND DEPOSITARY; AND AUTHORIZING OTHER NECESSARY ACTION.

ship Improvements.

The Ordinance also sets forth the form of the Bond, authorizes an increase in indebtedness, authorizes the issuance of Bonds, sets forth the interest rates and maturity dates, provides that the principal of a loan on the Bonds are payable from the Refunding Investment Revenues as defined in defined, authorizes the execution of an Escrow Deposit agreement, provides for the deposit of the proceeds of the sale of the Bonds, sets forth certain provisions with respect to revenues and funds, authorizes proceedings under the Local Government Unit Debt Act and appointment of a depository, provides for amendments and supplements, provides for sale, lien and release of lien, sets forth definitions, interpretations and legal authority, contains other provisions concerning the Special Obligation Bonds and includes miscellaneous provisions.

BOARD OF COMMISSIONERS OF THE TOWNSHIP OF HOPEWELL
BY: VINCENT D'ELAMMO
Chairman

7/23/64

It is possible to make a change in the allocation of the Township's special obligation revenue bonds. The Township is authorized to issue revenue bonds, Series of 1984, together with the General Obligation Bonds, Series of 1984, and the Guaranteed Sewer Revenue Bonds, Series of 1984, for the purpose of providing funds to the purpose of providing for the refund of the Moccasin Township Authority's 1983 Sewer Bonds and 1973 Sewer Bonds (collectively, the "Existing Bonds"), to restructure its outstanding obligations, permit a change in the flow of largest-ment income from certain Township funds, eliminate certain restrictions in the Indentures concerning the Existing Bonds and to finance additional sewer construction, road improvements and other Town-