

Ordinance 86-3

Capital Projects

6/3/86

HOPEWELL TOWNSHIP
BEAVER COUNTY, PENNSYLVANIA

ORDINANCE NO. 86-3

Enacted JUNE 3, 1986

AUTHORIZING AND DIRECTING THE INCURRING OF NONELECTORAL DEBT OF THE TOWNSHIP OF HOPEWELL, PENNSYLVANIA, IN THE AMOUNT OF \$2,285,000 THROUGH THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES A OF 1986, OF THE TOWNSHIP IN SUCH AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000, FOR THE PURPOSE OF PROVIDING FUNDS FOR THE FOLLOWING CAPITAL PROJECTS: ROAD IMPROVEMENTS PROGRAM WHICH CONSISTS OF THE RESURFACING, RECONSTRUCTION AND DRAINAGE DEVELOPMENT TO TOWNSHIP ROADS, THE CONSTRUCTION OF A RETAINING WALL AND THE PURCHASE OF STREET CLEANING EQUIPMENT; AND THROUGH THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES B OF 1986 OF THE TOWNSHIP IN THE AGGREGATE PRINCIPAL AMOUNT OF \$1,285,000 FOR THE PURPOSE OF PROVIDING FUNDS FOR THE REFUNDING OF \$1,060,000 PRINCIPAL AMOUNT OUTSTANDING OF GENERAL OBLIGATION BONDS, SERIES OF 1984 OF THE TOWNSHIP AND FOR THE PAYMENT OF EXPENSES RELATED TO THE ISSUANCE OF BOTH SERIES A AND SERIES B BONDS; FIXING THE NUMBER, DATE, INTEREST RATES, MATURITIES, AND REDEMPTION FEATURES OF SUCH BONDS AND APPROVING THE FORM THEREOF; AUTHORIZING AND DIRECTING THE PROPER OFFICERS OF THE TOWNSHIP TO EXECUTE THE BONDS; COVENANTING TO PAY DEBT SERVICE AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE TOWNSHIP FOR THE PAYMENT THEREOF; ESTABLISHING SINKING FUNDS IN RESPECT OF THE BONDS AND APPROPRIATING PAYMENTS INTO SUCH SINKING FUNDS; ESTABLISHING AN ESCROW FUND AND AUTHORIZING THE TERMS AND CONDITIONS OF AN ESCROW DEPOSIT AGREEMENT; AUTHORIZING THE PROPER OFFICERS OF THE TOWNSHIP TO CONTRACT WITH THE BEAVER TRUST COMPANY FOR ITS SERVICES AS SINKING FUND DEPOSITARY, PAYING AGENT AND ESCROW AGENT; ACCEPTING THE PROPOSAL OF COMMONWEALTH SECURITIES AND INVESTMENTS, INC. FOR THE PURCHASE OF THE BONDS AND AWARDING THE BONDS THERETO; APPROVING THE CONTENTS OF AN OFFICIAL STATEMENT IN RESPECT OF THE BONDS AND AUTHORIZING ITS DISTRIBUTION; AUTHORIZING THE FILING OF A DEBT STATEMENT WITH THE DEPARTMENT OF COMMUNITY AFFAIRS; AUTHORIZING OTHER NECESSARY ACTION; AND REPEALING INCONSISTENT ORDINANCES.

WHEREAS, the Board of Commissioners (the "Board") of Hopewell Township, Beaver County, Pennsylvania (the "Township"), deems it in the best interest of the Township that the Township undertake certain Capital Projects (the "Projects") consisting of a Road Improvements Program which consists of the resurfacing, reconstruction and drainage development to township roads, the construction of a retaining wall and the purchase of street cleaning equipment; and through the issuance of General Obligation Refunding Bonds, Series B of 1986 of the Township in the aggregate principal amount of \$1,285,000 for the purpose of providing funds for the refunding of \$1,060,000 principal amount outstanding of General Obligation Bonds, Series of 1984 of the Township and for the payment of expenses related to the issuance of both Series A and Series B Bonds; and

WHEREAS, the Board has heretofore obtained realistic estimates of the costs of the Projects in accordance with Section 106 of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, Act of July 12, 1972, No. 185, as amended, (the "Act"), and the total estimated cost of the Projects exceeds \$934,000; and

WHEREAS, the Board proposes to finance the Projects by an increase in the nonelectoral debt of the Township through the issuance of the General Obligation Bonds, Series A of 1986, of the Township in the aggregate principal amount of \$1,000,000

3

in accordance with the Act; and

WHEREAS, the existing net nonelectoral debt of the Township, as determined under the provisions of Article II of the Act, including the increase of nonelectoral debt authorized hereby, does not in the aggregate exceed the limitations of the Act; and

WHEREAS, the Board desires to undertake the refunding of the General Obligation Bonds, Series of 1984 in order to reduce the total debt service over the life of the issue pursuant to Section 1101(1) of the Local Government Unit Debt Act; and

NOW, THEREFORE, BE IT ENACTED AND ORDAINED BY THE BOARD OF COMMISSIONERS OF THE TOWNSHIP OF HOPEWELL, COMMONWEALTH OF PENNSYLVANIA, AS FOLLOWS:

Section 1. The Board hereby authorizes and directs the incurring of nonelectoral debt of the Township on the amount of \$2,285,000 through the issuance of general obligation bonds of the Township in the aggregate principal amount of \$1,000,000 to be known as the Township of Hopewell, General Obligation Bonds, Series A of 1986 (the "Bonds"), for the purpose of providing funds for and towards the costs of the Projects and to pay the costs of issuance of the Bonds and through the issuance of General Obligation Bonds of the Township in the aggregate principal amount of \$1,285,000 to be known as the Township of Hopewell General Obligation Refunding Bonds, Series B of 1986 (the "Refunding

4

Bonds") for the purpose of providing funds for the refunding of the General Obligation Bonds, Series of 1984 and to pay the costs of issuance thereof.

Section 2. The Board hereby designates the Projects as the capital projects for which it desires to incur the nonelectoral debt authorized hereunder. The descriptions of the Projects set forth in the recitals of this Ordinance are hereby approved and incorporated herein by reference.

Section 3. The realistic estimated useful lives of the Refunding Project is twenty years and upwards, prior to which time all the Refunding Bonds shall mature. The realistic useful life of the Capital Improvement Project is as follows: Sixty (60%) percent of the Project is twelve years and upwards prior to which time at least sixty (60%) percent of the Bonds shall mature and forty (40%) percent of the Project is fifteen years and upwards prior to which time at least forty (40%) percent of the Bonds shall mature.

Section 4. The President or Vice President or Secretary or Treasurer of the Board of Township Commissioners are hereby authorized and directed to prepare, execute, certify, verify under oath or affirmation, and file with the Department of Community Affairs of the Commonwealth, in accordance with the Act, a certified copy of the Debt Statement of the Township, with an appended Borrowing Base Certificate, executed by any one of the foregoing

5

Township Officials, as required by Section 410 of the Act.

Section 5. The Bonds and the Refunding Bonds shall be issued in the denomination of \$5,000 each, or any integral multiple thereof and shall be fully registered, without coupons, and shall be subject to redemption as provided in Section 8 hereof.

Section 6. The form of the Bonds and Refunding Bonds shall be substantially as follows:

(FORM OF BOND)

NO.

\$5,000

UNITED STATES OF AMERICA

COMMONWEALTH OF PENNSYLVANIA

TOWNSHIP OF HOPEWELL

GENERAL OBLIGATION BONDS, SERIES A OF 1986
[OR GENERAL OBLIGATION REFUNDING BONDS, SERIES B OF 1986]

The Township of Hopewell, Beaver County, Pennsylvania (the "Township"), for value received, hereby acknowledges itself to be indebted and promises to pay to the registered holder hereof, on the first day of February, 19____, unless this Bond shall have been previously called for redemption and payment of the principal shall have been duly made or provided for, upon surrender hereof, the principal sum of Five Thousand Dollars (\$5,000), with interest thereon from the date hereof at the rate of _____ per cent (____%) per annum, payable semiannually on the first day of February and August in each year commencing

6

for inspection at the principal office of said Insurance Trustee from said Corporation or said Insurance Trustee.

The Bonds and the Refunding Bonds which are scheduled to mature on February 1, 1997 and thereafter, are subject to redemption prior to their respective maturities at the option of the Township as a whole on February 1, 1996, or on any date thereafter, or in part, from time to time, in inverse order of maturity and within a maturity by lot, on February 1, 1996, or on any interest payment date thereafter, upon payment of the principal amount thereof together with accrued interest thereon to the date fixed for redemption. Any redemption as provided above shall be made upon notice of redemption mailed, postage prepaid, at least thirty (30) days but not more than forty five (45) days before the redemption date, to all registered owners of the Bonds to be redeemed at their addresses registered in the Bond Registry Book, and to Standard & Poor's Corporation, Moody's Investors Service and The Bond Buyer, or their respective successors, if any, such notice of redemption shall contain the applicable CUSIP numbers pertaining to the Bonds to be redeemed (if then generally in use) but shall state that no representation is made as to the correctness of such numbers either as printed on the Bonds or as contained in the notice and that reliance may be placed only on the identification numbers printed on the Bonds; provided however, that if the Township shall have

furnished notice of redemption and shall have provided funds for the payment of the principal of the Bonds so called for redemption and interest thereon to the date of redemption, interest on such Bonds shall cease to accrue after said redemption date.

The Refunding Bonds which are scheduled to mature on February 1 of the year 2003 are subject to mandatory redemption from the General Obligation Bonds, Series of 1986 Sinking Fund-B, such Bonds to be redeemed in the order of their maturities and by lot within a maturity and such redemption to be made, on February of the hereinafter designated years, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
1998	\$ 70,000	2001	\$ 60,000
1999	75,000	2002	210,000
2000	85,000	2003	225,000*

*By maturity

Any portion of a Bond of a denomination larger than \$5,000 may be redeemed, but only in the principal amount of \$5,000 or any integral multiple thereof. Prior to selecting Bonds for redemption, the Paying Agent will assign numbers to each \$5,000 portion of any Bond of a denomination larger than \$5,000 and will treat such portion as a separate Bond in the denomination of \$5,000 for purposes of selection for redemption.

8

Upon surrender of any Bond for redemption of a portion thereof, the Paying Agent will authenticate and deliver to the registered owner new Bonds of authorized denominations in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered.

This Bond shall be registered upon the Bond Registry Book of the Township to be kept for that purpose at the principal corporate trust office of the Paying Agent, or its successors, and such registration shall be made thereon and by endorsement on the back hereof by an authorized officer of the Paying Agent, after which no transfer shall be made except by the registered holder or holders hereof in person, or by a duly authorized attorney, and any such transfer shall be noted upon said Bond Registry Book and upon the back hereof.

It is hereby certified that all acts, conditions and things required to exist, to have happened, and to have been performed precedent to and in the issuance of this Bond, or in the creation of the debt of which this is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; and that the debt represented by this Bond, together with all other debt of the Township, is not in excess of any constitutional or statutory limitation; and that the Township has covenanted that it will include the amount of the debt service in respect of the Bonds for each

9

fiscal year in which such sums are payable in its budget for that year, will appropriate such amounts to the payment of such debt service, and will duly and punctually pay or cause to be paid the principal of and interest on the Bonds at the dates and places and in the manner stated in the Bonds according to the true intent and meaning thereof; and that for such budgeting, appropriation and payment the full faith, credit and taxing power of the Township are hereby irrevocably pledged.

This Bond shall not be valid or become obligatory for any purpose until this Bond shall have been authenticated by the certificate printed hereon manually signed by the Paying Agent or its successor paying agent.

IN WITNESS WHEREOF, the Board of Commissioners of the Township has caused this Bond to be executed on behalf of the Township by the facsimile signatures of the President or Vice President of the Board of the Township Commissioners and the facsimile of the corporate seal of the Township to be hereto affixed and duly attested by the facsimile signature of the Secretary, Assistant Secretary or Treasurer of the Township, all as of the _____ day of _____, 1986.

TOWNSHIP OF HOPEWELL

BY: _____ (Facsimile Signature)
President (or Vice President)

(SEAL)

Attest: _____ (Facsimile Signature)
Secretary (or Treasurer)

(FORM OF ENDORSEMENT)

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA

TOWNSHIP OF HOPEWELL

\$5,000

% DATED JUNE 1, 1986

PRINCIPAL DUE February 1, 1987

(UNLESS PREVIOUSLY CALLED FOR REDEMPTION)

INTEREST PAYABLE February 1 and AUGUST 1

PRINCIPAL AND INTEREST PAYABLE AT THE PRINCIPAL

CORPORATE TRUST OFFICE OF

BEAVER TRUST COMPANY

BEAVER, PENNSYLVANIA

(FORM OF REGISTRATION)

DATE OF REGISTRY:

IN WHOSE NAME REGISTERED

11

(PAYING AGENT CERTIFICATE)

This Bond is one of the Township of Hopewell, General Obligation Bonds, Series A of 1986 or General Obligation Refunding Bonds, Series B of 1986, described in the within-mentioned Ordinance. Printed on the reverse side hereof is the complete text of the opinion of John A. Havey, Esquire, Bond Counsel, a signed original of which is on file with the undersigned delivered on and dated the date of the original delivery of and payment for the aforesaid Bonds.

BY: _____
Authorized Officer

Section 7. The Bonds shall bear interest until maturity or redemption at the rates per annum, and shall mature in the amounts and on February 1 of the years, as follows:

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>
\$ 30,000	5.00%	1987	\$ 60,000	6.90%	1994
40,000	5.25	1988	65,000	7.00	1995
45,000	5.75	1989	75,000	7.25	1996
45,000	6.00	1990	75,000	7.50	1997
50,000	6.25	1991	85,000	7.60	1998
50,000	6.50	1992	90,000	7.75	1999
55,000	6.75	1993	100,000	7.90	2000
			135,000	8.00	2001

The Refunding Bonds shall be numbered, bear interest until maturity or redemption at the rates per annum, and shall mature in the amounts and on February 1 of the years, as follows:

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>
\$ 25,000	5.00%	1987	\$ 55,000	6.75	1993
40,000	5.25	1988	60,000	6.90	1994
40,000	5.75	1989	60,000	7.00	1995
45,000	6.00	1990	65,000	7.25	1996
50,000	6.25	1991	70,000	7.50	1997
50,000	6.50	1992			
			725,000	8.00	2003

Section 8. The Bonds, which are scheduled to mature on February 1, 1997, shall be subject to redemption prior to their respective maturities at the option of the Township as a whole on February 1, 1996, or on any date thereafter, or in part, from time to time, in inverse order of maturity and within a maturity by lot, on February 1, 1996 or on any interest payment date thereafter, upon payment of the principal amount thereof together with accrued interest thereon to the date fixed for redemption.

The Refunding Bonds, which are scheduled to mature on February 1, 1997, shall be subject to redemption prior to their respective maturities at the option of the Township as a whole on February 1, 1996, or on any date thereafter, or in part, from time to time, in inverse order of maturity and within a maturity by lot, on February 1, 1996 or on any interest payment date thereafter, upon payment of the principal amount thereof together with accrued interest thereon to the date fixed for redemption.

The Refunding Bonds which are scheduled to mature on February 1 of the year 2003 are subject to mandatory redemption from the General Obligation Bonds, Series of 1986 Sinking Fund-B, such Bonds to be redeemed in the order of their maturities and

by lot within a maturity and such redemption to be made, on February of the hereinafter designated years, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
1998	\$ 70,000	2001	\$ 60,000
1999	75,000	2002	210,000
2000	85,000	2003	225,000*

*By maturity

Any portion of a Bond or Refunding Bond of a denomination larger than \$5,000 may be redeemed, but only in the principal amount of \$5,000 or any integral multiple thereof. Prior to selecting Bonds for redemption, the Paying Agent will assign numbers to each \$5,000 portion of any Bond or Refunding Bond of a denomination larger than \$5,000 and will treat such portion as a separate Bond or Refunding Bond in the denomination of \$5,000 for purposes of selection for redemption. Upon surrender of any Bond or Refunding Bond for redemption of a portion thereof, the Paying Agent will authenticate and deliver to the registered owner new Bonds or Refunding Bonds of authorized denominations in an aggregate principal amount equal to the unredeemed portion of the Bond or Refunding Bond surrendered. Any redemption as

15

provided above shall be made upon notice of redemption mailed, postage prepaid, at least thirty (30) days and not more than forty five (45) days before the redemption date, to all registered owners of the Bonds or Refunding Bonds to be redeemed at their addresses registered in the Bond Registry Book, and to Standard & Poor's Corporation, Moody's Investor Service and The Bond Buyer, or their respective successors, if any; such notice of redemption shall contain the applicable CUSIP numbers pertaining to the Bonds or Refunding Bonds to be redeemed (if then generally in use) but shall state that no representation is made as to the correctness of such numbers either as printed on the Bonds or Refunding Bonds or as contained in the notice and that reliance may be placed only on the identification numbers printed on the Bonds or Refunding Bonds; provided however, that if the Township shall have duly published notice of redemption and shall have provided funds for the payment of the principal of the Bonds or Refunding Bonds so called for redemption and interest thereof to the date of redemption, interest on such Bonds or Refunding Bonds shall cease to accrue after said redemption date.

Section 9. The Bonds and Refunding Bonds shall be executed by the facsimile signatures of the President or Vice President of the Board of Township Commissioners, and shall have a facsimile of the corporate seal of the Township affixed thereto and duly attested by the facsimile signature of the Secretary, or Assistant Secretary or Treasurer of the Township and said officers are hereby authorized and directed to execute the Bonds and Refunding Bonds in such manner, and to cause the same to be delivered in accordance with the terms of this Ordinance and the terms of the Proposal referred to in Section 10 hereof. The officers and officials of the Township, or any of them, are further authorized and directed to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to effectuate the issuance and sale of the Bonds and Refunding Bonds, all in accordance with this Ordinance, including, without further authorization, causing funds from the proceeds of the Bonds to be paid at Closing for the costs of issuance of the Bonds and Refunding Bonds as set forth in a Closing Statement signed by any one of the foregoing Township officials.

Section 10. Pursuant to Section 407 of the Act, the Township hereby accepts the negotiated proposal of, and awards the Bonds and Refunding Bonds to, Commonwealth Securities and

17

Investments, Inc. upon the terms set forth in the Proposal Letter dated June 3, 1986. As set forth in the Proposal Letter, the Bonds and Refunding Bonds shall be purchased at a price of \$2,239,300 plus accrued interest on the principal amount thereof to date of delivery on or before July 9, 1986. The proper officers at the Township are hereby authorized and directed to execute and deliver the Proposal Letter on behalf of the Township to Commonwealth Securities and Investments, Inc. on behalf of themselves and other underwriters. The Board of Township Commissioners does hereby find that a private sale by negotiation is in the best financial interest of the Township.

Section 11. The Township hereby covenants with the holders from time to time of the Bonds and Refunding Bonds that the Township shall include the amount of the debt service in respect of the Bonds and Refunding Bonds for each fiscal year in which such sums are payable in its budget for that year, shall appropriate such amounts to the payment of such debt service, and shall duly and punctually pay or cause to be paid the principal of and interest on the Bonds and Refunding Bonds at the dates and places and in the manner stated in the Bonds and Refunding Bonds according to the true intent and meaning thereof, and for such budgeting, appropriation and payment the Township does hereby pledge its full faith, credit and taxing power. This covenant shall be specifically enforceable.

Section 12. The Township hereby appoints Beaver Trust Company, Beaver, Pennsylvania as the Sinking Fund Depositary, Construction Fund Depositary and Paying Agent for the Bonds and Refunding Bonds. The proper officers of the Township are hereby authorized and directed to contract with said bank for its services as such Depositary and Paying Agent.

Section 13. The Paying Agent is hereby authorized and directed to authenticate the Bonds and Refunding Bonds and to deliver them upon the order of the President or Vice President of the Board of Township Commissioners, but only upon the written receipt of the proceeds of the Bonds and Refunding Bonds.

Section 14. There are hereby established sinking funds to be held by the Sinking Fund Depositary and known as "Hopewell Township-General Obligation Bonds-Series A of 1986-Sinking Fund-A" and "General Obligation Refunding Bonds, Series B of 1986-Sinking Fund-B" (the "Sinking Fund-A" and "Sinking Fund-B" respectively). The Township covenants that it shall deposit into the Sinking Funds, on the business day immediately preceeding February 1 and August 1 of each year, commencing February 1, 1987 an amount which, together with any other available funds already on deposit in said Funds, will be sufficient to provide for the payment of the interest and principal, including principal payable upon mandatory redemption, becoming due on the Bonds and Refunding Bonds respectively on the next succeeding February

19

1 or August 1. The moneys deposited in the Sinking Funds shall be applied exclusively to the payment of the principal and interest covenanted to be paid upon the Bonds and Refunding Bonds respectively and to no other purpose whatsoever, except as may be authorized by law, until the same shall have been fully paid.

Section 15. The President, Vice President, Secretary, Assistant Secretary or Treasurer of the Board of Township Commissioners, or any of them, are hereby authorized and directed to certify to and file with the Department of Community Affairs, in accordance with Section 411 of the Act, a complete and accurate copy of the proceedings taken in connection with the increase of debt authorized hereunder, including a certified copy of the Debt Statement and Borrowing Base hereinabove referred to, and to pay the filing fees necessary in connection therewith, and to execute such other documents and take such other action as may be necessary or appropriate to apply for and receive approval from such Department under Article VIII of the Act.

Section 16. The Township hereby covenants with the holders from time to time of the Bonds and Refunding Bonds that it will not make or permit any use of the proceeds of the Bonds and Refunding Bonds which, if such use had been reasonably expected on the date of issue of such Bonds and Refunding Bonds, would have caused such Bonds and Refunding Bonds to be "arbitrage bonds" within the meaning of Section 103(c) of the Internal

Revenue Code of 1954, as amended, and the regulations and rulings thereunder, and that it will comply with the requirements of said section and regulations throughout the term of the Bonds and Refunding Bonds. No official of the Township shall make or permit any investment inconsistent with the foregoing covenants. The proper officers of the Township are hereby authorized and directed to execute and deliver a certificate setting forth their reasonable expectation regarding the use of "proceeds" of the Bonds and Refunding Bonds (as that term is defined in Section 103(c) of the Internal Revenue Code of 1954, as amended and the regulations and rulings thereunder), and the facts and estimates upon which such expectations are based.

The Township further covenants to comply with the applicable provisions of H.R. 3838 adopted by the United States House of Representatives on December 17, 1985, (H.R. 3838) unless, in the opinion of Bond Counsel, such compliance is not required in order to maintain the exemption of the interest on the Bonds or Refunding Bonds from federal income taxation or unless Congressional action shall have taken place which results in the applicable requirements of H.R. 3838 no longer applying to the Bonds.

Any moneys in the 1986 Sinking Fund-A or Sinking Fund-B not required for prompt expenditure may be invested in Bonds or obligations which are direct obligations of the United States

of America or may be deposited at interest in time accounts or certificates of deposit or other interest bearing accounts of any bank or trust company, savings and loan association or building and loan association. To the extent that such deposits are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or similar federal agency, they need not be secured. Otherwise, such deposits shall be secured as public deposits, except that moneys held by the Sinking Fund Depositary may be secured as trust funds. Any such investments or deposits shall mature or be subject to redemption at the option of the holder, or subject to the withdrawal at the option of the depositor not later than the date upon which the funds will be required for the payment of the debt service on the Bonds and Refunding Bonds.

Section 17. The Preliminary Official Statement prepared with respect to the Bonds and Refunding Bonds is hereby approved. The President is hereby authorized to execute and approve a Final Official Statement relating to the Bonds and Refunding 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 and Refunding Bonds.

Section 18. The proper officers of the Township are authorized and directed to execute the necessary certificates, receipts, affidavits and all such other documents as may be necessary or convenient to make settlement, and to do all other acts necessary or convenient to make settlement, or as may be required in connection with the issuance, sale and delivery of the Bonds and Refunding Bonds.

Section 19. AMBAC Indemnity shall be deemed to be the holder of the Bonds and Refunding Bonds insured by AMBAC Indemnity: (i) at all times for the purpose of the initiation by Bondholders of any action to be undertaken by the Fiscal Agent at the Bondholder's request, and (ii) following an Event of Default for all other purposes.

(A) As long as the Bond Insurance shall be in full force and effect, the Issuer and the Trustee agree to comply with the following provisions:

(a) if five (5) days prior to an Interest Payment Date the Fiscal Agent determines that there will be insufficient funds in the Funds and Accounts to pay the principal of or interest on the Bonds on such Interest Payment Date, the Fiscal Agent shall so notify AMBAC Indemnity. Such notice shall specify the amount of the anticipated deficiency, the Bonds and Refunding Bonds to which such deficiency is applicable and whether such Bonds and Refunding Bonds will be deficient as to principal

or interest, or both.

(b) the Fiscal Agent shall, after giving notice to AMBAC Indemnity as provided in (a) above, make available to AMBAC Indemnity and the United States Trust Company of New York, as insurance trustee for AMBAC Indemnity, the registration books of the Issuer maintained by the Trustee, and all records relating to the Funds and Accounts maintained under this Indenture.

(c) the Fiscal Agent shall provide AMBAC Indemnity and the United States Trust Company of New York with a list of registered owners of Bonds entitled to receive principal or interest payments from AMBAC Indemnity under the terms of the Municipal Bond Insurance Policy, and shall make arrangements with United States Trust Company of New York (i) to mail checks or drafts to the registered owners of Bonds entitled to receive full or partial interest payments from AMBAC Indemnity, and (ii) to pay principal upon Bonds surrendered to United States Trust Company of New York by the registered owners of Bonds entitled to receive full or partial principal payments from AMBAC Indemnity.

(d) the Fiscal Agent shall, at the time it provides notice to AMBAC Indemnity pursuant to (a) above, notify registered owners of Bonds entitled to receive the payment of principal or interest thereon from AMBAC indemnity (i) as to the fact of such entitlement, (ii) that AMBAC Indemnity will remit to

them all or part of the interest payments next coming due, (iii) that should they be entitled to receive full payment of principal from AMBAC Indemnity they must tender their Bonds (along with a form of transfer of title thereto) for payment to United States Trust Company of New York, as insurance trustee for AMBAC Indemnity, and not the Fiscal Agent, and (iv) that should they be entitled to receive partial payment of principal from AMBAC Indemnity they must tender their Bonds for payment thereon first to the Fiscal Agent, who shall note on such Bonds the portion of the principal paid by the Fiscal Agent, and then, along with a form of transfer of title thereto, to AMBAC Indemnity, which will then pay the unpaid portion of principal.

(e) AMBAC Indemnity shall, to the extent it makes payment of principal of or interest on Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Municipal Bond Insurance Policy, and to evidence such subrogation (i) in the case of subrogation as to claims for past due interest, the Fiscal Agent shall note AMBAC Indemnity's rights as subrogee on the registration books of the Issuer maintained by the Fiscal Agent upon receipt from AMBAC Indemnity of proof of the payment of interest thereon to the registered owners of the Bonds and Refunding Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Fiscal Agent shall note AMBAC Indemnity's rights as subrogee

by the United States of America;

(b) bonds, debentures or notes or other evidence of indebtedness payable in cash issued by any one or a combination of any of the following federal agencies whose obligations represent full faith and credit of the United States Federal Financing Bank, Farmer's Home Administration, Federal Housing Administration, Maritime Administration, Public Housing Authority, Government National Mortgage Association.

(c) certificates of deposit properly secured at all times, by collateral security described in (a) and (b) above. Such agreements are only acceptable with commercial banks, savings and loans associations, and mutual savings banks.

(d) the following investments fully insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation: (a) certificates of deposit, (b) savings accounts, (c) deposit accounts, or (d) depository receipts of a bank, savings and loan associations and mutual savings banks.

(e) Investments Agreements approved by AMBAC Indemnity. The value of the above investments shall be determined as provided in value below.

"Value, as of any particular time of determination, means the value of any investments shall be calculated as follows:

(a) as to investments the bid and asked prices

on the registration books of the Issuer maintained by the Fiscal Agent upon surrender of the Bonds and Refunding Bonds by the registered owners thereof together with proof of the payment of principal thereof.

The Fiscal Agent may be removed at any time, at the request of AMBAC Indemnity, for any breach of the Trust set forth herein. Every successor Fiscal Agent appointed pursuant to the provisions of, this section shall be a trust company or bank in good standing located in or incorporated under the laws of the State duly authorized to exercise trust powers and subject to examination by federal or state authority.

In the event that the principal and redemption price, if applicable, and interest due on the Bonds and Refunding Bonds shall be paid by AMBAC Indemnity pursuant to a policy issued by it with respect to these Bonds and Refunding Bonds, the assignment and pledge of the Trust Estate or rights hereunder and all covenants, agreements and other obligations of the Township to the Bondholders shall continue to exist and AMBAC Indemnity shall be subrogated to the rights of such Bondsholders.

"Investment Obligations" means any of the following:

(a) direct obligations of (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), or obligations the principal of and interest on which are unconditionally guaranteed

of which are published on a regular basis in The Wall Street Journal (or, if not there, then in The New York Times): the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination;

(b) as to investments the bid and asked prices of which are not published on a regular basis in The Wall Street Journal or The New York Times): the average bid price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Trustee in its absolute discretion) at the time making a market in such investments;

(c) as to certificates of deposit and bankers acceptances: the face amount thereof, plus accrued interest; and

(d) as to any investment not specified above: the value thereof established by prior agreement between the Issuer, the Trustee and AMBAC Indemnity.

If more than one provision of this definition of "value" shall apply at any time to any particular investment, the value thereof at such time shall be determined in accordance with the provision establishing the lowest value for such investment.

Section 20. When the principal of and interest on all Bonds and Refunding Bonds then Outstanding 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 a trust or fiduciary account with the Paying Agent, of an amount of 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 and Refunding Bonds then Outstanding at maturity and all other sums payable by the Township under this Ordinance, the right, title and interest of the Depositary and Paying Agent under this Ordinance shall thereupon cease and the Depositary 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.

Section 21. The Escrow Deposit Agreement presented to this meeting is hereby approved and the President is hereby authorized to execute said agreement with such changes therein as he may approve, such approval to be conclusively evidenced by his execution thereof, and the Township Secretary is authorized to affix the seal of the Issuer thereto and to attest the same, and any of said officers are authorized to deliver said agreement

to Beaver Trust Company. The terms of said Escrow Deposit Agreement are hereby incorporated by reference herein.

Section 22. The Township hereby irrevocably directs payment of all principal of and interest on the General Obligation Bonds, Series of 1984, as the same become due by maturity or mandatory redemption in accordance with the terms of the Escrow Deposit Agreement herein referred to in Section 21.

Section 23. The Issuer hereby authorizes and directs the Township Secretary and/or other officers or Beaver Trust Company or the Purchaser or their respective representatives, to subscribe, on behalf of, and as agent for, the Issuer, for United States Treasury Certificates of Indebtedness Notes and Bonds--State and Local Government Series, or any appropriate combination of the above, all in accordance with the Escrow Deposit Agreement.

The Township Secretary and/or other officers is hereby authorized to execute and deliver written directions to one of the above-named persons and/or the Purchasers to purchase said obligations of the United States on behalf of the Township.

The above-named persons and/or the Purchasers are hereby authorized to certify and deliver a copy of this Ordinance upon subscription of the above-mentioned securities and/or to

deliver a copy hereof certified by the Township Secretary and/or other officers, upon subscription for the above-mentioned securities, or thereafter.

Section 24. The Township hereby appoints John A. Havey, Esquire as Bond Counsel.

Section 25. All ordinances and resolutions or parts of ordinances and resolutions insofar as they are inconsistent herewith are hereby repealed or rescinded.

ENACTED AND ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF THE TOWNSHIP OF HOPEWELL this 3RD day of JUNE, 1986.

TOWNSHIP OF HOPEWELL

BY: James Albert
President or Vice President

(SEAL)

Attest: Michael Baranik
Secretary or Treasurer

CERTIFICATE

I, the undersigned, Secretary of the Township of Hopewell in Beaver County, Pennsylvania ("Township") do hereby certify that the foregoing and attached is a true copy of an Ordinance which was duly adopted at a meeting of the Board of Commissioners on June 3, 1986, at which a quorum was present, after due notice to the members and to the public and which was at all times open to the public; that the same was duly recorded in the Township's Ordinance Book and that a summary thereof was published as required by law in a newspaper of general circulation in the Township. I further certify that the Township satisfied the advance notice requirements of Act No. 175 of the 1974 Pennsylvania General Assembly by advertising the date of the meeting and posting a notice of said meeting at the public meeting place of the Board of Commissioners. I further certify that the total number of members of the Board of Commissioners is five and that the vote upon said Ordinance was called and duly recorded upon the minutes of the Board of Commissioners and that the members of the Board of Commissioners voted in the manner following:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
James Albert, President	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>
Tim Force, Vice President	<u>✓</u>	<u>—</u>	<u>—</u>	<u>✓</u>
Fred Bologna	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>
Vincent J. D'Eramo	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>
Ross Damaso	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>

WITNESS my hand and seal of the Township of Hopewell, this 3rd day of June, 1986.

TOWNSHIP OF HOPEWELL

BY: Michael Bauman
Secretary

(SEAL)

Beaver County Times



P.O. BOX 400
BEAVER, PA 15009-0400
AREA CODE 412 775-3200

LEGAL ADVERTISING INVOICE



TOWNSHIP OF HOPEWELL
CLARK BOULEVARD
ALIQUIPPA PA 15001

6-13-86
RECEIVED

ACCOUNT	INVOICE DATE	DESCRIPTION	LINES	TIMES	PROOF	TOTAL CHARGES
94249600	06/06/86	BIDS/CONT#9-49-78	79	3	2.00	↓
5/28/86	6/02/86	6/05/86				253.22
DATES APPEARED						

PROOF OF PUBLICATION

The **Beaver County Times**, a daily newspaper of general circulation, published by BEAVER NEWSPAPERS, INC., a Pennsylvania corporation, 400 Fair Avenue, West Bridgewater, Beaver County, Pennsylvania, was established in 1946, and has been issued regularly, except legal holidays since said date.

The attached advertisement, which is exactly as printed and published, appeared in the regular issue on

5/28/86 6/02/86 6/05/86

BEAVER NEWSPAPERS, INC.

By Edwin R. Metzger

STATE OF PENNSYLVANIA, }
COUNTY OF BEAVER, } SS:

Before me, a Notary Public in and for such county and state, personally appeared

EDWIN R. METZGER
CONTROLLER

, who being duly sworn according to law says that he is of BEAVER NEWSPAPERS, INC.; that neither affiant nor said corporation is interested in the subject matter of the attached advertisement; and that all of the allegations of the foregoing statement including those as to the time, place and character of publication are true.

Sworn to and subscribed before me

this **06TH** day of **JUNE** 1986

Muriel L. Hupp

MURIEL L. HUPP, NOTARY PUBLIC
BRIDGEWATER BORO, BEAVER COUNTY
MY COMMISSION EXPIRES JAN. 29, 1989
Member, Pennsylvania Association of Notaries

The costs of advertising and proof, **253.22**
has been paid.

BEAVER NEWSPAPERS, INC.

By _____

