

43-5

Ordinance 93-6

Renewal Sewer System

June 8, 1993

TOWNSHIP OF HOPEWELL
BEAVER COUNTY, PENNSYLVANIA

ORDINANCE NO. 93-5

AN ORDINANCE OF THE TOWNSHIP OF HOPEWELL, COUNTY OF BEAVER, PENNSYLVANIA, AUTHORIZING THE INCURRING OF NONELECTORAL DEBT FOR THE PURPOSE OF FINANCING PART OF THE WOODLAWN PARK SANITARY SEWER SYSTEM PROJECT BY THE ISSUANCE OF A GUARANTEED REVENUE NOTE IN THE AMOUNT OF \$946,543 TO THE PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY (COMMONLY REFERRED TO AS PENNVEST); FINDING A SALE BY NEGOTIATION TO BE IN THE BEST INTEREST OF THE TOWNSHIP; FIXING THE FORM, DATE, INTEREST ON AND MATURITY OF THE NOTE; COVENANTING FOR THE PAYMENT OF THE DEBT SERVICE ON THE NOTE OUT OF THE REVENUES OF THE SEWER SYSTEM AND GUARANTEEING THE PAYMENT THEREOF BY THE PLEDGE OF THE FULL FAITH, CREDIT AND TAXING POWER OF THE TOWNSHIP; AUTHORIZING THE APPLICATION TO THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AFFAIRS TO HAVE THE DEBT, EXCLUDED FROM THE TOWNSHIP'S NET NONELECTORAL DEBT AS SELF-LIQUIDATING DEBT; AUTHORIZING THE EXECUTION AND DELIVERY OF ALL DOCUMENTS NECESSARY TO INCUR AND SECURE THE DEBT; RATIFYING PRIOR ADVERTISEMENT AND DIRECTING FURTHER ADVERTISEMENT; COVENANTING TO ADOPT SUFFICIENT RATES AND CHARGES; AND REPEALING INCONSISTENT ORDINANCES.

WHEREAS, the Township of Hopewell, Beaver County, Pennsylvania (the "Township") is a first class township organized and existing under the laws of the Commonwealth of Pennsylvania; and

WHEREAS, the Township is authorized by law, among other things, to acquire, hold, construct, improve, own, maintain and operate sewers, sewer systems or parts thereof, sewage treatment works, including works for the treating and disposing of industrial waste, and to borrow moneys and to issue its bonds and notes and to secure the payment of such bonds and notes by pledge of all of its receipts and revenues and to make such agreements with the purchasers or

holders of such bonds or notes or with others in connection with any such bonds and notes, whether issued or to be issued, as the Township shall deem advisable; and

WHEREAS, the Township presently owns and operates an existing sanitary sewer system (the "Sewer System") which is described in the Financial Feasibility and Self-Liquidating Report, dated June 1993, prepared for the Township by NIRA Consulting Engineers, Inc., its consulting engineers; and

WHEREAS, it is necessary that the indebtedness of the Township of Hopewell, Beaver County, Pennsylvania be increased for the purpose of partially funding the Woodlawn Park Sanitary Sewer System Project (hereinafter called the "Project") consisting of the installation of approximately 24,400 lineal feet of 8" sanitary sewer lines, one pumping station, 580 lineal feet of 4" force main and 1925 lineal feet of 12" sanitary sewer line; the payment of engineering and legal services related to the Project; and the legal and other costs of issuance of a Guaranteed Revenue Note; and

WHEREAS, the Township has received preliminary realistic cost estimates from its consulting engineers that the total sum of \$1,942,976.07 will be needed to complete the Project; and

WHEREAS, the Township has received a Commitment Letter (the "Commitment Letter") from the Pennsylvania Infrastructure Investment Authority ("Pennvest") dated November 25, 1992, whereby Pennvest agrees to provide a loan

in a principal amount of up to \$946,543.00 to partially fund the Project, a copy of which is attached hereto as Exhibit "A"; and

WHEREAS, the Township accepted Pennvest's offer to make said loan by Township Resolution No. 93-101 adopted January 12, 1993; and

WHEREAS, pursuant to the Commitment Letter, the Township is required by Pennvest to execute and deliver various documents as set forth in a Loan Agreement, collectively defined therein as "Loan Documents"; and

WHEREAS, the Township expects to draw \$805,847.00 upon the Pennvest loan commitment but is adopting this ordinance to increase the Township's indebtedness by \$946,543.00 as the maximum amount which may be borrowed; and

WHEREAS, the estimated realistic useful life of the Project is in excess of twenty (20) years; and

WHEREAS, the proposed increase of indebtedness, together with its nonelectoral indebtedness and its lease rental indebtedness presently outstanding, will not cause the limitations of the Township's nonelectoral borrowing power, pursuant to constitutional and statutory authority, to be exceeded; and

WHEREAS, the Township will apply to the Pennsylvania Department of Community Affairs to have the proposed increase of indebtedness approved and excluded from the Township's net nonelectoral debt as self-liquidating debt.

NOW THEREFORE, BE IT ORDAINED AND ENACTED by the Board of Commissioners of the Township of Hopewell, Beaver County, Pennsylvania and it is hereby Ordained and Enacted by the authority of the same as follows:

SECTION 1. The Board of Commissioners of the Township of Hopewell hereby determines to incur nonelectoral debt, in accordance with the provisions of the Local Government Unit Debt Act, Act No. 52, (the "Act"), of the Commonwealth of Pennsylvania, as amended, by the issuance of a \$946,543.00 aggregate principal amount Guaranteed Revenue Note to finance the Project.

SECTION 2. The indebtedness shall be evidenced by the Guaranteed Revenue Note, in the aggregate principal amount of \$946,543.00 dated and bearing interest from the date of issue at the rate of interest of One Percent (1.00%) per annum for the first five years and One and Six Hundred Nine Thousandths Percent (1.609%) per annum for the remainder of the twenty (20) year term. The annual interest rate shall be calculated on the basis of a 360-day year by multiplying the interest rate in effect by a fraction, the numerator of which is the actual number of days the principal sum is outstanding and the denominator of which is 360. Interest only on the unpaid principal sum following a loan advance to or for the benefit of the Township shall be payable in fifteen (15) monthly installments commencing on August 1, 1993 and ending on October 1, 1994, the calendar month preceding the Amortization Date ("Amortization Date").

On the Amortization Date, the unpaid principal sum then outstanding and all accrued and unpaid interest shall become due and payable as follows:

Principal and interest shall be payable in two hundred twenty-five (225) consecutive monthly installments commencing on the first day of each calendar month beginning with November 1, 1994 and continuing on the first day of each calendar month thereafter to and including July 1, 2013.

The forty-five (45) principal and interest installments beginning on November 1, 1995 and ending on July 1, 1998 shall be in the amount of \$4,615.32. On August 1, 1998, the remaining one hundred eighty (180) principal and interest payments shall be in the amount of \$4,824.82 and continue thereafter to and including July 1, 2013. On July 1, 2013, the unpaid principal sum then outstanding and all accrued and unpaid interest shall become due and payable.

SECTION 3. (a) The Guaranteed Revenue Note is hereby declared to be a general obligation of the Township. The Township hereby covenants that it shall include the amount of the debt service on the Guaranteed Revenue Note 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; shall duly and punctually pay or cause to be paid the principal of the Guaranteed Revenue Note and the interest thereon at the dates and places and in

the manner stated in the Guaranteed Revenue Note according to the true intent and meaning thereof; and for such proper budgeting, appropriation and payment, to the extent that the gross receipts and revenues generated or produced from or by the Sewer System are not sufficient to pay such debt service, the full faith, credit and taxing power of the Township is hereby irrevocably pledged.

(b) As additional security for its obligation to make all payments and to perform all other obligations under the Guaranteed Revenue Note and the Loan Documents, the Township hereby pledges and grants to Pennvest a lien on and security interest in the gross receipts and revenues generated or produced from or by the Sewer System to the extent permitted by law, provided however, the said lien and security interest shall be on parity with or junior in priority to the lien and security interest of the bondholders of the Township of Hopewell, Beaver County, Pennsylvania, Guaranteed Sewer Revenue Bonds, Series A of 1993, and Guaranteed Sewer Assessment Bonds, Series B of 1993, dated June 1, 1993. In the furtherance thereof, the Loan Agreement shall constitute a security agreement as that term is defined in the Pennsylvania Uniform Commercial Code. This includes a pledge and lien and security interest in all general intangibles of the Township, including those related to or arising from the operation of the Sewer System, including, without limitation, all accounts receivable and contract rights and the proceeds of such general intangibles,

but the existence of such security interest shall not prevent the expenditure, deposit or commingling of gross revenues and receipts by the Township so long as all required payments under the Loan Documents are made when due. If any required payment is not made when due, any gross revenues and receipts subject to this security interest which are then on hand and not yet commingled with other funds of the Township and not yet deposited shall immediately, or upon receipt, be transferred to Pennvest to the extent needed to make the obligation on the Guaranteed Revenue Note current, considering all terms and conditions in the Loan Documents.

(c) In fulfilling its general obligation to pay the obligation on the Guaranteed Revenue Note pursuant to the terms and conditions of the Loan Documents, the Township covenants it will:

(i) Include the amount of the debt service for the Loan, Other Loan, and any other debts incurred in the construction or improvement of the Sewer System, for each fiscal year in which sums are payable, in its budget for that year;

(ii) Appropriate such sums from its general and specially pledged revenues for the payments of such debt service;

(iii) Duly and punctually pay or cause to be paid from its sinking fund or any other of its revenues or funds, the principal and interest on the Guaranteed Revenue

Note and the obligations to other lenders to the Sewer System, to the extent of the Township's obligation, the amount payable at the dates and places and in the manner stated in the Loan Documents, according to the true intent and meaning thereof. For such budgeting, appropriation and payment in respect of the Guaranteed Revenue Note and the debts to other creditors of the Sewer System, the Township shall pledge its full faith, credit and taxing power, but nothing in the covenant contained herein shall in any way obligate the Township to budget, appropriate or make any payments beyond the stated terms of its obligation, which covenant shall be strictly enforceable;

(iv) Pay the amounts due under the terms and conditions of the Guaranteed Revenue Note, the Loan Agreement and the other Loan Documents from the pledged revenues which are generated from the use, operation or sale of the Sewer System. Any deficiency in the pledged revenues to pay all sums due under the Guaranteed Revenue Note, the Loan Agreement and the other Loan Documents will become a general obligation of the Township, and the Township pledges its full faith, credit, and taxing power to the payment thereof and guarantees the payment of any and all sums due under any of the Loan Documents, including the Guaranteed Revenue Note and the Loan Agreement;

(v) Not pledge, sell, lease or otherwise encumber the gross revenues or receipts of the Township other than permitted herein or incur additional debt from

which repayment is planned from the Township's gross revenues or receipts unless prior written approval is obtained from Pennvest. Any liens or judgments placed against the gross revenues or receipts of the Township, or on any part thereof, will be promptly paid by the Township unless, but only so long as, the validity thereof is being contested in good faith in proceedings diligently pursued; and

(vi) Pay out of its gross revenues or receipts, all taxes and assessments, including income, profits, property or excise taxes, if any, or other municipal or governmental charges lawfully imposed upon the Township or the Sewer System or upon any part thereof or upon any rents or charges or gross revenues and receipts from or in connection with the Sewer System or upon any franchises, businesses, or transactions in connection with the Sewer System for the payment or collection of which the Township may be liable or accountable under any lawful authority whatever by reason of its ownership of, or its earnings, profits or receipts from, the Sewer System, and will observe and comply with all valid requirements of any municipal or other governmental authority relative to the Sewer System.

SECTION 4. The amount which the Township hereby covenants to pay in each year is set forth on Exhibit "B", attached hereto. A summary of the yearly debt service amounts payable is as follows:

| <u>Year</u> | <u>Debt Service</u> |
|-------------|---------------------|
| 1993 | \$ 650.56 |
| 1994 | 15,837.68 |
| 1995 | 55,383.84 |
| 1996 | 55,383.84 |
| 1997 | 55,383.84 |
| 1998 | 56,443.64 |
| 1999 | 57,927.36 |
| 2000 | 57,927.36 |
| 2001 | 57,927.36 |
| 2002 | 57,927.36 |
| 2003 | 57,927.36 |
| 2004 | 57,927.36 |
| 2005 | 57,927.36 |
| 2006 | 57,927.36 |
| 2007 | 57,927.36 |
| 2008 | 57,927.36 |
| 2009 | 57,927.36 |
| 2010 | 57,927.36 |
| 2011 | 57,927.36 |
| 2012 | 57,927.36 |
| 2013 | 33,790.63 |

SECTION 5. The form of the Guaranteed Revenue Note shall be substantially as appears on Exhibit "C", attached hereto.

SECTION 6. The Guaranteed Revenue Note shall be executed in the name and under the corporate seal of the Township by the Chairman or Vice-Chairman of the Board of Commissioners and attested to by the Secretary of the Township of Hopewell. The Treasurer of the Township of Hopewell is hereby authorized and directed to deliver or cause the Guaranteed Revenue Note to be delivered to Pennvest and receive payment therefor on behalf of the Township.

SECTION 7. In compliance with Section 701 of the Act, the Board of Commissioners of the Township has determined that a private sale by negotiation rather than public sale is in the best interest of the Township.

Therefore, the Guaranteed Revenue Note in the amount of \$946,543.00 herein authorized to be issued and sold, is hereby awarded and sold to Pennvest in accordance with the Commitment Letter at par provided the Guaranteed Revenue Note is dated the date of delivery thereof to Pennvest and is substantially in the form set forth in Section 5. of this Ordinance.

SECTION 8. The action of the proper officers in the advertising of a summary of this Ordinance, as required by law, in the Beaver County Times, a newspaper of general circulation, is ratified and confirmed. The advertisement in said newspaper of the enactment of this Ordinance is hereby directed within fifteen (15) days following the day of final enactment.

SECTION 9. The Township covenants with the holder of the Guaranteed Revenue Note as follows:

(a) It will make no use of the proceeds of the Guaranteed Revenue Note which will cause the Guaranteed Revenue Note to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code (the "Code") and the regulations thereunder and that it will comply with the requirements of said Section and regulations throughout the term of the Guaranteed Revenue Note. In addition, the Township will comply with all requirements of the Code and the regulations promulgated or proposed thereunder applicable to the Guaranteed Revenue Note.

(b) None of the proceeds of the Guaranteed Revenue Note will be used to reimburse the Township for an expenditure made prior to the date of the Guaranteed Revenue Note unless (i) such expenditure complies with the applicable provisions of Section 1.103-18 of the Treasury Regulations or (ii) the proceeds of the Guaranteed Revenue Note are exempt from the arbitrage rebate requirements of Section 148(f) of the Code.

(c) If the principal amount of the Guaranteed Revenue Note plus the aggregate principal amount of all other tax-exempt obligations issued and to be issued by the Township during the current year exceeds \$5,000,000, and if the gross proceeds of the Guaranteed Revenue Note are invested at a yield greater than the yield on the Guaranteed Revenue Note and are not expended within six (6) months from the date of issuance, the Township covenants that it will rebate to the U.S. Treasury, at the times and in the manner required by the Code, all investment income derived from investing the proceeds of the Guaranteed Revenue Note in an amount which exceeds the amount which would have been derived from the investment of the proceeds of the Guaranteed Revenue Note at a yield not in excess of the yield on the Guaranteed Revenue Note.

(d) The Township will file IRS Form 8038-G and any other forms or information required by the Code to be filed in order to permit the interest on the Bonds to be

excluded from gross income tax for federal income tax purposes.

(e) It is a governmental unit with general taxing powers.

(f) The aggregate amount of tax-exempt obligations which are not "private activity bonds" (as defined in Section 141 of the Code) issued after December 31, 1991 by the Township, any subordinate entity controlled by the Township or any entity which issues bonds on behalf of the Township, when added to the principal amount of the Guaranteed Revenue Note and the amount of tax-exempt obligations which are not "private activity bonds" which are reasonably expected to be issued by the Township, any subordinate entity controlled by the Township or any entity which issues bonds on behalf of the Township on or after the date of issuance of the Note and before January 1, 1994, does not and will not exceed \$5,000,000.

(g) The aggregate amount of tax-exempt obligations which are not "private activity bonds" (as defined in Section 141 of the Code), other than "qualified 501(c)(3) bonds" (as defined in Section 145 of the Code) issued after December 31, 1991 by the Township, any subordinate entity controlled by the Township or any entity which issues bonds on behalf of the Township, when added to the principal amount of the Guaranteed Revenue Note and the amount of tax-exempt obligations (including "qualified 501(c)(3) bonds") which are not "private activity bonds"

which are reasonably expected to be issued by the Township, any subordinate entity controlled by the Township or any entity which issues bonds on behalf of the Township on or after the date of issuance of the Note and before January 1, 1994, does not and will not exceed \$10,000,000.

SECTION 10. The Township of Hopewell hereby designates the Note under Section 265(b)(3)(B)(ii) of the Code as a "qualified tax-exempt obligation", as that term is defined in Section 265(b)(3)(B) of the Code.

SECTION 11. The Chairman of Board of Commissioners, Township Treasurer and the Township Secretary are hereby authorized and directed to prepare, verify and file with the Department of Community Affairs, in accordance with the Act, a transcript of the proceedings relating to the issuance of the Guaranteed Revenue Note, including the Debt Statement and Borrowing Base Certificate required by Section 410 of the Act; to take other necessary action; and to prepare and file all necessary documents with the Department of Community Affairs including, if necessary or desirable, any statements required to exclude any portion of the debt evidenced by the Guaranteed Revenue Note from the appropriate debt limit as self-liquidating debt.

SECTION 12. (a) For purposes of this Section, the following terms shall have the following meanings:

(i) "Consultant" shall mean a person who shall be of national reputation appointed by the Township or Pennvest as the case may be and not

unsatisfactory to the other party and who is qualified to pass upon questions relating to the financial affairs of the Sewer System and who has a favorable reputation for skill and experience in such area;

(ii) "Net Revenues" shall mean all receipts, revenues, income and other monies received by or on behalf of Township from or in connection with the ownership or the operation of the Sewer System and all rights to receive same whether in the form of accounts receivable, contract rights, insurance proceeds and any other source of payment after deduction of contractual allowances, reasonable allowances for bad debts, expenses for operating the Sewer System, and Operating Expenses;

(iii) "Operating Expenses" shall mean all expenses required in the operation and maintenance of the Sewer System determined in conformity with generally accepted accounting principles including, in each case, without intending to limit the generality of the foregoing:

(A) Expenses of operation (including all utilities), maintenance, repair, alteration, insurance and inspections;

(B) Salaries and expenses of professional, managerial, supervisory, administrative, engineering, legal, financial, auditing and consulting services;

(C) Sums payable to any person which sums constitute expenses of operation and maintenance; and

(D) All taxes or contributions or payments in lieu thereof, assessments and charges, including without limitation, income, profits, property, franchise, payroll and excise tax.

(b) Beginning the first full fiscal year after completion of the Project, and in each fiscal year thereafter, the Township shall fix, charge and collect rates, fees and charges for services provided in connection with the operation of the Sewer System which, together with other available funds, shall be sufficient to provide Net Revenues at least equal to:

(i) Principal and interest due and payable hereunder and due and payable on all loans senior hereto including the Other Loan;

(ii) Payment of all amounts due under any other indebtedness owed by the Township and coming due in such fiscal year; and

(iii) Payment by the Township in such fiscal year of Operating Expenses.

(c) If, at any fiscal year end, Net Revenues are less than the coverage requirements set forth above ("Coverage Requirements"), the Township covenants that it shall review its operation of the Sewer System and take such steps as it deems necessary to correct any deficiencies.

If, after six (6) months shall have elapsed following such fiscal year end, Net Revenues for such six-month period shall not be at least equal to one-half (1/2) of the Coverage Requirements then due, the Township shall immediately employ a Consultant to analyze the deficiency and recommend by the then current fiscal year end a revised schedule of rates, fees and charges which the Township immediately shall implement and enforce to the extent permitted by the law. If, at the end of the fiscal year next succeeding such Consultant's recommendation, Net Revenues are still not sufficient to meet the Coverage Requirements, the Township shall immediately transfer management and operation of the Sewer System to a Consultant satisfactory to Pennvest until there has been a period of twelve (12) consecutive months during which the Net Revenues satisfy the Coverage Requirements; provided, however, that if the Consultant selected by Pennvest determines that the failure to meet the Coverage Requirements is caused principally by factors outside the control of management, the Consultant shall not assume management.

SECTION 13. The officers and officials of the Township are hereby 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 effect the execution, issuance, sale and delivery of the Guaranteed Revenue Note, all in accordance with this Ordinance.

SECTION 14. Any authorization granted to, power conferred on, or direction given to the Chairman of the Board of Commissioners or Township Secretary shall be deemed to run to the Vice Chairman of the Board of Commissioners or Acting Township Secretary, respectively, as if such latter titles had been expressly included in the text hereof which grants such authorization, confers such power or gives such direction.

SECTION 15. The Financial Feasibility and Self-Liquidating Report, dated June 1993, prepared for the Township by NIRA Consulting Engineers, Inc., its consulting engineers, is hereby approved and adopted.

SECTION 16. All ordinances or parts of ordinances not in accord with this Ordinance are hereby repealed insofar as they conflict herewith.

BE IT ORDAINED AND ENACTED this 8th day of June,
1993.

Attest:

TOWNSHIP OF HOPEWELL

James M. Eichenlaub
Secretary

By M. Timothy Force
Chairman, Board of
Commissioners



Commonwealth of Pennsylvania

PENNVEST

Pennsylvania Infrastructure Investment Authority

Keystone Building, 22 South Third St., Harrisburg, PA 17101
(717) 787-8137

Governor Robert P. Casey,
Chairman

Paul K. Marchetti,
Executive Director

November 25, 1992

Hopewell Township
Municipal Building, Clark Boulevard
Aliquippa, Pennsylvania 15001

Re: ME#74003

Gentlemen:

The Pennsylvania Infrastructure Investment Authority ("Authority") hereby offers to make a loan ("Loan") to Hopewell Township, a municipality organized and existing under the Laws of the Commonwealth of Pennsylvania ("Borrower"), in order to partially finance the construction of a sewer system within the meaning of the Pennsylvania Infrastructure Investment Authority Act (the "Act") located in Hopewell Township, Beaver County, Pennsylvania, all on the terms and conditions of this Commitment Letter (the "Commitment") as set forth herein:

1. AMOUNT. The Loan shall be in a principal amount of up to \$946,543.00, subject to adjustment as hereinafter provided. The Loan shall be partially funded by the Water Pollution Control Revolving Fund received from the United States Environmental Protection Agency under the Water Quality Act of 1987. The Loan shall be made at the Loan Closing (as hereinafter defined) and the Loan shall be evidenced by a guaranteed revenue note in such principal amount executed by the Borrower and made payable to the order of the Authority ("Note").

2. PURPOSE; DISBURSEMENT OF PROCEEDS.

(a) The Borrower shall construct or cause to be constructed on the real property a sewer system (collectively, the "Project"). Work on the Project shall be commenced no later than November 12, 1993 (first anniversary of Authority approval of the

Loan) and shall be completed not later than February 12, 1995. The real property, together with the Project and all personal property of any nature located thereon or used or useful in connection therewith and all rights of way and easements across property of others in connection therewith is referred to collectively as the "System".

(b) The Borrower's current estimate of project cost is \$2,230,706.00. The project cost shall be funded by:

(i) The Loan to the extent of \$946,543.00;

(ii) The Borrower to the extent of \$355,277.00 consisting of \$77,520.00 from Connection Fees, \$260,100.00 from Assessments and \$17,657.00 from its own funds ("Equity Contribution"); and

(iii) A loan to the Borrower to the extent of \$928,886.00 ("Other Loan").

(c) The Authority shall make Loan advances to or for the benefit of the Borrower for prior eligible costs and from time to time as work progresses on the construction of the Project but such advances shall not be more frequent than monthly. The Authority may withhold up to 5% of the total Loan amount from the Authority plus any amount of contingency allocated to the Loan from the final loan disbursement to the Borrower. The amount withheld by the Authority shall be advanced upon completion of the construction of the Project and satisfaction of the terms and conditions relating thereto set forth in the loan agreement and other loan documents (collectively referred to as the "Loan Documents"). The Loan advances shall be made pursuant to written applications and appropriate certifications submitted to the Authority by or on behalf of the Borrower, in form and substance satisfactory to the Authority. The Loan advances shall be made subject to the satisfaction of or as modified by the following additional conditions:

(i) The Equity Contribution shall be applied toward the cost of the Project prior to any Loan advances, either by the Borrower depositing the Equity Contribution with the Authority at the time of the Loan Closing for subsequent disbursement by the Authority in the same manner as the Loan advances or by the Borrower directly with appropriate proof thereof submitted to the Authority prior to the first Loan advance, as the Authority shall determine;

(ii) The Equity Contribution shall be increased from time to time if and to the extent that there is an increase in the estimated cost of construction of the Project, as determined by the Authority, and such increase in the Equity Contribution shall be applied toward the construction of the Project in the same manner

as set forth in Section (i) hereof, prior to any further Loan advances; and

(iii) Each advance shall be made in accordance with the provisions of a loan disbursement agreement ("Loan Disbursement Agreement") between the Authority and the Other Lender in form and substance satisfactory to the Authority.

3. INTEREST RESERVE.

(a) The portion of the Loan proceeds, if any, allocated and reserved for the payment of interest installments and referred to as the interest reserve may be disbursed from time to time by the Authority for the account of the Borrower for the payment of the interest due on the Loan. The Authority and Borrower have estimated that the amount so allocated and reserved approximates the interest which shall become due and payable monthly during the term of the Loan. No interest shall accrue upon any portion of the interest reserve until the Authority actually disburses such portion thereof which shall represent the then due and payable monthly interest installment, whereupon the sum so disbursed shall be added to the outstanding principal sum of the Loan and shall bear interest as provided for in the Loan.

(b) In the event a default in the Loan occurs, the Authority shall have the right but not the obligation to continue to disburse such monthly interest installments from the interest reserve.

(c) In the event the interest reserve is depleted or the Authority in its sole determination deems any of the remaining interest reserve to be insufficient to pay in full the then due and payable monthly installments or any portion thereof, then upon five (5) business days written notice from the Authority, Borrower shall commence the payment of the monthly interest installments. Establishment of an interest reserve shall in no way relieve Borrower of its obligation to pay interest as set forth in the Loan Documents.

4. INTEREST RATE.

(a) The Loan shall provide for interest on the unpaid principal balance outstanding from time to time at an annual rate equal to One Percent (1.000%) per annum for the first five (5) years and One and Six Hundred Nine Thousandths Percent (1.609%) per annum for the remainder of the twenty (20) year term.

(b) The annual interest rate shall be calculated on the basis of a 360-day year by multiplying the interest rate in effect pursuant to subparagraph (a) hereof by a fraction, the numerator of which is the actual number of days the Loan is outstanding and the denominator of which is 360.

5. PAYMENT TERMS.

(a) If construction commences after Loan Closing, then interest only on the unpaid principal balance shall be payable in 15 monthly installments commencing on the first day of the calendar month following a Loan advance by the Authority to or for the benefit of the Borrower. The unpaid principal balance then outstanding and all accrued and unpaid interest shall become due and payable as follows:

(i) Principal and interest shall be payable in 225 consecutive monthly installments commencing on the first day of each calendar month beginning with the 16th month from the date of Loan Closing and continuing the first day of each calendar month thereafter to and including the remainder of the 20-year term. The principal and interest installments for the 225 months shall be approximately \$4,615.32 for 45 months and \$4,824.82 for 180 months. On the first day of the last calendar month of the 20-year term, all the unpaid principal sum then outstanding and all accrued and unpaid interest shall become due and payable.

(b) If construction commences prior to Loan Closing, the interest only period shall be shortened and the amortization of principal and interest shall be lengthened accordingly.

(c) Borrower shall have the right at any time to prepay all or any portion of the unpaid principal balance of the Note without penalty or premium with the prior written consent of the Authority.

(d) The Authority shall have the right to require that there be deposited with it on a monthly basis, at the time of and in conjunction with the payment of interest and/or principal, amounts sufficient to pay when due current real estate taxes, if any, water and sewer charges and assessments, if any, other lienable assessments, if any, and insurance premiums, if any.

6. SECURITY. The Loan shall be evidenced by the Note and other documents as are necessary and shall be secured, inter alia, as follows:

(a) A Guaranteed Revenue Note/Ordinance approved by the Borrower wherein the Borrower pledges its full faith, credit and taxing power to repay the amount of this Loan and all other amounts due under the Loan Documents.

(b) Assignments of the Borrower's interests, as appropriate, under the construction contract with the general contractor, the engineer's agreement with the engineer and all other documents and rights relating to the System.

(c) A security agreement ("Account Security Agreement") together with Uniform Commercial Code ("UCC") financing statements executed by the Borrower in favor of the Authority, granting to the Authority a lien or supplemental indenture, if available, and perfected security interest in gross revenues and receipts, including those generated from the operation of the System and/or accounts and accounts receivable, contract rights now owned and hereinafter acquired by the System, as well as any proceeds of general intangibles generated therefrom, subject only to the liens outstanding as of the date of Authority approval.

7. COMPOSITION OF THE BORROWER. During the term of the Loan, there shall be no change in key management of the System, without at least thirty (30) days prior notification to the Authority and approval in writing by the Authority, which consent shall not be unreasonably withheld.

8. ASSIGNMENT.

(a) Neither this Commitment nor the Loan proceeds shall be assignable by the Borrower without the prior written consent of the Authority and any attempt at such assignment without such consent shall be void.

(b) This Commitment, the Loan and any and all documents pertaining thereto may be placed, assigned, serviced or participated in (either in whole or in part) by the Authority, its successors and assigns.

9. MODIFICATION; ENTIRE COMMITMENT. No change or modification of this Commitment shall be valid unless the same is in writing and signed by the parties hereto. This Commitment contains the entire agreement between the parties hereto and there are no promises, agreements, conditions, undertakings, warranties and representations, either written or oral, expressed or implied between the parties hereto other than as herein set forth. It is expressly understood and agreed that this Commitment represents an integration of any and all prior and contemporaneous promises, agreements, conditions, undertakings, warranties and representations between the parties hereto.

10. COMMITMENT TO SURVIVE CLOSING. This Commitment shall survive the Loan Closing and each and every one of the obligations and undertakings of the Borrower named herein shall be continuing obligations and undertakings and shall not cease and determine until the entire Loan, together with all interest and fees due hereon and any other amounts which may accrue pursuant hereto or to the Loan, shall have been paid in full, and until all obligations and undertakings of the Borrower shall have been fully completed and discharged.

11. EVENTS OF DEFAULT. The occurrence of any one or more of the following shall, at the option of the Authority, constitute an event of default hereunder and the Authority reserves the right, without giving any prior notice to the Borrower, to thereupon cancel this Commitment and terminate its obligations hereunder:

(a) The Borrower shall have failed to observe and perform each and every one of the terms, covenants, promises and agreements on its part to be observed and performed under this Commitment, under any other commitment relating to the System or under any other documents pertaining to this Loan;

(b) The financial condition of the Borrower or the physical condition of the real property or of the System, prior to the Loan Closing, shall have changed in any material degree from the condition represented in the information and documentation submitted by the Borrower to the Authority in support of the Loan request; or

(c) The filing by or against the Borrower of a petition in bankruptcy or insolvency or for reorganization, or for the appointment of a receiver or trustee, or the making by the Borrower of an assignment for the benefit of creditors, or in the event of any similar act or occurrence.

12. GENERAL CONDITIONS. The General Conditions attached hereto are an integral part of this Commitment. The General Conditions shall not in any way minimize or diminish any of the terms, conditions or requirements set forth herein and such General Conditions shall be interpreted to augment, supplement and complement such terms, conditions and requirements.

13. ACCEPTANCE; TERMINATION.

(a) The acceptance of this Commitment shall be evidenced by the return of an original and four (4) copies of the enclosed copies hereof executed by the Borrower within thirty (30) days from the date hereof. Please retain the other copy for your future use. Unless this Commitment is so accepted, it shall become null and void.

(b) The closing for the Loan described in this Commitment shall take place within three hundred sixty five (365) days from November 12, 1992 (Authority Loan Approval Date) on such date as shall be mutually satisfactory to the Authority and the Borrower ("Loan Closing"), but if the Loan Closing does not occur within such 365-day period, this Commitment shall terminate and the Authority shall have no further obligation hereunder.

(c) The Authority shall have the right to terminate this Commitment in the event there occurs, between the date of this Commitment and the date of the Loan Closing, any loss or damage to

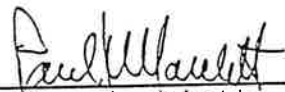
the System due to fire or other casualty or any taking of all or any portion of the System by exercise of the power of eminent domain.

(d) Neither the failure of the Authority nor the delay of the Authority to exercise any right, power or privilege under this Commitment shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other further exercise of any other right, power or privilege.

(e) Notwithstanding any other term, provision, promise, grant, or covenant in this Commitment, or any other agreement, oral or written, implied or expressed, the Authority shall have the right to render this Commitment and any obligation to make the Loan null and void if the Authority for any reason whatsoever is unable to fund the construction of the Project from the proceeds of the General Obligation Bonds of the Commonwealth of Pennsylvania.

Very truly yours,

PENNSYLVANIA INFRASTRUCTURE
INVESTMENT AUTHORITY



Paul K. Marchetti
Executive Director

ACCEPTANCE

Intending to be legally bound, the undersigned hereby accepts the foregoing Commitment and agrees to the terms and conditions thereof.

ATTEST:

HOPEWELL TOWNSHIP



(SEAL)



Date: 1-12-93

GENERAL CONDITIONS

DOCUMENTS AND INFORMATION TO BE FURNISHED TO BOARD BEFORE LOAN CLOSING. At least four (4) weeks prior to the scheduled date of the Loan Closing, Borrower must obtain at its expense and submit to the Authority all of the documents and information set forth below. Such documentation and information shall be subject to the Authority's review and approval, as to both form and substance, and shall be updated and effective at the time of the Loan Closing.

(1) The charter documents or articles of incorporation; pertinent incumbency and signature certificates; the ordinance authorizing the incurrence of the loan; as required in Local Government Unit Debt Act 53 P.S. Section 6780-154 ("LGUDA"), a copy of the approval or certification from the Department of Community Affairs ("DCA"), that the indebtedness evidenced by this Loan does not cause the Borrower to exceed its authorized debt limits as provided for in the LGUDA, 53 P.S. Sections 6780-161 and 6780-359; a copy of the notice of ordinance, as required in the LGUDA, 53 P.S. Section 6780-3; a copy of the debt statement submitted to DCA, as required in LGUDA, 53 P.S. Section 6780-160.

(2) Current and complete financial statements prepared in accordance with generally accepted accounting principles consistently applied, for the Borrower, in form and substance satisfactory to the Authority which financial statements shall be accompanied by the certifications of the Borrower that they are true and correct and that there has been no adverse change in financial condition.

(3) Copies of such documents as the Authority may request with respect to the Other Loan and other loan commitment.

(4) Certification by the Borrower that it is not governed or regulated by the Pennsylvania Public Utility Commission.

(5) A written opinion of the Borrower's counsel, who shall be acceptable to the Authority, stating that:

(a) Borrower is validly organized and existing under the laws of the Commonwealth of Pennsylvania with full power and authority to own and operate the System;

(b) Borrower has full authority and legal right to execute and carry out the terms of this Commitment and any other documentation required hereunder or in connection with the Loan;

(c) Borrower has taken all necessary and appropriate action to authorize the execution and delivery of this Commitment

and all other documents required to be executed by it in connection with the Loan;

(d) This Commitment and all other documents required to be executed by the Borrower have been duly executed and acknowledged or witnessed, as appropriate, by the Borrower;

(e) None of the aforesaid actions, undertakings and agreements contravene or shall contravene the Borrower's System of the provisions of the Commitment, or the provisions of any contract or agreement to which the Borrower is a party or by which it is bound or any applicable law, including, but not necessarily limited to, the Pennsylvania Prevailing Wage Act, as amended;

(f) Borrower has validly and irrevocably obtained without qualification all required permits and approvals from all governmental authorities having jurisdiction over the construction or operation of the Project as shown in the plans and specifications and such permits and approvals are final, non-appealable and in full force and effect;

(g) The proceeds of the Loan and all other loans received by the Borrower from the Authority have not been used, and will not be used, either directly or indirectly, for any purpose which would cause the underlying obligations of the Commonwealth of Pennsylvania to be considered "arbitrage bonds" as that term is defined in Section 103(b)2 and Section 148 as amended of the Internal Revenue Code; and

(h) The Note and all other Loan Documents are valid and enforceable according to their terms in the Commonwealth of Pennsylvania.

(6) Fully paid fire insurance policy and builder's risk casualty insurance policy covering risk of loss or damage to the System due to fire and such other casualties as the Authority may require with limits equal to one hundred percent (100%) of the fully insurable value of the System written by an insurance company or companies approved by the Authority and containing mortgagee/payee clauses, if applicable, in favor of the Authority in form and content satisfactory to the Authority; fully paid flood insurance policy, if determined to be necessary by the Authority; and fully paid liability insurance and workmen's compensation insurance covering the general contractor and/or Borrower and liability insurance covering the Borrower in amounts of not less than \$500,000 for each person and \$1,000,000 for property damage.

(7) The engineer's agreement between the borrower and the engineer. Such agreement shall include a covenant by the engineer waiving the right to file or maintain any mechanic's lien or claim against the System. Such agreements shall be conditionally

assigned to the Authority by an instrument in form and substance satisfactory to the Authority.

(8) Certification by the Borrower's engineer.

(9) If required by the Authority, two (2) copies of the plans and specifications, or similar documents, for the construction of the Project, which shall have been approved in writing by all necessary and appropriate governmental authorities, the general contractor, engineer and bonding company, as appropriate, and which thereafter shall not be changed without the prior written approval of the Authority and the appropriate governmental authorities, including, but not limited to, where appropriate:

(a) Evidence satisfactory to the Authority that all utilities, including water, electric, gas and telephone, and all storm and sanitary sewer drainage facilities are available (or upon completion of the Project will be available) at the System for utilization by Borrower for the proposed Project and that the respective lines and treatment or generating plants are of adequate size and capacity to service the Project;

(b) Evidence satisfactory to the Authority that all roads and sidewalks proposed to be constructed on the System as part of the Project will be dedicated to, operated and maintained by the Borrower when completed, or, to the extent the same are not so dedicated and maintained, satisfactory information with respect to the proposed funding of the operation and maintenance thereof;

(c) Soil compaction and/or test borings sufficient to demonstrate that the quality of the land of the System is such that it can support the Project.

(d) The Borrower shall, in every contract for construction, reconstruction, alterations, repair, improvement or maintenance of the System, comply with the provisions of the Act of March 3, 1978, (P.L. 6, No. 3 known as the "Steel Products Procurement Act"), and submit separate from the plans and specifications certificates of compliance;

(e) Evidence satisfactory to the Authority that the System as shown in the plans and specifications complies with all governmental requirements, that all required permits, as described in a separate listing and provided before closing, and approvals from all governmental authorities having jurisdiction in connection therewith have been validly and irrevocably obtained without qualification, all such permits and approvals are final, non-appealable and in full force and effect, copies of all such permits and approvals have been delivered to the Authority and there are no pending or threatened investigations, suits or other actions leading to the revocation, suspension or qualification of any such permits or approvals; and

(f) Evidence satisfactory to the Authority that the Loan, the System, and the proposed and actual use thereof comply with all governmental requirements, including but not limited to all zoning, subdivision and environmental protection laws, ordinances and regulations.

(g) A performance bond and a labor and material payment bond with respect to the construction of the Project each in an amount, in form and substance and with such surety or sureties as are acceptable to the Authority and naming the Authority as co-obligee thereunder.

(10) A complete project cost breakdown and payment schedule.

(11) An organizational and management plan showing the major tasks to be performed in connection with the system (including but not limited to the obtaining of all necessary permits and approvals required for the construction and use of the Project) and the projected timetable for each, and assigning responsibility for the performance of each such task.

(12) The construction contracts or draft contracts between the Borrower and the general contractor, if any, and if requested all major subcontractors, if any, who will supply labor, material or equipment for the construction of the Project. Such contracts shall be consistent with the plans and specifications submitted in accordance with the above and include a covenant by the contractor waiving, for itself and for anyone claiming through it, the right to file or maintain any mechanic's lien or claim against the System. Such contracts shall be conditionally assigned to the Authority by an instrument in form and substance satisfactory to the Authority.

LETTERS OF NO PREJUDICE. No work shall be done and no materials or supplies shall be furnished in connection with the construction of the Project on the System unless a Letter of No Prejudice has been issued from the Authority.

CONSTRUCTION PRIOR TO LOAN CLOSING. Unless a Letter of No Prejudice from the Authority has been obtained, no work shall be done and no materials or supplies shall be furnished in connection with the construction of the Project on the System prior to Loan Closing. If a Letter of No Prejudice has been issued, the Borrower must comply with the following:

(1) All recording contemplated by the provisions of this Commitment has been accomplished; and

(2) Borrower has obtained and caused to be filed in the appropriate public offices, waivers of the right to file or maintain any mechanic's liens or claims against the System or any projects thereon executed by the general contractor and engineer,

as appropriate, in form and substance satisfactory to the Authority.

INSPECTIONS. The Authority shall have the right to inspect and audit the System and Project at any and all reasonable times and shall have full and free access to all drawings, plans, books and records pertinent to the System.

OTHER CONDITIONS.

(1) If a Letter of No Prejudice is given by the Authority for construction to commence prior to closing, the Borrower will be required to complete and submit a construction status report;

(2) All documents in connection with this Loan shall be approved by Counsel to the Authority and shall contain an anti-discrimination clause in form and substance satisfactory to the Authority;

(3) The Borrower shall not discriminate on the basis of race, creed, religion, sex, age or natural origin and shall be in compliance with the Act of October 27, 1955 (P.L. 744 No. 222, known as "Pennsylvania Human Relations Act") and Title VI of the Civil Rights Act of 1964, Public Law 88-352, 42 U.S.C., Section 2000A et. seq.;

(4) The Counsel to the Authority reserves the right to require additional information, conditions and documents upon review of the information submitted by the Borrower;

(5) To the extent applicable, Borrower shall comply with the Internal Revenue Code of 1986 as amended with regards to the qualifications of the project and the financing thereof;

(6) The Borrower shall comply with the Continuing Education requirement contained in the Pennsylvania Infrastructure Investment Authority Act;

(7) The Borrower shall provide evidence that a Sewer Rate sufficient to cover the repayment of the Authority loan and provision for assessment of any projected increases in annual operating expenses is in place not later than completion of construction of the project;

(8) Refinancing Limitation - Financial assistance shall not be available under Act 16 of 1988, known as the Pennsylvania Infrastructure Investment Authority Act, for refinancing of any project except that the Water Pollution Control Revolving Fund may be used to the extent authorized by the Water Quality Act of 1987 (Public Law 100-4, 101 Stat. 7) for projects commenced after March 7, 1985;

(9) Nothing within the Authority's approval of this application shall be deemed to allow the replacement of available financing at reasonable rates which has been offered to or committed to the Borrower as of the date of the Authority's approval;

(10) Notwithstanding anything to the contrary herein, if the project should be constructed for a cost less than the Project Cost, the Authority reserves the right to amend its Commitment in such a manner as to maintain the original annual debt service on this Loan. The normal method of doing this is to reduce the term of the Loan and preserve the interest rate as set forth in Paragraph 4(a);

(11) Notwithstanding anything to the contrary herein, if the project should be constructed for a cost less than the Project Cost, the Authority may in its sole discretion reduce its financial assistance to account for the project cost savings;

(12) Acceptance of this Commitment shall constitute the Borrower's unconditional agreement to pay all fees, expenses, taxes, costs and charges in respect to the Loan, or in any way connected therewith, including but not limited to the Authority's counsel fees and costs, title insurance premiums and search fees, survey costs and recording and filing fees;

(13) The Borrower hereby unconditionally agrees and consents to participate and follow any automatic clearing house procedures to be implemented by the Authority; and

(14) The Borrower shall issue to the Authority an obligation which does not comply with the information reporting requirements under Section 149(e) of the Internal Revenue Code of 1986, as amended. (Borrower shall not file an 8038G with the Internal Revenue Service).

FEDERAL REQUIREMENTS.

(1) All approvals that may be required from the U.S. Environmental Protection Agency in order for this Project to be funded from the Authority's Water Pollution Control Revolving Fund must be obtained prior to the Authority entering into Loan Closing with the Borrower. Obtaining such approvals could require, among other actions, the publication of a priority list which includes this Project and a public hearing to accept testimony of interested parties concerning that list.

(2) The Borrower shall provide evidence that it has complied with all conditions of the Water Pollution Control Act, the Water Quality Act of 1987, and other related federal and state acts.

(3) The Borrower agrees to include, when issuing statements, press releases, requests for proposals, bid solicitations and other documents describing the Project, funded in whole or in part with Federal money, (i) the percentage of the total costs of the Project which will be financed with Federal money, (ii) the dollar amount of Federal funds for the Project, and (iii) the percentage and dollar amount of the total costs of the Project that will be financed by non-governmental sources.

(4) The Borrower, if receiving federal funds, will comply with the provisions in 40 CFR Part 32, Drug-Free Workplace Requirements.

(5) The Borrower must take affirmative steps to comply with Pennsylvania's fair share objective for the Federal Minority Business Enterprise/Women's Business Enterprise (MBE/WBE) Program. These steps include but are not limited to the following:

- i) direct all prime contractors to include provisions in their bid documents requiring 8% for MBE/WBE participation;
- ii) include qualified small, minority and women's business solicitation list;
- iii) assure that small, minority and women's businesses are solicited whenever they are potential sources of goods and services;
- iv) divide total requirements, when economically feasible, into small tasks or quantities to permit maximum participation of small, minority and women's businesses;
- v) establish delivery schedules, where the requirements of the work permit, which encourages participation by small, minority and women's businesses;
- vi) use the services and assistance of the Small Business Administration and the Office of Minority Business Enterprise of the U. S. Department of Commerce; and
- vii) require each subcontractor to take the above referenced steps.

(6) The Borrower upon award of any and all contracts must complete and EPA Form 334, and submit two (2) copies to the appropriate Department of Environmental Resources regional office.

(7) When the Borrower receives EPA Form 4700-4 entitled Preaward Compliance Review Report for Wastewater Projects from the Department of Environmental Resources, Borrower shall complete the form and send it to the Department of Environmental Resources as soon as possible.

TOWNSHIP OF HOPEWELL
BEAVER COUNTY, PENNSYLVANIA
PENNVEST LOAN

MONTHLY PAYMENT - \$946,543.00 LOAN

| DATE | PAYMENT | INTEREST | PRINCIPAL | LOAN BALANCE |
|-----------|----------|----------|-----------|-----------------|
| 01-Jul-93 | | | | 33,809.00 |
| 01-Aug-93 | | | | 125,351.00 |
| 01-Sep-93 | 28.17 | 28.17 | | 245,728.59 |
| 01-Oct-93 | 104.46 | 104.46 | | 375,795.99 |
| 01-Nov-93 | 204.77 | 204.77 | | 492,948.81 |
| 01-Dec-93 | 313.16 | 313.16 | | 586,714.93 |
| 01-Jan-94 | 410.79 | 410.79 | | 638,886.74 |
| 01-Feb-94 | 488.93 | 488.93 | | 710,900.42 |
| 01-Mar-94 | 532.41 | 532.41 | | 766,249.55 |
| 01-Apr-94 | 592.42 | 592.42 | | 946,543.00 |
| 01-May-94 | 638.54 | 638.54 | | 946,543.00 |
| 01-Jun-94 | 788.79 | 788.79 | | 946,543.00 |
| 01-Jul-94 | 788.79 | 788.79 | | 946,543.00 |
| 01-Aug-94 | 788.79 | 788.79 | | 946,543.00 |
| 01-Sep-94 | 788.79 | 788.79 | | 946,543.00 |
| 01-Oct-94 | 788.79 | 788.79 | | 942,716.47 |
| 01-Nov-94 | 4,615.32 | 788.79 | 3,826.53 | 938,886.74 |
| 01-Dec-94 | 4,615.32 | 785.60 | 3,829.72 | 935,053.83 |
| 01-Jan-95 | 4,615.32 | 782.41 | 3,832.91 | 931,217.72 |
| 01-Feb-95 | 4,615.32 | 779.21 | 3,836.11 | 927,378.41 |
| 01-Mar-95 | 4,615.32 | 776.01 | 3,839.31 | 923,535.91 |
| 01-Apr-95 | 4,615.32 | 772.82 | 3,842.50 | 919,690.20 |
| 01-May-95 | 4,615.32 | 769.61 | 3,845.71 | 915,841.29 |
| 01-Jun-95 | 4,615.32 | 766.41 | 3,848.91 | 911,989.17 |
| 01-Jul-95 | 4,615.32 | 763.20 | 3,852.12 | 908,133.84 |
| 01-Aug-95 | 4,615.32 | 759.99 | 3,855.33 | 904,275.30 |
| 01-Sep-95 | 4,615.32 | 756.78 | 3,858.54 | 900,413.54 |
| 01-Oct-95 | 4,615.32 | 753.56 | 3,861.76 | 896,548.57 |
| 01-Nov-95 | 4,615.32 | 750.34 | 3,864.98 | 892,680.37 |
| 01-Dec-95 | 4,615.32 | 747.12 | 3,868.20 | 888,808.95 |
| 01-Jan-96 | 4,615.32 | 743.90 | 3,871.42 | 884,934.31 |
| 01-Feb-96 | 4,615.32 | 740.67 | 3,874.65 | 881,056.43 |
| 01-Mar-96 | 4,615.32 | 737.45 | 3,877.87 | 877,175.33 |
| 01-Apr-96 | 4,615.32 | 734.21 | 3,881.11 | 873,290.99 |
| 01-May-96 | 4,615.32 | 730.98 | 3,884.34 | 869,403.41 |
| 01-Jun-96 | 4,615.32 | 727.74 | 3,887.58 | 865,512.59 |
| 01-Jul-96 | 4,615.32 | 724.50 | 3,890.82 | 861,618.53 |
| 01-Aug-96 | 4,615.32 | 721.26 | 3,894.06 | 857,721.23 |
| 01-Sep-96 | 4,615.32 | 718.02 | 3,897.30 | 853,820.68 |
| 01-Oct-96 | 4,615.32 | 714.77 | 3,900.55 | 849,916.87 |
| 01-Nov-96 | 4,615.32 | 711.52 | 3,903.80 | 846,009.82 |
| 01-Dec-96 | 4,615.32 | 708.26 | 3,907.06 | 842,099.50 |
| 01-Jan-97 | 4,615.32 | 705.01 | 3,910.31 | 838,185.93 |
| 01-Feb-97 | 4,615.32 | 701.75 | 3,913.57 | 834,269.10 |
| 01-Mar-97 | 4,615.32 | 698.49 | 3,916.83 | 830,349.01 |
| 01-Apr-97 | 4,615.32 | 695.22 | 3,920.10 | |

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| | | | | |
|-------------|----------|----------|----------|------------|
| 01-May-97 | 4,615.32 | 691.96 | 3,923.36 | 826,425.64 |
| 01-Jun-97 | 4,615.32 | 688.69 | 3,926.63 | 822,499.01 |
| 01-Jul-97 | 4,615.32 | 685.42 | 3,929.90 | 818,569.11 |
| 01-Aug-97 | 4,615.32 | 682.14 | 3,933.18 | 814,635.93 |
| 01-Sep-97 | 4,615.32 | 678.86 | 3,936.46 | 810,699.47 |
| 01-Oct-97 | 4,615.32 | 675.58 | 3,939.74 | 806,759.74 |
| 01-Nov-97 | 4,615.32 | 672.30 | 3,943.02 | 802,816.71 |
| 01-Dec-97 | 4,615.32 | 669.01 | 3,946.31 | 798,870.41 |
| 01-Jan-98 | 4,615.32 | 665.73 | 3,949.59 | 794,920.81 |
| 01-Feb-98 | 4,615.32 | 662.43 | 3,952.89 | 790,967.93 |
| 01-Mar-98 | 4,615.32 | 659.14 | 3,956.18 | 787,011.75 |
| 01-Apr-98 | 4,615.32 | 655.84 | 3,959.48 | 783,052.27 |
| 01-May-98 | 4,615.32 | 652.54 | 3,962.78 | 779,089.49 |
| 01-Jun-98 | 4,615.32 | 649.24 | 3,966.08 | 775,123.42 |
| 01-Jul-98 | 4,615.32 | 1,039.31 | 3,576.01 | 771,547.41 |
| 01-Aug-98 | 4,827.28 | 1,034.52 | 3,792.76 | 767,754.64 |
| 01-Sep-98 | 4,827.28 | 1,029.43 | 3,797.85 | 763,956.79 |
| 01-Oct-98 | 4,827.28 | 1,024.34 | 3,802.94 | 760,153.85 |
| 01-Nov-98 | 4,827.28 | 1,019.24 | 3,808.04 | 756,345.81 |
| 01-Dec-98 | 4,827.28 | 1,014.13 | 3,813.15 | 752,532.67 |
| 01-Jan-99 | 4,827.28 | 1,009.02 | 3,818.26 | 748,714.41 |
| 01-Feb-99 | 4,827.28 | 1,003.90 | 3,823.38 | 744,891.03 |
| 01-Mar-99 | 4,827.28 | 998.77 | 3,828.51 | 741,062.52 |
| 01-Apr-99 | 4,827.28 | 993.64 | 3,833.64 | 737,228.89 |
| 01-May-99 | 4,827.28 | 988.50 | 3,838.78 | 733,390.11 |
| 01-Jun-99 | 4,827.28 | 983.35 | 3,843.93 | 729,546.18 |
| 01-Jul-99 | 4,827.28 | 978.20 | 3,849.08 | 725,697.10 |
| 01-Aug-99 | 4,827.28 | 973.04 | 3,854.24 | 721,842.86 |
| 01-Sep-99 | 4,827.28 | 967.87 | 3,859.41 | 717,983.45 |
| 01-Oct-99 | 4,827.28 | 962.70 | 3,864.58 | 714,118.87 |
| 01-Nov-99 | 4,827.28 | 957.51 | 3,869.77 | 710,249.10 |
| 01-Dec-99 | 4,827.28 | 952.33 | 3,874.95 | 706,374.15 |
| 01-Jan-2000 | 4,827.28 | 947.13 | 3,880.15 | 702,494.00 |
| 01-Feb-2000 | 4,827.28 | 941.93 | 3,885.35 | 698,608.64 |
| 01-Mar-2000 | 4,827.28 | 936.72 | 3,890.56 | 694,718.08 |
| 01-Apr-2000 | 4,827.28 | 931.50 | 3,895.78 | 690,822.30 |
| 01-May-2000 | 4,827.28 | 926.28 | 3,901.00 | 686,921.30 |
| 01-Jun-2000 | 4,827.28 | 921.05 | 3,906.23 | 683,015.07 |
| 01-Jul-2000 | 4,827.28 | 915.81 | 3,911.47 | 679,103.60 |
| 01-Aug-2000 | 4,827.28 | 910.56 | 3,916.72 | 675,186.88 |
| 01-Sep-2000 | 4,827.28 | 905.31 | 3,921.97 | 671,264.91 |
| 01-Oct-2000 | 4,827.28 | 900.05 | 3,927.23 | 667,337.69 |
| 01-Nov-2000 | 4,827.28 | 894.79 | 3,932.49 | 663,405.20 |
| 01-Dec-2000 | 4,827.28 | 889.52 | 3,937.76 | 659,467.43 |
| 01-Jan-2001 | 4,827.28 | 884.24 | 3,943.04 | 655,524.39 |
| 01-Feb-2001 | 4,827.28 | 878.95 | 3,948.33 | 651,576.06 |
| 01-Mar-2001 | 4,827.28 | 873.65 | 3,953.63 | 647,622.43 |
| 01-Apr-2001 | 4,827.28 | 868.35 | 3,958.93 | 643,663.51 |
| 01-May-2001 | 4,827.28 | 863.05 | 3,964.23 | 639,699.27 |
| 01-Jun-2001 | 4,827.28 | 857.73 | 3,969.55 | 635,729.72 |
| 01-Jul-2001 | 4,827.28 | 852.41 | 3,974.87 | 631,754.85 |
| 01-Aug-2001 | 4,827.28 | 847.08 | 3,980.20 | 627,774.65 |
| 01-Sep-2001 | 4,827.28 | 841.74 | 3,985.54 | 623,789.11 |
| 01-Oct-2001 | 4,827.28 | 836.40 | 3,990.88 | 619,798.23 |
| 01-Nov-2001 | 4,827.28 | 831.05 | 3,996.23 | 615,801.99 |
| 01-Dec-2001 | 4,827.28 | 825.69 | 4,001.59 | 611,800.40 |
| 01-Jan-2002 | 4,827.28 | 820.32 | 4,006.96 | 607,793.44 |
| 01-Feb-2002 | 4,827.28 | 814.95 | 4,012.33 | 603,781.11 |
| 01-Mar-2002 | 4,827.28 | 809.57 | 4,017.71 | 599,763.40 |
| 01-Apr-2002 | 4,827.28 | 804.18 | 4,023.10 | 595,740.30 |

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| 01-May-2002 | 4,827.28 | 798.79 | 4,028.49 | 591,711.81 |
| 01-Jun-2002 | 4,827.28 | 793.39 | 4,033.89 | 587,677.92 |
| 01-Jul-2002 | 4,827.28 | 787.98 | 4,039.30 | 583,638.62 |
| 01-Aug-2002 | 4,827.28 | 782.56 | 4,044.72 | 579,593.90 |
| 01-Sep-2002 | 4,827.28 | 777.14 | 4,050.14 | 575,543.76 |
| 01-Oct-2002 | 4,827.28 | 771.71 | 4,055.57 | 571,488.19 |
| 01-Nov-2002 | 4,827.28 | 766.27 | 4,061.01 | 567,427.18 |
| 01-Dec-2002 | 4,827.28 | 760.83 | 4,066.45 | 563,360.72 |
| 01-Jan-2003 | 4,827.28 | 755.37 | 4,071.91 | 559,288.82 |
| 01-Feb-2003 | 4,827.28 | 749.91 | 4,077.37 | 555,211.45 |
| 01-Mar-2003 | 4,827.28 | 744.45 | 4,082.83 | 551,128.61 |
| 01-Apr-2003 | 4,827.28 | 738.97 | 4,088.31 | 547,040.31 |
| 01-May-2003 | 4,827.28 | 733.49 | 4,093.79 | 542,946.52 |
| 01-Jun-2003 | 4,827.28 | 728.00 | 4,099.28 | 538,847.24 |
| 01-Jul-2003 | 4,827.28 | 722.50 | 4,104.78 | 534,742.46 |
| 01-Aug-2003 | 4,827.28 | 717.00 | 4,110.28 | 530,632.18 |
| 01-Sep-2003 | 4,827.28 | 711.49 | 4,115.79 | 526,516.39 |
| 01-Oct-2003 | 4,827.28 | 705.97 | 4,121.31 | 522,395.08 |
| 01-Nov-2003 | 4,827.28 | 700.44 | 4,126.84 | 518,268.25 |
| 01-Dec-2003 | 4,827.28 | 694.91 | 4,132.37 | 514,135.88 |
| 01-Jan-2004 | 4,827.28 | 689.37 | 4,137.91 | 509,997.97 |
| 01-Feb-2004 | 4,827.28 | 683.82 | 4,143.46 | 505,854.51 |
| 01-Mar-2004 | 4,827.28 | 678.27 | 4,149.01 | 501,705.50 |
| 01-Apr-2004 | 4,827.28 | 672.70 | 4,154.58 | 497,550.92 |
| 01-May-2004 | 4,827.28 | 667.13 | 4,160.15 | 493,390.77 |
| 01-Jun-2004 | 4,827.28 | 661.55 | 4,165.73 | 489,225.05 |
| 01-Jul-2004 | 4,827.28 | 655.97 | 4,171.31 | 485,053.74 |
| 01-Aug-2004 | 4,827.28 | 650.38 | 4,176.90 | 480,876.83 |
| 01-Sep-2004 | 4,827.28 | 644.78 | 4,182.50 | 476,694.33 |
| 01-Oct-2004 | 4,827.28 | 639.17 | 4,188.11 | 472,506.22 |
| 01-Nov-2004 | 4,827.28 | 633.55 | 4,193.73 | 468,312.49 |
| 01-Dec-2004 | 4,827.28 | 627.93 | 4,199.35 | 464,113.14 |
| 01-Jan-2005 | 4,827.28 | 622.30 | 4,204.98 | 459,908.16 |
| 01-Feb-2005 | 4,827.28 | 616.66 | 4,210.62 | 455,697.54 |
| 01-Mar-2005 | 4,827.28 | 611.01 | 4,216.27 | 451,481.27 |
| 01-Apr-2005 | 4,827.28 | 605.36 | 4,221.92 | 447,259.35 |
| 01-May-2005 | 4,827.28 | 599.70 | 4,227.58 | 443,031.77 |
| 01-Jun-2005 | 4,827.28 | 594.03 | 4,233.25 | 438,798.52 |
| 01-Jul-2005 | 4,827.28 | 588.36 | 4,238.92 | 434,559.60 |
| 01-Aug-2005 | 4,827.28 | 582.67 | 4,244.61 | 430,314.99 |
| 01-Sep-2005 | 4,827.28 | 576.98 | 4,250.30 | 426,064.69 |
| 01-Oct-2005 | 4,827.28 | 571.28 | 4,256.00 | 421,808.69 |
| 01-Nov-2005 | 4,827.28 | 565.58 | 4,261.70 | 417,546.99 |
| 01-Dec-2005 | 4,827.28 | 559.86 | 4,267.42 | 413,279.57 |
| 01-Jan-2006 | 4,827.28 | 554.14 | 4,273.14 | 409,006.43 |
| 01-Feb-2006 | 4,827.28 | 548.41 | 4,278.87 | 404,727.56 |
| 01-Mar-2006 | 4,827.28 | 542.67 | 4,284.61 | 400,442.95 |
| 01-Apr-2006 | 4,827.28 | 536.93 | 4,290.35 | 396,152.60 |
| 01-May-2006 | 4,827.28 | 531.17 | 4,296.11 | 391,856.49 |
| 01-Jun-2006 | 4,827.28 | 525.41 | 4,301.87 | 387,554.63 |
| 01-Jul-2006 | 4,827.28 | 519.65 | 4,307.63 | 383,246.99 |
| 01-Aug-2006 | 4,827.28 | 513.87 | 4,313.41 | 378,933.58 |
| 01-Sep-2006 | 4,827.28 | 508.09 | 4,319.19 | 374,614.39 |
| 01-Oct-2006 | 4,827.28 | 502.30 | 4,324.98 | 370,289.41 |
| 01-Nov-2006 | 4,827.28 | 496.50 | 4,330.78 | 365,958.62 |
| 01-Dec-2006 | 4,827.28 | 490.69 | 4,336.59 | 361,622.03 |
| 01-Jan-2007 | 4,827.28 | 484.87 | 4,342.41 | 357,279.63 |
| 01-Feb-2007 | 4,827.28 | 479.05 | 4,348.23 | 352,931.40 |
| 01-Mar-2007 | 4,827.28 | 473.22 | 4,354.06 | 348,577.34 |
| 01-Apr-2007 | 4,827.28 | 467.38 | 4,359.90 | 344,217.45 |

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|-------------|----------|--------|----------|------------|
| 01-May-2007 | 4,827.28 | 461.54 | 4,365.74 | 339,851.70 |
| 01-Jun-2007 | 4,827.28 | 455.68 | 4,371.60 | 335,480.11 |
| 01-Jul-2007 | 4,827.28 | 449.82 | 4,377.46 | 331,102.65 |
| 01-Aug-2007 | 4,827.28 | 443.95 | 4,383.33 | 326,719.32 |
| 01-Sep-2007 | 4,827.28 | 438.08 | 4,389.20 | 322,330.12 |
| 01-Oct-2007 | 4,827.28 | 432.19 | 4,395.09 | 317,935.03 |
| 01-Nov-2007 | 4,827.28 | 426.30 | 4,400.98 | 313,534.05 |
| 01-Dec-2007 | 4,827.28 | 420.40 | 4,406.88 | 309,127.17 |
| 01-Jan-2008 | 4,827.28 | 414.49 | 4,412.79 | 304,714.37 |
| 01-Feb-2008 | 4,827.28 | 408.57 | 4,418.71 | 300,295.67 |
| 01-Mar-2008 | 4,827.28 | 402.65 | 4,424.63 | 295,871.03 |
| 01-Apr-2008 | 4,827.28 | 396.71 | 4,430.57 | 291,440.47 |
| 01-May-2008 | 4,827.28 | 390.77 | 4,436.51 | 287,003.96 |
| 01-Jun-2008 | 4,827.28 | 384.82 | 4,442.46 | 282,561.50 |
| 01-Jul-2008 | 4,827.28 | 378.87 | 4,448.41 | 278,113.09 |
| 01-Aug-2008 | 4,827.28 | 372.90 | 4,454.38 | 273,658.72 |
| 01-Sep-2008 | 4,827.28 | 366.93 | 4,460.35 | 269,198.37 |
| 01-Oct-2008 | 4,827.28 | 360.95 | 4,466.33 | 264,732.04 |
| 01-Nov-2008 | 4,827.28 | 354.96 | 4,472.32 | 260,259.72 |
| 01-Dec-2008 | 4,827.28 | 348.96 | 4,478.32 | 255,781.40 |
| 01-Jan-2009 | 4,827.28 | 342.96 | 4,484.32 | 251,297.08 |
| 01-Feb-2009 | 4,827.28 | 336.95 | 4,490.33 | 246,806.75 |
| 01-Mar-2009 | 4,827.28 | 330.93 | 4,496.35 | 242,310.40 |
| 01-Apr-2009 | 4,827.28 | 324.90 | 4,502.38 | 237,808.01 |
| 01-May-2009 | 4,827.28 | 318.86 | 4,508.42 | 233,299.60 |
| 01-Jun-2009 | 4,827.28 | 312.82 | 4,514.46 | 228,785.13 |
| 01-Jul-2009 | 4,827.28 | 306.76 | 4,520.52 | 224,264.61 |
| 01-Aug-2009 | 4,827.28 | 300.70 | 4,526.58 | 219,738.04 |
| 01-Sep-2009 | 4,827.28 | 294.63 | 4,532.65 | 215,205.39 |
| 01-Oct-2009 | 4,827.28 | 288.55 | 4,538.73 | 210,666.66 |
| 01-Nov-2009 | 4,827.28 | 282.47 | 4,544.81 | 206,121.85 |
| 01-Dec-2009 | 4,827.28 | 276.38 | 4,550.90 | 201,570.95 |
| 01-Jan-2010 | 4,827.28 | 270.27 | 4,557.01 | 197,013.94 |
| 01-Feb-2010 | 4,827.28 | 264.16 | 4,563.12 | 192,450.82 |
| 01-Mar-2010 | 4,827.28 | 258.04 | 4,569.24 | 187,881.59 |
| 01-Apr-2010 | 4,827.28 | 251.92 | 4,575.36 | 183,306.22 |
| 01-May-2010 | 4,827.28 | 245.78 | 4,581.50 | 178,724.73 |
| 01-Jun-2010 | 4,827.28 | 239.64 | 4,587.64 | 174,137.09 |
| 01-Jul-2010 | 4,827.28 | 233.49 | 4,593.79 | 169,543.30 |
| 01-Aug-2010 | 4,827.28 | 227.33 | 4,599.95 | 164,943.35 |
| 01-Sep-2010 | 4,827.28 | 221.16 | 4,606.12 | 160,337.23 |
| 01-Oct-2010 | 4,827.28 | 214.99 | 4,612.29 | 155,724.93 |
| 01-Nov-2010 | 4,827.28 | 208.80 | 4,618.48 | 151,106.45 |
| 01-Dec-2010 | 4,827.28 | 202.61 | 4,624.67 | 146,481.78 |
| 01-Jan-2011 | 4,827.28 | 196.41 | 4,630.87 | 141,850.91 |
| 01-Feb-2011 | 4,827.28 | 190.20 | 4,637.08 | 137,213.83 |
| 01-Mar-2011 | 4,827.28 | 183.98 | 4,643.30 | 132,570.53 |
| 01-Apr-2011 | 4,827.28 | 177.75 | 4,649.53 | 127,921.00 |
| 01-May-2011 | 4,827.28 | 171.52 | 4,655.76 | 123,265.25 |
| 01-Jun-2011 | 4,827.28 | 165.28 | 4,662.00 | 118,603.24 |
| 01-Jul-2011 | 4,827.28 | 159.03 | 4,668.25 | 113,934.99 |
| 01-Aug-2011 | 4,827.28 | 152.77 | 4,674.51 | 109,260.48 |
| 01-Sep-2011 | 4,827.28 | 146.50 | 4,680.78 | 104,579.70 |
| 01-Oct-2011 | 4,827.28 | 140.22 | 4,687.06 | 99,892.64 |
| 01-Nov-2011 | 4,827.28 | 133.94 | 4,693.34 | 95,199.30 |
| 01-Dec-2011 | 4,827.28 | 127.65 | 4,699.63 | 90,499.67 |
| 01-Jan-2012 | 4,827.28 | 121.34 | 4,705.94 | 85,793.73 |
| 01-Feb-2012 | 4,827.28 | 115.04 | 4,712.24 | 81,081.49 |
| 01-Mar-2012 | 4,827.28 | 108.72 | 4,718.56 | 76,362.93 |
| 01-Apr-2012 | 4,827.28 | 102.39 | 4,724.89 | 71,638.04 |

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| 01-May-2012 | 4,827.28 | 96.05 | 4,731.23 | 66,906.81 |
| 01-Jun-2012 | 4,827.28 | 89.71 | 4,737.57 | 62,169.24 |
| 01-Jul-2012 | 4,827.28 | 83.36 | 4,743.92 | 57,425.32 |
| 01-Aug-2012 | 4,827.28 | 77.00 | 4,750.28 | 52,675.04 |
| 01-Sep-2012 | 4,827.28 | 70.63 | 4,756.65 | 47,918.39 |
| 01-Oct-2012 | 4,827.28 | 64.25 | 4,763.03 | 43,155.36 |
| 01-Nov-2012 | 4,827.28 | 57.86 | 4,769.42 | 38,385.94 |
| 01-Dec-2012 | 4,827.28 | 51.47 | 4,775.81 | 33,610.13 |
| 01-Jan-2013 | 4,827.28 | 45.07 | 4,782.21 | 28,827.91 |
| 01-Feb-2013 | 4,827.28 | 38.65 | 4,788.63 | 24,039.29 |
| 01-Mar-2013 | 4,827.28 | 32.23 | 4,795.05 | 19,244.24 |
| 01-Apr-2013 | 4,827.28 | 25.80 | 4,801.48 | 14,442.76 |
| 01-May-2013 | 4,827.28 | 19.37 | 4,807.91 | 9,634.85 |
| 01-Jun-2013 | 4,827.28 | 12.92 | 4,814.36 | 4,820.49 |
| 01-Jul-2013 | 4,826.95 | 6.46 | 4,820.49 | |

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
HOPEWELL TOWNSHIP
ME#74003

DRAFT

GUARANTEED REVENUE NOTE

\$946,543.00

Harrisburg, PA

_____, 19__

FOR VALUE RECEIVED, HOPEWELL TOWNSHIP, a municipality organized and existing under the laws of the Commonwealth of Pennsylvania and authorized to enter into this Guaranteed Revenue Note ("Note") by the ordinance dated _____ and Section 405 of the Local Government Unit Debt Act, 53 P.S. Section 6780-155, with a business address of Hopewell Township Municipal Building, Clark Boulevard, Aliquippa, Pennsylvania 15001 ("Maker"), promises to pay to the order of the PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY, a body corporate and politic organized and existing under the laws of the Commonwealth of Pennsylvania with an office at 22 South Third Street, Harrisburg, Pennsylvania 17101 ("Payee"), at such office of Payee, or at such other office of

Payee or such other place as Payee may designate from time to time in writing, the principal sum of Nine Hundred Forty Six Thousand Five Hundred Forty Three Dollars (\$946,543.00) (or so much thereof as has been advanced by Payee to or for the benefit of Maker pursuant to the Loan Agreement (as hereinafter defined)) lawful money of the United States of America, together with interest thereon from the date hereof at the rates hereinafter provided, and both payable as hereinafter provided.

1. Interest Rate. The principal sum outstanding from time to time hereunder shall bear interest at the rate of One Percent (1.000%) per annum for the first five (5) years and One and Six Hundred Nine Thousandths Percent (1.609%) per annum for the remainder of the twenty (20) year term. The annual interest rate shall be calculated on the basis of a 360-day year by multiplying the interest rate in effect hereunder by a fraction, the numerator of which is the actual number of days the principal sum is outstanding and the denominator of which is 360.

2. Payments of Interest Only. Interest only on the unpaid principal sum following a loan advance to or for the benefit of the Maker pursuant to the Loan Agreement shall be payable in ____ monthly installments commencing on _____, 19__ and ending on _____, 19__, the calendar month preceding the Amortization Date ("Amortization Date").

3. Payments of Principal and Interest. On the Amortization Date, the unpaid principal sum then outstanding and all accrued and unpaid interest shall become due and payable as follows:

Principal and interest shall be payable in _____ consecutive monthly installments commencing on the first day of each calendar month beginning with _____, 19____ and continuing the first day of each calendar month thereafter to and including _____, 20____.

The _____ principal and interest installments beginning on _____, 19____ and ending on _____, 19____ shall be in the amount of \$_____. On _____, 19____, the _____ principal and interest payments shall be in the amount of \$_____ and continue thereafter to and including _____, 20____. On _____, 20____, the unpaid principal sum then outstanding and all accrued and unpaid interest shall become due and payable.

4. Prepayments. Maker may not prepay at any time all or any portion of the unpaid principal sum hereunder without first obtaining the prior written consent of the Payee. If the Payee consents to the Maker's prepayment, it may prepay at any time all or any portion of the unpaid principal sum hereunder without penalty or premium; provided, however, that:

(a) Any prepayment (whether voluntary or involuntary) shall be applied first to any accrued and unpaid interest hereunder up to the date of such prepayment, then to any other sums which may be payable to Payee under the Loan Documents (as hereinafter defined) up to the date of such prepayment and then to the principal sum hereunder;

(b) Any such prepayment shall be applied to installments due hereunder in the inverse order of their maturity; and

(c) The acceptance of any such prepayment when there is an event of default in existence hereunder shall not constitute a waiver, release or accord and satisfaction thereof or of any rights with respect thereto by Payee.

5. Security. This Note, and the due performance by Maker of all of its obligations hereunder, is secured by, inter alia, a pledge of all of the gross revenues and receipts generated from or by the System and all other gross revenues and receipts as more fully set forth in sections 2 and 3 of the Loan Agreement of even date between Maker and Payee ("Loan Agreement"), as well as the Borrower's full faith and credit and taxing power. Reference is hereby made to the Loan Agreement for a full description of the security and the collateral pledged pursuant thereto, the terms upon which this Note is secured, and the documents with respect

hereto (each of which is hereinafter referred to individually as a "Loan Document" and collectively as the "Loan Documents"). Any collateral securing any of Maker's obligations under any of the Loan Documents is hereinafter referred to as "Collateral."

6. Late Charge. In the event that any payment of principal or interest due to Payee hereunder shall not be paid when due and shall remain unpaid in excess of thirty (30) days after the due date, in addition to and not in limitation of any other rights or remedies which Payee may have in respect thereof under any of the Loan Documents or in respect of any Collateral, Maker shall pay Payee on demand a "late charge" computed at the rate of four cents (\$.04) for each dollar (or part thereof) of the amount not paid, to cover the extra expense and inconvenience to Payee in ensuring payment of such delinquent amount. The amount of any such "late charge" not paid promptly following demand therefor shall be deemed outstanding and payable pursuant to this Note and secured by the Collateral.

7. Events of Default. In addition to any other event referred to herein, the occurrence of which, by the terms hereof, constitutes an event of default hereunder, the occurrence of any one or more of the following events shall constitute an event of default hereunder:

(a) Maker shall fail to make any payment of principal and/or interest due to Payee under this Note or under any of the other Loan Documents when the same shall become due and payable, whether at maturity or by acceleration or otherwise; and/or

(b) Maker shall fail to observe and perform any of the covenants or agreements on its part to be observed or performed under this Note or under any of the other Loan Documents within ten (10) days after notice from Payee of such noncompliance; and/or

(c) Any representation or warranty of the Maker under this Note or under any of the other Loan Documents shall be untrue in any material respect when made; and/or

(d) Any event of default shall occur under the terms of any of the other Loan Documents.

8. Remedies. Upon the occurrence of any event of default, then the entire unpaid principal sum hereunder plus all interest accrued thereon plus all other sums due and payable to Payee under the Loan Documents shall, at the option of Payee, become due and payable immediately without presentment, demand, notice of nonpayment, protest, notice of protest or other notice of dishonor, all of which are hereby expressly waived by Maker.

In addition to the foregoing, upon the occurrence of any event of default, Payee may forthwith exercise singly, concurrently, successively or otherwise any and all rights and remedies available to Payee under any of the Loan Documents or with respect to any Collateral, or available to Payee by law, equity, statute or otherwise.

9. Confession of Judgment. Maker hereby irrevocably authorizes and empowers any attorney of record, or the Prothonotary or Clerk of any court in the Commonwealth of Pennsylvania or elsewhere, to appear for Maker at any time or times, in any such court in any action brought against Maker by Payee with respect to the aggregate amounts payable under the Loan Documents, with or without declaration filed, as of any term, and therein to confess or enter judgment against Maker for all sums payable by Maker to Payee under the Loan Documents, as evidenced by an affidavit signed by a duly authorized designee of Payee setting forth such amount then due from Maker to Payee, plus reasonable attorneys' fees, with costs of suit, release of errors and without right of appeal. If a copy of this Note, verified by an affidavit, shall have been filed in such action, it shall not be necessary to file the original as a warrant of attorney. Maker waives the right to any stay of execution and the benefit of all exemption laws now or hereafter in effect. No single exercise of the foregoing warrant and power to bring any action or confess judgment therein shall be deemed to exhaust the power, but the power shall continue

undiminished and may be exercised from time to time as often as Payee shall elect until all amounts payable to Payee under the Loan Documents shall have been paid in full.

10. Remedies Cumulative, etc.

(a) No right or remedy conferred upon or reserved to Payee under any of the Loan Documents, or with respect to any Collateral, or now or hereafter existing at law or in equity or by statute or other legislative enactment, is intended to be exclusive of any other right or remedy, and each and every such right or remedy shall be cumulative and concurrent, and shall be in addition to every other such right or remedy, and may be pursued singly, concurrently, successively or otherwise, at the sole discretion of Payee, and shall not be exhausted by any one exercise thereof but may be exercised as often as occasion therefor shall occur. No act of Payee shall be deemed or construed as an election to proceed under any one such right or remedy to the exclusion of any other such right or remedy; furthermore, each such right or remedy of Payee shall be separate, distinct and cumulative and none shall be given effect to the exclusion of any other. The failure to exercise or delay in exercising any such right or remedy, or the failure to insist upon strict performance of any term of any of the Loan Documents, shall not be construed as a waiver or release of the same or of any event of default thereunder, or of any obligation or liability of Maker thereunder.

(b) The recovery of any judgment by Payee and/or the levy of execution under any judgment upon any Collateral shall not affect in any manner or to any extent the pledge of the borrower's revenues, or any security interest under the Loan Agreement in such Collateral, or any rights, remedies or powers of Payee under any of the Loan Documents or with respect to any Collateral, but such pledge and such security interest, and such rights, remedies and power of Payee shall continue unimpaired as before. Further, the exercise by Payee of its rights and remedies and the entry of any judgment by Payee shall not affect in any way the interest rate payable hereunder or under any of the other Loan Documents on any amounts due to Payee but interest shall continue to accrue on such amounts at the rate specified herein or in such Loan Document.

(c) Maker hereby waives presentment, demand, notice of nonpayment, protest, notice of protest or other notice of dishonor, and any and all other notices in connection with any default in the payment of, or any enforcement of the payment of, all amounts due under the Loan Documents. To the extent permitted by law, Maker waives the right to any stay of execution and the benefit of all exemption laws now or hereafter in effect. Maker further waives and releases all errors, defects and imperfections in any proceedings instituted by Payee under the terms of any Loan Document or with respect to any Collateral.

(d) Maker agrees that Payee may release, compromise, forbear with respect to, waive, suspend, extend or renew any of the terms of the Loan Documents (and Maker hereby waives any notice of any of the foregoing), and that the Loan Documents may be amended, supplemented or modified by Payee and the other signatory parties and that Payee may resort to any Collateral in such order and manner as it may think fit, or accept the assignment, substitution, exchange or pledge of any other Collateral in place of, or releases for such consideration, or none, as it may require, all or any portion of any collateral, without in any way affecting the validity of any lien over or other security interest in the remainder of any such Collateral (or the priority thereof or the position of any subordinate holder of any security interest with respect thereto); and any action taken by Payee pursuant to the foregoing shall in no way be construed as a waiver or release of any right or remedy of Payee, or of any event of default, or of any liability or obligation of Maker, under any of the Loan Documents.

11. Costs and Expenses. Following the occurrence of any event of default, Maker shall pay upon demand all costs and expenses (including all amounts paid to attorneys, accountants and other advisors employed by Payee and/or to any contractors for labor and materials), incurred by Payee in the exercise of any of its rights, remedies or powers under any of the Loan Documents or with respect to any Collateral with respect to such event of default, and any amount thereof not paid on the first business day

following demand therefor shall be added to the principal sum hereunder and shall bear interest at the rate of One Percent (1.000%) per annum for the first five years and One and Six Hundred Nine Thousandths Percent (1.609%) per annum for the remainder of the twenty (20) year term from the date of such demand until paid in full, and shall be secured by the covenants in the Loan Agreement and all other Collateral. In connection with and as part of the foregoing, in the event that any of the Loan Documents is placed in the hands of an attorney for the collection of any sum payable thereunder, Maker agrees to pay reasonable attorneys' fees for the collection of the amount being claimed under such Loan Document, as well as all costs, disbursements and allowances provided by law, the payment of which sums shall be secured by the covenants in the Loan Agreement and all other Collateral. Nothing in this paragraph 11 shall limit the Maker's obligation to pay costs and expenses for which Maker is already liable under any other Loan Document.

12. Taxes, etc. Maker shall pay the cost of any revenue, tax or other stamps now or hereafter required by the laws of the Commonwealth of Pennsylvania or the United States to be affixed to this Note and if any taxes are imposed under the laws of the Commonwealth of Pennsylvania or the United States with respect to secured debts.

13. Severability. In the event that for any reason one or more of the provisions of this Note or their application to any person or circumstance shall be held to be invalid, illegal or unenforceable in any respect or to any extent, such provisions shall nevertheless remain valid, legal and enforceable in all such other respects and to such extent as may be permissible. In addition, any such invalidity, illegality or unenforceability shall not affect any other provisions of this Note, but this Note shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

14. Successors and Assigns. This Note inures to the benefit of Payee and binds Maker, and their respective successors and assigns, and the words "Payee" and "Maker" whenever occurring herein shall be deemed and construed to include such respective successors and assigns.

15. Notices. All notices required to be given to any of the parties hereunder shall be in writing and shall be deemed to have been sufficiently given for all purposes when presented personally to such party or sent by certified or registered mail, return receipt requested, to such party at its address set forth below:

Maker: Hopewell Township
Hopewell Township Municipal Building
Clark Boulevard
Aliquippa, Pennsylvania 15001

Payee: Pennsylvania Infrastructure
Investment Authority
22 South Third Street
Harrisburg, Pennsylvania 17101
Attention: Executive Director

Such notice shall be deemed to be given when received if delivered personally or two (2) days after the date mailed if sent by certified or registered mail. Any notice of any change in such address shall also be given in the manner set forth above. Whenever the giving of notice is required, the giving of such notice may be waived in writing by the party entitled to receive such notice.

16. Definitions; Number and Gender. In the event Maker consists of more than one person or entity, the obligations and liabilities hereunder of each of such persons and entities shall be joint and several and the word "Maker" shall mean all or some or any of them. For purposes of this Note, the singular shall be deemed to include the plural and the neuter shall be deemed to

include the masculine and feminine, as the context may require. The references herein to the Loan Documents or any one of them shall include any supplements to or any amendments of or restatements of such Loan Documents or any one of them.

17. Incorporation by Reference. All of the terms and provisions of the Loan Documents, to the extent not inconsistent herewith, are hereby incorporated herein by reference.


18. Captions. The captions or headings of the paragraphs in this Note are for convenience only and shall not control or affect the meaning or construction of any of the terms or provisions of this Note.


19. Governing Law. This Note shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, Maker has executed this Guaranteed Revenue Note the day and year first above written.

ATTEST:

HOPEWELL TOWNSHIP


(SEAL)



Certification

I, the undersigned, the duly appointed and acting Secretary of Township of Hopewell Board of Commissioners (the "Board"), hereby certify that the foregoing is a true, correct and complete copy of the Ordinance which was duly adopted at a public meeting of the Board held on June 8, 1993, after proper notice thereof had been duly given as required by law; that a quorum was present at said meeting and acted throughout; and that said Ordinance was and is duly recorded in the Ordinance Book of the Township of Hopewell, has not been amended or repealed, and is in full force and effect on the date of this certification.

I further certify that the vote upon the Ordinance was called and duly recorded upon the minutes and that the members voted in the following manner:

| | <u>Yes</u> | <u>No</u> | <u>Abstain</u> | <u>Absent</u> |
|-----------------------|------------|---------------|----------------|---------------|
| M. Timothy Force | <u>X</u> | <u> </u> | <u> </u> | <u> </u> |
| Fred A. Bologna, Jr. | <u>X</u> | <u> </u> | <u> </u> | <u> </u> |
| Matthew N. DeLuca | <u>X</u> | <u> </u> | <u> </u> | <u> </u> |
| N. Ray Miller | <u>X</u> | <u> </u> | <u> </u> | <u> </u> |
| Patsy A. D'Eramo, Sr. | <u>X</u> | <u> </u> | <u> </u> | <u> </u> |

IN WITNESS WHEREOF, I have hereunto set my signature as such official and affixed the seal of the Township of Hopewell this 8th day of June, 1993.


Secretary

TOWNSHIP OF HOPEWELL
BEAVER COUNTY, PENNSYLVANIA

ORDINANCE NO. 93-6

AN ORDINANCE OF THE TOWNSHIP OF HOPEWELL, BEAVER COUNTY, PENNSYLVANIA AUTHORIZING THE INCURRING OF NONELECTORAL DEBT FOR THE PURPOSE OF FINANCING PART OF THE WOODLAWN PARK SANITARY SEWER SYSTEM PROJECT AND FOR THE PURPOSE OF FINANCING THE EXISTING SYSTEM REHABILITATION PROJECT AND PAYING THE COSTS OF ISSUANCE BY THE ISSUANCE OF GUARANTEED SEWER REVENUE AND ASSESSMENT BONDS, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$2,400,000.00; FINDING THE SALE BY NEGOTIATION TO BE IN THE BEST INTEREST OF THE TOWNSHIP; ACCEPTING A BOND PURCHASE PROPOSAL OR CONTRACT; PROVIDING FOR THE FORM, MATURITIES, INTEREST RATES AND REDEMPTION FEATURES OF THE BONDS; COVENANTING FOR THE PAYMENT OF THE DEBT SERVICE ON THE BONDS OUT OF THE REVENUES OF THE SEWER SYSTEM AND GUARANTEEING THE PAYMENT THEREOF BY THE PLEDGE OF THE FULL FAITH, CREDIT AND TAXING POWER OF THE TOWNSHIP; AUTHORIZING THE APPLICATION TO THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AFFAIRS TO HAVE THE DEBT EXCLUDED FROM THE TOWNSHIP'S NET NONELECTORAL DEBT AS SELF-LIQUIDATING DEBT; AUTHORIZING EXECUTION, AUTHENTICATION AND DELIVERY OF THE BONDS; APPROPRIATING THE BOND PROCEEDS; COVENANTING TO ADOPT SUFFICIENT RATES AND CHARGES; AUTHORIZING PAYMENT OF EXPENSES; APPOINTING BOND COUNSEL; RATIFYING THE PRELIMINARY OFFICIAL STATEMENT; AUTHORIZING APPROVAL OF THE FINAL OFFICIAL STATEMENT; AUTHORIZING THE OPENING OF A CLEARING FUND; APPOINTING A PAYING AGENT, REGISTRAR AND SINKING FUND DEPOSITORY; ESTABLISHING A SINKING FUND; RATIFYING PRIOR ADVERTISING AND DIRECTING FURTHER ADVERTISING; AND REPEALING INCONSISTENT ORDINANCES.

WHEREAS, the Township of Hopewell, Beaver County, Pennsylvania (the "Township") is a first class township

organized and existing under the laws of the Commonwealth of Pennsylvania; and

WHEREAS, the Township is authorized by law, among other things, to acquire, hold, construct, improve, own, maintain and operate sewers, sewer systems or parts thereof, sewage treatment works, including works for the treating and disposing of industrial waste, and to borrow moneys and to issue its bonds and notes and to secure the payment of such bonds and notes by pledge of all of its receipts and revenues and to make such agreements with the purchasers or holders of such bonds or notes or with others in connection with any such bonds and notes, whether issued or to be issued, as the Township shall deem advisable; and

WHEREAS, the Township presently owns and operates an existing sewer system (the "Sewer System") which is described in the Financial Feasibility and Self-Liquidating Report, dated June 1993, prepared for the Township by NIRA Consulting Engineers, Inc., its consulting engineers; and

WHEREAS, it is necessary that the indebtedness of the Township of Hopewell, Beaver County, Pennsylvania be increased for the purpose of completing the 1993 Hopewell Township Sewer System Additions and Renovations Project (hereinafter called the "1993 Project") consisting of the following items:

- (1) Funding the Equity Contribution of the Township required by the Pennsylvania Infrastructure Investment Authority ("Pennvest") Loan Commitment and the costs to complete the Woodlawn Park Sanitary Sewer System Project; and
- (2) Providing funds for the Existing System Rehabilitation Project to make renovations to and the rehabilitation of the Township Sewer System; and
- (3) The payment of the costs of issuance; and

WHEREAS, the Township has received preliminary realistic cost estimates from its consulting professional engineers that the sum of \$2,400,000.00 will be needed to complete the 1993 Project and that the estimated useful life of the improvements, renovations and rehabilitations is in excess of 20 years; and

WHEREAS, the proposed increase of indebtedness, together with its nonelectoral indebtedness and its lease rental indebtedness presently outstanding, will not cause the limitations of the Township's nonelectoral borrowing power, pursuant to constitutional and statutory authority, to be exceeded; and

WHEREAS, the Township will apply to the Pennsylvania Department of Community Affairs to have the proposed increase of indebtedness excluded from the Township's net nonelectoral debt as self-liquidating debt; and

WHEREAS, in order to provide the funds for the "1993 Project", the Township has decided to issue two series of bonds in the aggregate principal amount of \$2,400,000, designated "\$2,100,000 Township of Hopewell, Beaver County, Pennsylvania, Guaranteed Sewer Revenue Bonds, Series A of 1993" (the "1993 Series A Bonds") and "\$300,000.00 Township of Hopewell, Beaver County, Pennsylvania, Guaranteed Sewer Assessment Bonds, Series B of 1993" (the "1993 Series B Bonds"), sometimes jointly referred to as the "1993 Bonds" or the "Bonds"; and

WHEREAS, Potter, Shupe & Associates, Inc., (the "Purchaser") has submitted, to the Township, a Bond Purchase Contract (the "Bond Purchase Contract") for the purchase of the Bonds; and

WHEREAS, pursuant to an Ordinance (the "1984 Ordinance"), the Township issued a series of bonds entitled Guaranteed Sewer Revenue Refunding Bonds, Series of 1984, in the principal amount of \$1,495,000 (the "1984 Bonds"); and

WHEREAS, the 1984 Ordinance provides for the issuance of Additional Bonds on parity with the 1984 Bonds pursuant to Supplemental Ordinances, as defined therein; and

WHEREAS, it is the Township's intention that the 1993 Bonds are issued as Additional Bonds on parity with the 1984 Bonds and that this Ordinance is a Supplemental Ordinance, as defined in the 1984 Ordinance.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Board of Commissioners of the Township of Hopewell, Beaver County, Pennsylvania and it is hereby Ordained and Enacted by the authority of the same as follows:

SECTION 1. The Board of Commissioners of the Township of Hopewell hereby determines to incur and authorizes the incurrence of nonelectoral debt, in accordance with the provisions of the Local Government Unit Debt Act, Act No. 52, (the "Act"), of the Commonwealth of Pennsylvania, as amended, in the amount of \$2,400,000 to finance the project which has an estimated useful life in excess of twenty (20) years. Such debt shall be evidenced by the issuance of the 1993 Series A Bonds and the 1993 Series B Bonds.

SECTION 2. After considering the advantages and disadvantages of a public sale of the 1993 Bonds, the Board of Commissioners of the Township hereby determines that a

private sale by negotiation is in the best financial interests of the Township.

SECTION 3. The Bond Purchase Contract, submitted to the Board by the Purchaser for the purchase of the 1993 Bonds, is hereby accepted. The 1993 Bonds are hereby sold to the Purchaser, by a negotiated private sale, at the purchase price stated on Schedule "A", which is attached hereto and incorporated herein by reference as if set forth here at length. The Chairman of the Board of Commissioners of the Township is authorized and directed to execute the Bond Purchase Contract in the name and on behalf of the Township. The Secretary of the Township is authorized and directed to affix the seal of the Township to the Bond Purchase Contract when so executed; to attest the same; and to deliver an executed counterpart of the Bond Purchase Contract to the Purchaser.

SECTION 4. The 1993 Bonds shall bear interest, mature and be redeemable as set forth on Schedule "A".

SECTION 5. Integra Trust Company, National Association, is hereby appointed Paying Agent (the "Paying Agent") and Registrar (the "Registrar") for the 1993 Bonds and Sinking Funds Depository (the "Sinking Funds Depository") for the 1993 Series A Bonds Sinking Fund and the 1993 Series B Bonds Sinking Fund (the "Sinking Funds")

created hereby. The appropriate officers of the Township are hereby authorized and directed to contract with Integra Trust Company, National Association, Pittsburgh, Pennsylvania, for its services as Sinking Funds Depositary, Paying Agent and Registrar at such initial and annual charges as shall be appropriate and reasonable for such services. The Township may, by Ordinance, from time to time, appoint a successor Paying Agent, Sinking Fund Depositary or Registrar to fill a vacancy or for any other reason.

SECTION 6. The Bonds shall be issued in fully registered form without coupons and shall be numbered, in such manner, as may be satisfactory to the Township and the Paying Agent. Pursuant to recommendations promulgated by the Committee on Uniform Security Identification Procedures, "CUSIP" numbers may be printed on the Bonds. Each Bond shall be dated as of the date of its authentication. The Bonds shall be initially dated as of June 1, 1993 and shall be issued in denominations of \$5,000 or any whole multiple thereof. The Bonds shall bear interest payable initially on November 1, 1993, and on each May 1 and November 1 (each, an "Interest Payment Date") thereafter, from the Interest Payment Date, as the case may be, next preceding the date of such Bond to which interest has been paid, unless the date

of such Bond is a date to which interest has been so paid, in which case from the date of such Bond.

The term "Regular Record Date" with respect to any Interest Payment Date shall mean the April 15 or October 15 immediately preceding such Interest Payment Date. The person in whose name any Bond is registered at the close of business on any Regular Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date notwithstanding the cancellation of such Bond upon any transfer or exchange thereof subsequent to such Regular Record Date and prior to such Interest Payment Date, except if and to the extent that the Township defaults in the payment of the interest due on such Interest Payment Date, in which case such defaulted interest shall be paid to the persons in whose names outstanding Bonds are registered at the close of business on a Special Record Date established by the Paying Agent, notice of which shall have been mailed to all Registered Owners of Bonds not less than ten (10) days prior to such date.

SECTION 7. The Township shall cause to be kept, at the principal corporate trust office of the Paying Agent, a register (the "Bond Register") in which, subject to such reasonable regulations as it may prescribe, the Township

shall provide for the registration of Bonds and the registration of transfers and exchanges of Bonds. No transfer or exchange of any Bond shall be valid unless made at such office and registered in the Bond Register.

Upon surrender of any Bond at the principal corporate trust office of the Paying Agent for registration of transfer, the Township shall execute and the Paying Agent shall authenticate and deliver in the name of the transferee or transferees, a new Bond or Bonds of any authorized denomination, of the same interest rate and maturity and in the same aggregate principal amount as the Bond so surrendered.

Any Bond shall be exchangeable for other Bonds of the same maturity and interest rate, in any authorized denomination, in an aggregate principal amount equal to the principal amount of the Bond or Bonds presented for exchange. Upon surrender of any Bond for exchange, at the principal corporate trust office of the Paying Agent, the Township shall execute and the Paying Agent shall authenticate and deliver, in exchange therefor, the Bond or Bonds which the owner making the exchange shall be entitled to receive.

All Bonds issued upon any registration of transfer or exchange shall be valid obligations of the Township,

evidencing the same debt and entitled to the same benefits under this Ordinance as the Bonds surrendered for such registration of transfer or exchange.

Every Bond presented or surrendered for registration of transfer or exchange shall be duly endorsed, or be accompanied by a written instrument of transfer, in form and with guaranty of signature satisfactory to the Township and the Registrar, duly executed by the Registered Owner thereof or his duly authorized agent or legal representative.

No service charge shall be made for any transfer or exchange of any Bond, but the Township may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

The Township shall not be required to: (a) issue or register the transfer or exchange of any Bond during a period of fifteen (15) business days before any date of selection of Bonds to be redeemed; or (b) register the transfer or exchange of any Bond after it has been selected for redemption.

SECTION 8. The Bonds shall be executed on behalf of the Township by the Chairman of the Board of Commissioners and shall have a facsimile of the corporate

seal of the Township affixed thereto, duly attested by the Township Secretary, and said officers are hereby authorized and directed to execute the Bonds. The Bonds shall be authenticated by the manual execution of the Certificate of Authentication by a duly authorized officer of the Paying Agent. No Bond shall be valid until such Certificate of Authentication shall have been duly executed by the Paying Agent. Such authentication shall be conclusive and the only proof that any Bond has been issued pursuant to this Ordinance and is entitled to any benefits conferred thereon under the provisions of this Ordinance. To the extent that any one signature on a Bond (including the signature of the officer of the Paying Agent) is manual, all other signatures may be by facsimile. The Chairman of the Board of Commissioners or Township Secretary or any of such officers is hereby authorized and directed to deliver the Bonds to the Purchaser and receive payment therefor on behalf of the Township after sale of the same in the manner required by law and this Ordinance.

SECTION 9. (a) 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 the 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 the 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 herein.

(b) The Township hereby covenants with the holders from time to time of the Bonds: (1) that the Township will appropriate to and deposit in the Sinking Funds, from the Sewer System Revenues and Assessment Revenues hereinafter pledged and, to the extent of any deficiency, from its general revenues, such amounts necessary for the payment of the debt service on the 1993 Bonds; and (2) that the Township will duly and punctually pay out of its Sewer System Revenues and Assessment Revenues so deposited and, to the extent necessary, out of its general revenues so deposited, the principal of every 1993 Bond issued hereunder and the interest thereon on the dates, at the places and in the manner stated in the 1993 Bonds, according to the true intent and meaning thereof; and for such budgeting, appropriation and payment, the Township hereby pledges its full faith, credit and taxing power.

(c) The term Sewer System Revenues shall mean the moneys paid by the customers of the Sewer System for the collection and treatment of sewage (other than Assessment Revenues), penalties, government subsidies or grants paid or payable to the Township in connection with the ownership or operation of the Sewer System, Assessment Revenues not required for deposit to the 1993 Series B Sinking Fund, and other funds and accounts of the Township not required to be retained therein, and all other revenues and receipts of the Township derived from the Sewer System, but does not include tax or other general revenues of the Township.

(d) The term Assessment Revenues means all moneys received as assessment charges (whether on a front-foot, assessed valuation or other proper method), tap fees or connection fees (other than connection fees due and payable to the Municipal Water Authority of Aliquippa) imposed on benefited property owners as a result the Woodlawn Park Sanitary Sewer System Project, which have been pledged as security for the 1993 Series B Bonds. Upon final payment of (or reservation of moneys for) all requirements for principal of, interest on and premium, if any, on, and all other obligations in respect of, the 1993 Series B Bonds to which the Assessment Revenues are related and pledged, surplus Assessment Revenues shall be treated and accounted

for as general Sewer System Revenues. For the purposes of the 1993 Bonds, such term shall mean and include those Assessment Revenues expected from the Woodlawn Park Sanitary Sewer System Project.

(e) All Sewer System Revenues are hereby irrevocably pledged for the payment of the principal of and interest on the 1993 Series A Bonds and for the further benefit and security of the holders or registered owners of the 1993 Series Bonds a security interest is hereby granted in and to all Sewer System Revenues.

(f) All Assessment Revenues are hereby pledged for the payment of principal of and interest on the 1993 Series B Bonds and for the further benefit and security of the holders or registered owners of the 1993 Series B Bonds a security interest is hereby granted in and to the Assessment Revenues.

(g) The Township guarantees that the Sewer System Revenues pledged pursuant to Subsection (e) hereof, will be sufficient for the payment of the principal of and interest on the 1993 Series A Bonds, and, to the extent, if any, that such Sewer System Revenues shall be insufficient, it will budget, appropriate and pay the principal of and interest on the 1993 Series A Bonds from its general revenues; and for such guaranty, budgeting, appropriation and payment the

Township hereby pledges its full faith, credit and taxing power.

(h) The Township guarantees that the Assessment Revenues pledged pursuant to Subsection (f) hereof will be sufficient for the payment of the principal of and interest on the 1993 Series B Bonds, and, to the extent, if any, that such Assessment Revenues shall be insufficient, it will budget, appropriate and pay the principal and interest on the 1993 Series B Bonds from its general revenues; and for such guaranty, budgeting, appropriation and payment the Township hereby pledges its full faith, credit and taxing power.

(i) The amount of the debt service which the Township hereby covenants to pay on the Bonds in each year is shown on Schedule "B" which is attached hereto and incorporated herein by reference as if set out here at length.

(j) As provided in the Debt Act, the foregoing covenants are specifically enforceable.

SECTION 10. (a) The 1993 Series A Bonds maturing on and after November 1, 2004 shall be subject to redemption prior to maturity, at the option of the Township, either as a whole on November 1, 2003 or on any date thereafter, or in part, from time to time, in any order of maturity, selected

by lot within a maturity by the Paying Agent, on November 1, 2003, or on any Interest Payment Date thereafter, at 100% of the principal amount redeemed plus accrued interest to the date fixed for redemption.

(b) The 1993 Series B Bonds maturing on November 1, 1996 shall be subject to redemption prior to maturity, at the option of the Township, either as a whole on November 1, 1994 or on any date thereafter, or in part, from time to time, in any order of maturity, selected by lot within a maturity by the Paying Agent, on November 1, 1994, or on any Interest Payment Date thereafter, at 100% of the principal amount redeemed plus accrued interest to the date fixed for redemption.

(c) The 1993 Series A Bonds maturing on November 1, 2008 and 2013 shall be subject to mandatory redemption in part, from the 1993 Series A Sinking Fund, in accordance with the following schedule, such redemptions (or payments at maturity) to be made at a redemption price of 100% of the principal amount, thereof, plus accrued interest to the date fixed for redemption, i.e., November 1 of the years and in the principal amounts set forth below:

| <u>November 1</u> <u>Redemption Date</u> | <u>Principal Amount</u> <u>To be Redeemed</u> |
|---|--|
| <u>2008 Maturity</u> | |
| 2004 | \$ 10,000.00 |
| 2005 | 185,000.00 |
| 2006 | 195,000.00 |
| 2007 | 205,000.00 |
| 2008 | 220,000.00* |
| <u>2013 Maturity</u> | |
| 2009 | 230,000.00 |
| 2010 | 245,000.00 |
| 2011 | 260,000.00 |
| 2012 | 275,000.00 |
| 2013 | 205,000.00* |

*By Maturity, not by redemption

If less than an entire year's maturity of 1993 Series A Bonds is to be redeemed at any particular time, the 1993 Series A Bonds so to be called for redemption shall be chosen by the Paying Agent by lot in \$5,000 increments in the manner it shall deem proper.

(d) The 1993 Series B Bonds shall not be subject to mandatory redemption.

(e) Notice of any redemption shall be given by mailing a notice of redemption 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 Owners of Bonds to be redeemed at the addresses which appear on the Bond Register, provided however, that failure to mail such notice nor any defect in the notice so mailed or in the mailing thereof with respect to any one Bond shall affect the validity of the proceedings for the redemption of any

other Bond. If the Township shall have duly given notice of redemption and shall have deposited funds, with the Paying Agent for the payment of the redemption price of the Bonds so called for redemption, with accrued interest thereon to the date fixed for redemption, interest on such Bonds shall cease to accrue after such redemption date. A copy of any redemption notice shall be mailed at least 30 days prior to the redemption date to Standard & Poor's Corporation, Moody's Investors Service, Inc. and the Bond Buyer, as defined herein. Failure to file such notice will not affect the validity of the redemption.

(f) Notices of redemption shall contain the applicable CUSIP numbers pertaining to the Bonds called for redemption (if then generally in use) and shall also contain the serial identification numbers printed on the Bonds.

(g) If less than all Bonds maturing on any one date are to be redeemed at any time, the Paying Agent shall select by lot the Bonds to be redeemed at such time.

(h) Any portion of any 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 shall assign numbers to each \$5,000 portion of any Bond of a denomination larger than \$5,000 and shall treat each portion

as a separate Bond in the denomination of \$5,000 for purposes of selection for redemption. Upon surrender of any Bond for redemption of a portion thereof, the Paying Agent shall authenticate and deliver to the Registered Owner thereof a new Bond or Bonds of the same maturity and in any authorized denominations requested by the Registered Owner in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered.

SECTION 11. (a) There is hereby established a sinking fund to be known as the Township of Hopewell, 1993 Series A Bonds Sinking Fund, (the "1993 Series A Bonds Sinking Fund") into which the Township covenants to deposit and into which the Treasurer is hereby authorized and directed to deposit (i) on or before November 1, 1993, and on or before each Interest Payment Date thereafter to and including November 1, 2013, amounts sufficient to pay the interest due on such dates on the 1993 Series A Bonds then outstanding, and (ii) on or before November 1, 1994, and on or before each November 1, thereafter, to and including November 1, 2013, amounts sufficient to pay the principal of the 1993 Series A Bonds due on each such date. Should the amounts covenanted to be paid into the 1993 Series A Bonds Sinking Fund be, at any time, in excess of the net amounts required at such time for the payment of interest and

principal, whether by reason of funds already on deposit in the 1993 Series A Bonds Sinking Fund or by reason of the purchase or redemption of 1993 Series A Bonds or for some similar reason, the amounts covenanted to be paid may be reduced to the extent of the excess.

(b) There is hereby established a sinking fund to be known as the Township of Hopewell, 1993 Series B Sinking Fund (the "1993 Series B Bonds Sinking Fund") into which the Township covenants to deposit and into which the Treasurer is hereby authorized and directed to deposit (i) all of the Assessment Revenues, as defined in Section 9. (d), as they are received; (ii) on or before November 1, 1993, and on or before each Interest Payment Date thereafter to and including November 1, 1996, amounts sufficient to pay the interest due on such dates on the 1993 Series B Bonds then outstanding; and (iii) on or before November 1, 1996, an amount sufficient to pay the principal of the 1993 Series B Bonds due on such date. Should the amounts covenanted to be paid into the 1993 Series B Bonds Sinking Fund be, at any time, in excess of the net amounts required at such time for the payment of interest and principal, whether by reason of funds already on deposit in the 1993 Series B Bonds Sinking Fund or by reason of the purchase or redemption of Bonds or

for some similar reason, the amounts covenanted to be paid may be reduced to the extent of the excess.

(c) The Township may satisfy any part of its obligations, with respect to subsections (a)(ii) or (b)(ii), by delivering to the Paying Agent and Sinking Funds Depositary, for cancellation, Bonds maturing on the date on which such deposit is required. The Township shall receive credit against such deposit for the face amount of the Bonds so delivered, provided that such Bonds are delivered to and received by the Paying Agent and Sinking Funds Depositary on or before the maturity date of the Bonds for which credit is requested, in the case of a deposit required for the payment of Bonds at maturity.

(d) All sums in the 1993 Series A Bonds Sinking Fund shall be applied, exclusively, to the payment of principal and interest covenanted to be paid by Section 9, hereof, as the same from, time to time, become due and payable. The balance of said moneys, over and above the sum so required, shall remain in the 1993 Series A Bonds Sinking Fund, to be applied to the reduction of future required deposits; subject, however, to investment or deposit at interest, as authorized by law and as permitted by Section 22, hereof. The 1993 Series A Bonds Sinking Fund shall be kept as a separate account at the principal

corporate trust office of the Paying Agent. The Sinking Funds Depositary, without further authorization other than as herein contained, shall pay from the moneys in the 1993 Series A Bonds Sinking Fund, the interest on the 1993 Series A Bonds, as and when due, to the Registered Owners on the appropriate Record Date and the principal of the 1993 Series A Bonds, as and when the same shall become due, to the Registered Owners thereof.

(e) All sums in the 1993 Series B Bonds Sinking Fund shall be applied, exclusively, to the payment of principal and interest covenanted to be paid by Section 9, hereof, as the same, from time to time, become due and payable. The balance of said moneys, over and above the sum so required, shall remain in the 1993 Series B Bonds Sinking Fund, to be applied to the reduction of future required deposits; subject, however, to investment or deposit at interest, as authorized by law and as permitted by Section 22, hereof. The 1993 Series B Bonds Sinking Fund shall be kept as a separate account at the principal corporate trust office of the Paying Agent. The Sinking Funds Depositary, without further authorization other than as herein contained, shall pay from the moneys in the 1993 Series B Bonds Sinking Fund, the interest on the 1993 Series B Bonds, as and when due, to the Registered Owners on the

appropriate Record Date and the principal of the 1993 Series B Bonds, as and when the same shall become due, to the Registered Owners thereof.

(f) Notwithstanding the foregoing, in the case of optional redemption of any or all of the Bonds as permitted by Section 10, hereof, the Treasurer is hereby authorized and directed to deposit, from time to time, before the appropriate optional redemption date, moneys which shall be sufficient when they, either alone or together with the interest to be earned thereon, if any, will equal the principal of the Bonds so called for redemption and the premium, if any, and the interest thereon to the date fixed for redemption.

SECTION 12. All moneys derived from the sale of the Bonds shall be deposited in the Clearing Account created pursuant to Section 20, hereof, and shall be and hereby are appropriated substantially to payment of the cost of the 1993 Project, including but not limited to payment of the costs and expenses of preparing, issuing and marketing the bonds, and the payment of interest on the Bonds from June 1, 1993, to the date of delivery and shall not be used for any other purposes, except as to any insubstantial amounts of money which may remain after fulfilling the purposes set forth herein, which minor amounts of remaining moneys shall

promptly upon their determination be deposited equally in the 1993 Series A and B Bonds Sinking Funds and used for the payment of interest on the Bonds.

SECTION 13. (a) The Township hereby covenants with the Registered Owners, from time to time, of the Bonds that no part of the proceeds of the Bonds will be used, at anytime, directly or indirectly, in a manner which, if such use had been reasonably expected on the date of issuance of the Bonds, would have caused the Bonds to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986 (the "Code") and the Regulations thereunder proposed or in effect at the time of such use and applicable to the Bonds, and that it will comply with the requirements of that Section and the Regulations throughout the term of the Bonds.

(b) If the principal amount of the Bonds plus the aggregate principal amount of all other tax-exempt obligations issued and to be issued by the Township during the current year exceeds \$5,000,000, and if the gross proceeds of the Bonds are invested at a yield greater than the yield on the Bonds and are not expended within six (6) months from the date of issuance, the Township covenants that it will rebate to the U.S. Treasury, at the times and in the manner required by the Code, all investment income

derived from investing the proceeds of the Bonds in an amount which exceeds the amount which would have been derived from the investment of the proceeds of the Bonds at a yield not in excess of the yield on the Bonds.

(c) The Township will file IRS Form 8038-G and any other forms or information required by the Code to be filed in order to permit the interest on the Bonds to be excluded from gross income tax for federal income tax purposes.

SECTION 14. The action of the officers of the Township in advertising a preenactment notice of summary of this Ordinance, as required by law, is ratified and confirmed. The officers of the Township or any of them are authorized and directed to advertise a notice of enactment of this Ordinance in a newspaper of general circulation in Beaver County within fifteen (15) days after final enactment. The Township Secretary is hereby directed to make a copy of this Ordinance available for inspection by any citizen during normal office hours.

SECTION 15. The Township hereby appoints John A. Havey, Esquire, as Bond Counsel, for the purpose of rendering any and all necessary opinions with respect to the Bonds.

SECTION 16. The Chairman of Board of Commissioners and the Township Secretary are hereby authorized and directed to prepare, verify and file with the Department of Community Affairs, in accordance with the Debt Act, a transcript of the proceedings relating to the issuance of the Bonds including the Debt Statement and Borrowing Base Certificate required by Section 410 of the Debt Act; to take other necessary action; and to prepare and file all necessary documents with the Department of Community Affairs including, if necessary or desirable, any statements required to exclude any portion of the debt evidenced by the Bonds from the appropriate debt limit as self-liquidating or subsidized debt.

SECTION 17. The Township covenants as follows:

(a) It has previously adopted and will continue to charge, maintain and collect, so long as any of the Bonds, remain outstanding and funds for their payment have not been provided, reasonable sewer rates, rentals and other charges upon properties and persons served by the Sewer System which said sewer rates, rentals and charges shall be at least sufficient, after making due and reasonable allowances for prompt payment discounts to consumers, if any, and contingencies and a margin of error in the estimates, to insure at all time sufficient funds:

- (i) To pay the current expenses of the Sewer System;
- (ii) To pay the interest on all of the Bonds as and when the same shall become due and payable;
- (iii) To pay the principal of all of the Bonds as and when the same shall become due and payable;
- (iv) To provide all other payments and transfers otherwise required to be made under this Ordinance, to comply in all respects with the terms of this Ordinance and to meet any other obligations of the Township incurred in connection with the Bonds or the Sewer System not hereinabove specifically mentioned, as the same shall become due and payable.

(b) The sewer rates, rentals and other charges will be classified in a reasonable way to cover the services provided by the Sewer System so that the sewer rates, rentals and other charges will be uniform in application to all services falling within any reasonable class, regardless of the status or connection of any person, firm or corporation served, and that it will not contract with any

public body or consumer for the furnishing of sewer services at prices less than their reasonable worth, unless ordered to do so by a final decree of a court of competent jurisdiction.

(c) If at any time the receipts and revenues collected shall not be sufficient to make the payments and transfers referred to herein and meet the obligations incurred hereunder, it will revise its sewer rates, rentals and other charges so that such deficiencies will be made up before the end of the next ensuing fiscal year.

(d) It will not reduce its sewer rates, rentals and other charges if as a result of such reduction its estimated annual net receipts and revenues (less current expenses of the Sewer System) will be less than an amount equal to 110% of the average annual debt service requirements on all outstanding Bonds and indebtedness of the Township (but under no circumstances less than the actual debt service requirements on all Bonds outstanding in any year) related to the Sewer System.

(e) It shall not render or cause to be rendered any free sewer service, or additional services at reduced rates, by the Sewer System, and it shall transfer from its general funds and pay into the Sewer Revenue Account any sums necessary and sufficient to pay for any services the

Sewer System renders or furnishes to the Township, or any department, agency or office thereof, at the same rates applicable to others availing themselves of the services of the Sewer System under similar conditions, and such sums so derived shall be treated as are all other revenues of the Sewer System.

(f) It shall diligently enforce and collect all sewer rates, rentals or other charges for the services of the Sewer System, and take all steps, or other charges for the services of the Sewer System, and take all steps, actions and proceedings for the enforcement and collection of such sewer rates, rentals or other charges which shall become delinquent to the full extent permitted or otherwise authorized by the laws of the Commonwealth of Pennsylvania.

(g) It shall not grant, or cause or permit the granting of, any franchise, permit or license for the construction, operation or maintenance of any sewer services or facilities which are or will be competitive with the Sewer System; provided, however, that this provision shall not affect any rights under any existing franchises, permits, licenses or contracts.

SECTION 18. The officers and officials of the Township are hereby 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 effect the execution, issuance, sale and delivery of the Bonds, all in accordance with this Ordinance.

SECTION 19. The Preliminary Official Statement prepared with respect to the Bonds is hereby approved. The Chairman of the Board of Commissioners is hereby authorized to execute and approve a Final Official Statement relating to the Bonds provided that the Final Official Statement shall have been approved by the Township Solicitor. The distribution of the Preliminary Official Statement is hereby ratified and the Purchaser is hereby authorized to use the Preliminary and the Final Official Statements in connection with the sale of the Bonds.

SECTION 20. The Township hereby creates, with the Paying Agent, a special fund to be known as the "Township of Hopewell 1993 Clearing Account" (the "Clearing Account") which shall be held as a trust fund for the benefit of the Township until disbursed in accordance with the provisions hereof. The Township shall deliver the net proceeds (including accrued interest) derived from the sale of the Bonds to the Paying Agent for deposit to the Clearing Account. Upon written directions from the Township signed by the Chairman of the Board of Commissioners and the Township Secretary, the Paying Agent shall pay, out of the

Clearing Account, the costs and expenses of the issuance of the Bonds; transfer the amounts of accrued interest to the 1993 Series A and B Bonds Sinking Funds; and deposit the specified amounts to the Sewer Construction Fund. The written direction from the Township shall state the names of the respective payees; the purpose for which the expenditure has been incurred or the purpose of the transfer, whichever is applicable; and contain a certification that each item of expense for which payment has been requested has been properly incurred and is then unpaid, and that each transfer which is requested is in accordance with the provisions of this Ordinance.

SECTION 21. All expenses incurred in connection with issuance of the Bonds shall be paid out of the proceeds derived from the issuance of the Bonds and deposited in the Clearing Account and the proper officers and officials are authorized to sign and deliver requests for payment of such expenses.

SECTION 22. Any moneys in the Series 1993 A and B Bonds Sinking Funds not required for prompt expenditure may, at the direction of the Township, be invested in bonds or obligations which are direct obligations of, or are fully guaranteed as to principal and interest by, 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 bank and 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 similar federal agency, they need not be secured. Otherwise, such deposits shall be secured as public deposits or as trust funds. Any such investments or deposits shall mature or be subject to redemption at the option of the holder, or be subject to withdrawal at the option of the depositor, not later than the date upon which such moneys are required to be paid to the Registered Owners.

SECTION 23. Any authorization granted to, power conferred on, or direction given to the Chairman of the Board of Commissioners or Township Secretary shall be deemed to run to the Vice Chairman of the Board of Commissioners or Acting Township Secretary, respectively, as if such latter titles had been expressly included in the text hereof which grants such authorization, confers such power or gives such direction.

SECTION 24. (a) The form of the 1993 Series A Bonds shall be substantially as follows:

FORM OF BOND

(FORM OF SERIES A OF 1993 GUARANTEED SEWER REVENUE BONDS)

[FRONT OF BOND]

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA

TOWNSHIP OF HOPEWELL
BEAVER COUNTY, PENNSYLVANIA
GUARANTEED SEWER REVENUE BOND, SERIES A OF 1993

| <u>DATED DATE</u> | <u>INTEREST RATE</u> | <u>MATURITY DATE</u> | <u>CUSIP</u> |
|-------------------|----------------------|----------------------|--------------|
|-------------------|----------------------|----------------------|--------------|

JUNE 1, 1993

REGISTERED OWNER:

PRINCIPAL AMOUNT:

DOLLARS

TOWNSHIP OF HOPEWELL, Beaver County, Pennsylvania (the "Township"), organized and existing under the laws of the Commonwealth of Pennsylvania, for value received and intending to be legally bound, hereby acknowledges itself indebted and promises to pay, as a general obligation of the Township, to the Registered Owner shown hereon or registered assigns, on the Maturity Date shown hereon (unless this bond shall be redeemable and before said date shall have been duly called for redemption in whole or in part and payment of the redemption price made or provided for) upon surrender hereof, the principal amount shown hereon and to pay interest thereon from the May 1 or November 1 (each an "Interest Payment Date") preceding the Authentication Date shown hereon (unless the Authentication Date hereof is prior to November 1, 1993, then from June 1, 1993) at the rate per annum shown hereon, on November 1, 1993, the first date for payment of interest hereon, and semi-annually thereafter on May 1 and November 1 in each year, until payment of said principal sum has been made or provided for.

The principal of, interest on, and premium (if any) payable upon the redemption of this bond are payable at the principal corporate trust office of INTEGRA TRUST COMPANY, NATIONAL ASSOCIATION, Pittsburgh, Pennsylvania, in its capacity as Sinking Fund Depositary, Paying Agent and Registrar (the "Sinking Fund Depositary"). The interest hereon is payable by check or draft mailed by the Sinking Fund Depositary to the Registered Owner of this bond as of the record date for the payment of such interest, said record date (the "Record Date") being the day which is the

fifteenth day of the month preceding that in which said payment occurs.

THE TERMS AND PROVISIONS OF THIS BOND ARE CONTINUED ON THE REVERSE SIDE HEREOF AND SUCH TERMS AND PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH HERE.

This bond shall not be valid or become obligatory for any purpose unless the Certificate of Authentication hereon shall have been signed by the manual signature of an authorized officer of the Sinking Fund Depositary.

IN WITNESS WHEREOF, the TOWNSHIP OF HOPEWELL has caused this bond to be signed in its name and on its behalf by its Chairman or Vice Chairman by his manual or facsimile signature, and its corporate seal or a facsimile thereof to be hereto affixed and attested by its Secretary by his manual or facsimile signature.

ATTEST:

TOWNSHIP OF HOPEWELL

Secretary

By: _____
Chairman

[SEAL]

Authentication Certificate

This bond is one of the issue of \$2,100,000.00, Township of Hopewell, Guaranteed Sewer Revenue Bonds, Series A of 1993, described in the within-mentioned Debt Ordinance. The Text of Opinion printed on the reverse hereof is the text of the opinion of John A. Havey, Esquire, Bond Counsel, of Aliquippa, Pennsylvania, an executed counterpart of which, dated the date of delivery of and payment for the series of bonds of which this bond is one, is on file at the office of the Sinking Fund Depositary.

INTEGRA TRUST COMPANY,
NATIONAL ASSOCIATION

By: _____
Authorized Officer

AUTHENTICATION DATE: _____, 19____

[REVERSE OF BOND]

This Bond is one of a duly authorized series of bonds, designated "Township of Hopewell, Guaranteed Sewer Revenue Bonds, Series A of 1993" (the "Bonds"), issued in accordance with the Act of the General Assembly of the Commonwealth of Pennsylvania, Act No. 1978-52, approved April 28, 1978, as amended (the "Debt Act"), pursuant to all the terms and provisions of the formal action of the Township (the "Debt Ordinance") enacted on June 8, 1993, and with the approval of the Department of Community Affairs of the Commonwealth of Pennsylvania.

Interest payable on any Interest Payment Date will be paid to the person in whose name this bond is registered at the close of business on the April 15 or October 15 (the "Record Date") immediately preceding the applicable Interest Payment Date. Any such interest which is not deposited with the Sinking Fund Depositary on or before any such Interest Payment Date for payment to the Registered Owner of record on the Record Date shall forthwith cease to be payable to such Registered Owner as of the Record Date, and shall be paid to the person in whose name this bond is registered as of a Special Record Date for the payment of such defaulted interest to be fixed by the Sinking Fund Depositary, notice of which shall be given to all Registered Owners not less than 10 days prior to such Special Record Date.

The Bonds maturing after November 1, 2003 are subject to redemption at the option of the Township prior to their stated Maturity Dates, as a whole on November 1, 2003, or on any date thereafter, or in part from time to time, in any order of their maturities and by lot within a maturity, on November 1, 2003, or on any Interest Payment Date thereafter, in both cases upon payment of the Redemption Price of 100% of the principal amount thereof, together with interest accrued to the date fixed for redemption.

If less than all bonds maturing on any one date are to be redeemed at any time, the bonds of such maturity to be called for redemption at such time shall be chosen by the Sinking Fund Depositary, by lot.

Notice of redemption of any bond shall be given to the Registered Owner of such bond by first class mail, not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption, all in the manner and upon the terms and conditions set forth in the Debt

Ordinance. A portion of a bond of a denomination larger than \$5,000 may be redeemed, and in such case, upon the surrender of such bond, there shall be issued to the Registered Owner thereof, without charge therefor, a registered bond or bonds for the unredeemed balance of the principal amount of such bond, all as more fully set forth in the Debt Ordinance. If notice of redemption shall have been duly given, the bonds or portions thereof specified in that notice shall become due and payable at the applicable Redemption Price on the designated redemption date, and if, on such date, moneys are held by the Sinking Fund Depository for the payment of the Redemption Price of the bonds to be redeemed, together with interest to the date fixed for redemption, then from and after such date interest on such bonds shall cease to accrue.

The Township, pursuant to recommendations made by the Committee on Uniform Security Identification Procedures, has caused CUSIP numbers to be printed on the bonds, and has directed the Sinking Fund Depository to use such numbers in notices of redemption and other notices, if any, as a convenience to the Registered Owners of the bonds. No representation is made as to the accuracy of such numbers either as printed on the bonds or as contained in any notice and reliance may be placed only on the identification number printed hereon.

This Bond may be transferred or exchanged only on the Register maintained by the Township at the offices of the Sinking Fund Depository upon surrender hereof by the Registered Owner at such office duly endorsed by, or accompanied by a written instrument of transfer duly executed by, the Registered Owner or his duly authorized agent or legal representative, in each case, in form and with a guaranty of signature satisfactory to the Township and the Sinking Fund Depository. No service charge shall be imposed on any Registered Owner of any bond for any transfer or exchange of any bond, but the Township may require payment of any tax or other governmental charge that may be imposed in connection with any transfer or exchange of bonds.

The Township shall not be required to register the transfer or exchange of any bond: (a) during the period of fifteen (15) calendar days before any date of selection of Bonds to be redeemed; or (b) after such bond has been selected for redemption.

Subject to the provisions of this bond and of the Debt Ordinance, the Sinking Fund Depositary may treat the Registered Owner of this bond as the absolute owner hereof, for all purposes, whether or not this bond shall be overdue, and neither the Township nor the Sinking Fund Depositary shall be affected by any notice to the contrary.

This bond is hereby declared to be a general obligation of the Township. The Township hereby covenants with the Registered Owner of this Bond to include the amount necessary to pay the debt service hereon, in each fiscal year for which such sums are due, in its budget for that year, to appropriate such amounts from its general revenues to the payment of such debt service and to duly and punctually pay or cause to be paid from its Sinking Fund or any other of its revenues or funds the principal of this bond and the interest hereon on the dates, at the place and in the manner stated herein, according to the true intent and meaning hereof. Additionally, the bonds are payable out of the receipts and revenues, other than Assessment Revenues, of the Township, as provided in the Debt Ordinance, derived from its Sewer System. The Debt Ordinance provides for the fixing and charging by the Township of rates, rents and charges for sewage collection and treatment service furnished by its Sewer System sufficient to provide funds for paying the cost of operating, maintaining and repairing such Sewer System and for paying the principal of and the interest on the bonds. The Debt Ordinance further provides that the bonds issued thereunder shall be secured by the lien thereof on the receipts and revenues, other than Assessment Revenues, of the Sewer System, after deduction of the proper reserves therefor as in the Debt Ordinance provided, and that the principal of, interest on and premium (if any) on such bonds shall be payable only from such other moneys as may be available for such purposes in accordance with the provisions of the Debt Ordinance. The full faith, credit and taxing power of the Township is pledged for the payment of the principal, the interest on or the premium (if any) payable upon the redemption of this bond.

It is hereby certified 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,

together with all other indebtedness of the Township, is within every debt and other limit applicable to the Township prescribed by the Constitution and the laws of the Commonwealth of Pennsylvania; that the Township has established with the Sinking Fund Depositary a Sinking Fund for this bond and shall deposit therein amounts sufficient to pay the principal of and interest on this Bond as the same shall become due and payable; and that for the prompt and full payment of all obligations under this bond, the full faith, credit and taxing power of the Township are hereby irrevocably pledged.

No recourse shall be had for the payment of the principal of or the interest on this bond, or for any claim based hereon, against any officer, agent or employee, past, present or future, of the Township, as such, either directly or through the Township, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise; all such liability of such officers, agents or employees is hereby renounced, waived and released as a condition of and as consideration for the issuance and acceptance of this Bond.

TEXT OF OPINION OF JOHN A. HAVEY, ESQUIRE DELIVERED IN RESPECT OF \$2,100,000, TOWNSHIP OF HOPEWELL, BEAVER COUNTY, PENNSYLVANIA, GUARANTEED SEWER REVENUE BONDS, SERIES A OF 1993.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____

Please insert Social Security
or other identifying number
of assignee

Please print or typewrite name and address
of Assignee

the within Bond and all rights irrevocably constitutes and appoints

his Attorney to transfer said Bond on the books of said Authority, with full power of substitution in the premises. as

Dated _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member of an approved Signature Medallion Program.

(Sign here exactly as name(s) is (are) shown on the face of the bond without any change or alteration whatever.

(b) The form of the 1993 Series B Bonds shall be substantially as follows:

FORM OF BOND

(FORM OF SERIES B OF 1993 GUARANTEED SEWER ASSESSMENT BONDS)

[FRONT OF BOND]

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA

TOWNSHIP OF HOPEWELL
BEAVER COUNTY, PENNSYLVANIA
GUARANTEED SEWER ASSESSMENT BOND, SERIES B OF 1993

| <u>DATED DATE</u> | <u>INTEREST RATE</u> | <u>MATURITY DATE</u> | <u>CUSIP</u> |
|-------------------|----------------------|----------------------|--------------|
|-------------------|----------------------|----------------------|--------------|

JUNE 1, 1993

REGISTERED OWNER:

PRINCIPAL AMOUNT:

DOLLARS

TOWNSHIP OF HOPEWELL, Beaver County, Pennsylvania (the "Township"), organized and existing under the laws of the Commonwealth of Pennsylvania, for value received and intending to be legally bound, hereby acknowledges itself indebted and promises to pay, as a general obligation of the Township, to the Registered Owner shown hereon or registered

assigns, on the Maturity Date shown hereon (unless this bond shall be redeemable and before said date shall have been duly called for redemption in whole or in part and payment of the redemption price made or provided for) upon surrender hereof, the principal amount shown hereon and to pay interest thereon from the May 1 or November 1 (each an "Interest Payment Date") preceding the Authentication Date shown hereon (unless the Authentication Date hereof is prior to November 1, 1993, then from June 1, 1993) at the rate per annum shown hereon, on November 1, 1993, the first date for payment of interest hereon, and semi-annually thereafter on May 1 and November 1 in each year, until payment of said principal sum has been made or provided for.

The principal of, interest on, and premium (if any) payable upon the redemption of this bond are payable at the principal corporate trust office of INTEGRA TRUST COMPANY, NATIONAL ASSOCIATION, Pittsburgh, Pennsylvania, in its capacity as Sinking Fund Depositary, Paying Agent and Registrar (the "Sinking Fund Depositary"). The interest hereon is payable by check or draft mailed by the Sinking Fund Depositary to the Registered Owner of this bond as of the record date for the payment of such interest, said record date (the "Record Date") being the day which is the fifteenth day of the month preceding that in which said payment occurs.

THE TERMS AND PROVISIONS OF THIS BOND ARE CONTINUED ON THE REVERSE SIDE HEREOF AND SUCH TERMS AND PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH HERE.

This bond shall not be valid or become obligatory for any purpose unless the Certificate of Authentication hereon shall have been signed by the manual signature of an authorized officer of the Sinking Fund Depositary.

IN WITNESS WHEREOF, the TOWNSHIP OF HOPEWELL has caused this bond to be signed in its name and on its behalf by its Chairman or Vice Chairman by his manual or facsimile signature, and its corporate seal or a facsimile thereof to be hereto affixed and attested by its Secretary by his manual or facsimile signature.

ATTEST:

TOWNSHIP OF HOPEWELL

Secretary

By: _____
Chairman

[SEAL]

Authentication Certificate

This bond is one of the issue of \$300,000.00, Township of Hopewell, Guaranteed Sewer Assessment Bonds, Series B of 1993, described in the within-mentioned Debt Ordinance. The Text of Opinion printed on the reverse hereof is the text of the opinion of John A. Havey, Esquire, Bond Counsel, of Aliquippa, Pennsylvania, an executed counterpart of which, dated the date of delivery of and payment for the series of bonds of which this bond is one, is on file at the office of the Sinking Fund Depositary.

INTEGRA TRUST COMPANY,
NATIONAL ASSOCIATION

By: _____
Authorized Officer

AUTHENTICATION DATE:

_____, 19____

[REVERSE OF BOND]

This Bond is one of a duly authorized series of bonds, designated "Township of Hopewell, Guaranteed Sewer Assessment Bonds, Series B of 1993" (the "Bonds"), issued in accordance with the Act of the General Assembly of the Commonwealth of Pennsylvania, Act No. 1978-52, approved April 28, 1978, as amended (the "Debt Act"), pursuant to all the terms and provisions of the formal action of the Township (the "Debt Ordinance") enacted on June 8, 1993, and with the approval of the Department of Community Affairs of the Commonwealth of Pennsylvania.

Interest payable on any Interest Payment Date will be paid to the person in whose name this bond is registered at the close of business on the April 15 or October 15 (the "Record Date") immediately preceding the applicable Interest Payment Date. Any such interest which is not deposited with the Sinking Fund Depositary on or before any such Interest Payment Date for payment to the Registered Owner of record on the Record Date shall forthwith cease to be payable to such Registered Owner as of the Record Date, and shall be paid to the person in whose name this bond is registered as of a Special Record Date for the payment of such defaulted interest to be fixed by the Sinking Fund Depositary, notice of which shall be given to all Registered Owners not less than 10 days prior to such Special Record Date.

The Bonds maturing after November 1, 1993 are subject to redemption at the option of the Township prior to their stated Maturity Dates, as a whole on November 1, 1993, or on any date thereafter, or in part from time to time, in any order of their maturities and by lot within a maturity, on November 1, 1993, or on any Interest Payment Date thereafter, in both cases upon payment of the Redemption Price of 100% of the principal amount thereof, together with interest accrued to the date fixed for redemption.

If less than all bonds maturing on any one date are to be redeemed at any time, the bonds of such maturity to be called for redemption at such time shall be chosen by the Sinking Fund Depositary, by lot.

Notice of redemption of any bond shall be given to the Registered Owner of such bond by first class mail, not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption, all in the manner and upon the terms and conditions set forth in the Debt

Ordinance. A portion of a bond of a denomination larger than \$5,000 may be redeemed, and in such case, upon the surrender of such bond, there shall be issued to the Registered Owner thereof, without charge therefor, a registered bond or bonds for the unredeemed balance of the principal amount of such bond, all as more fully set forth in the Debt Ordinance. If notice of redemption shall have been duly given, the bonds or portions thereof specified in that notice shall become due and payable at the applicable Redemption Price on the designated redemption date, and if, on such date, moneys are held by the Sinking Fund Depositary for the payment of the Redemption Price of the bonds to be redeemed, together with interest to the date fixed for redemption, then from and after such date interest on such bonds shall cease to accrue.

The Township, pursuant to recommendations made by the Committee on Uniform Security Identification Procedures, has caused CUSIP numbers to be printed on the bonds, and has directed the Sinking Fund Depositary to use such numbers in notices of redemption and other notices, if any, as a convenience to the Registered Owners of the bonds. No representation is made as to the accuracy of such numbers either as printed on the bonds or as contained in any notice and reliance may be placed only on the identification number printed hereon.

This Bond may be transferred or exchanged only on the Register maintained by the Township at the offices of the Sinking Fund Depositary upon surrender hereof by the Registered Owner at such office duly endorsed by, or accompanied by a written instrument of transfer duly executed by, the Registered Owner or his duly authorized agent or legal representative, in each case, in form and with a guaranty of signature satisfactory to the Township and the Sinking Fund Depositary. No service charge shall be imposed on any Registered Owner of any bond for any transfer or exchange of any bond, but the Township may require payment of any tax or other governmental charge that may be imposed in connection with any transfer or exchange of bonds.

The Township shall not be required to register the transfer or exchange of any bond: (a) during the period of fifteen (15) calendar days before any date of selection of Bonds to be redeemed; or (b) after such bond has been selected for redemption.

Subject to the provisions of this bond and of the Debt Ordinance, the Sinking Fund Depositary may treat the Registered Owner of this bond as the absolute owner hereof, for all purposes, whether or not this bond shall be overdue, and neither the Township nor the Sinking Fund Depositary shall be affected by any notice to the contrary.

This bond is hereby declared to be a general obligation of the Township. The Township hereby covenants with the Registered Owner of this Bond to include the amount necessary to pay the debt service hereon, in each fiscal year for which such sums are due, in its budget for that year, to appropriate such amounts from its general revenues to the payment of such debt service and to duly and punctually pay or cause to be paid from its Sinking Fund or any other of its revenues or funds the principal of this bond and the interest hereon on the dates, at the place and in the manner stated herein, according to the true intent and meaning hereof. Additionally, the bonds are payable out of the Assessment Revenues of the Township, as provided in the Debt Ordinance, derived from its Sewer System. The Debt Ordinance provides for the fixing and charging by the Township of rates, rents and charges for sewage collection and treatment service furnished by its Sewer System sufficient to provide funds for paying the cost of operating, maintaining and repairing such Sewer System and for paying the principal of and the interest on the bonds. The Debt Ordinance further provides that the bonds issued thereunder shall be secured by the lien thereof on the Assessment Revenues of the Sewer System, after deduction of the proper reserves therefor as in the Debt Ordinance provided, and that the principal of, interest on and premium (if any) on such bonds shall be payable only from such other moneys as may be available for such purposes in accordance with the provisions of the Debt Ordinance. The full faith, credit and taxing power of the Township is pledged for the payment of the principal, the interest on or the premium (if any) payable upon the redemption of this bond.

It is hereby certified 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, together with all other indebtedness of the Township, is within every debt and other limit applicable to the Township

prescribed by the Constitution and the laws of the Commonwealth of Pennsylvania; that the Township has established with the Sinking Fund Depository a Sinking Fund for this bond and shall deposit therein amounts sufficient to pay the principal of and interest on this Bond as the same shall become due and payable; and that for the prompt and full payment of all obligations under this bond, the full faith, credit and taxing power of the Township are hereby irrevocably pledged.

No recourse shall be had for the payment of the principal of or the interest on this bond, or for any claim based hereon, against any officer, agent or employee, past, present or future, of the Township, as such, either directly or through the Township, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise; all such liability of such officers, agents or employees is hereby renounced, waived and released as a condition of and as consideration for the issuance and acceptance of this Bond.

TEXT OF OPINION OF JOHN A. HAVEY, ESQUIRE DELIVERED IN RESPECT OF \$300,000, TOWNSHIP OF HOPEWELL, BEAVER COUNTY, PENNSYLVANIA, GUARANTEED SEWER ASSESSMENT BONDS, SERIES B OF 1993.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____

Please insert Social Security
or other identifying number
of assignee

Please print or typewrite name and address
of Assignee

the within Bond and all rights irrevocably constitutes and appoints

_____ as
his Attorney to transfer said Bond on the books of said
Authority, with full power of substitution in the premises.

Dated _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member of an approved Signature Medallion Program.

(Sign here exactly as name(s) is (are) shown on the face of the bond without any change or alteration whatever.

SECTION 25. The Township acknowledges that it has complied with all of the requirements of ARTICLE III of the 1984 Ordinance to make the 1993 Bonds Additional Bonds, as defined therein, and so that the 1993 Bonds are issued on parity with the 1984 Bonds.

SECTION 26. The Financial Feasibility and Self-Liquidation Report, dated June 1993, prepared for the Township by NIRA Consulting Engineers, Inc., its consulting engineers, is hereby approved and adopted.

SECTION 27. All ordinances and resolutions or parts thereof, not in accordance with this Ordinance are hereby repealed insofar as they conflict with this Ordinance.

ENACTED and ORDAINED by the Board of Commissioners
of the Township of Hopewell, this 8th day of June 1993.

TOWNSHIP OF HOPEWELL

ATTEST:

BY: M. Timothy Force

James M. E. [Signature]
Secretary

SEAL

SCHEDULE "A", Page 1

Township of Hopewell

\$2,100,000 Guaranteed Sewer Revenue Bonds, Series A of 1993
\$300,000 Guaranteed Sewer Assessment Bonds, Series B of 1993

The Purchase Price of the 1993 Bonds is \$ 2,253,868.75, net of an original issue discount of \$ 161,131.25, and an underwriter's discount of \$ 30,000.00 plus accrued interest on the principal amount of the Bonds from June 1, 1993 to the date of delivery and payment for the Bonds.

\$2,100,000 Guaranteed Sewer Revenue Bonds, Series A of 1993

Interest accrues from:
June 1, 1993

Due: November 1,
as shown below

| <u>Amount</u> | <u>Year of Maturity</u> | <u>Rate of Interest</u> |
|---------------|-----------------------------|-----------------------------|
| \$ 5,000.00 | 1994 | 3.00% |
| 5,000.00 | 1995 | 3.30 |
| 5,000.00 | 1996 | 3.95 |
| 5,000.00 | 1997 | 4.10 |
| 5,000.00 | 1998 | 4.35 |
| 5,000.00 | 1999 | 4.60 |
| 5,000.00 | 2000 | 4.80 |
| 10,000.00 | 2001 | 5.00 |
| 10,000.00 | 2002 | 5.10 |
| 15,000.00 | 2003 | 5.20 |
| 815,000.00 | 2008 | 5.80 |
| 1,215,000.00 | 2013 | 6.00 |

SCHEDULE "A", Page 2

\$300,000 Guaranteed Sewer Assessment Bonds, Series B of 1993

Interest accrues from:
June 1, 1993

Due: November 1,
as shown below

| <u>Amount</u> | <u>Year of Maturity</u> | <u>Rate of Interest</u> |
|---------------|-----------------------------|-----------------------------|
| \$ 300,000 | 1996 | 4.15% |

SCHEDULE "B", Page 1

TOWNSHIP OF HOPEWELL

\$2,100,000 Guaranteed Sewer Revenue Bonds, Series A of 1993

| DATE | PRINCIPAL | FUND | COUPON | YIELD | MANDATORY SINKING | | TOTAL | | ANNUAL | |
|-------------|-------------|-----------|--------|-------|-------------------|----------------|----------------|--------------|----------------|--------------|
| | | | | | INTEREST | DEBT SERVICE | INTEREST | DEBT SERVICE | DEBT SERVICE | DEBT SERVICE |
| 01-Nov-93 | | | | | \$51,402.08 | \$51,402.08 | \$51,402.08 | | \$51,402.08 | |
| 01-May-94 | | | | | 61,682.50 | 61,682.50 | 61,682.50 | | | |
| 01-Nov-94 | \$5,000 | | 3.00% | 3.10% | 61,682.50 | 66,682.50 | 66,682.50 | | 128,365.00 | |
| 01-May-95 | | | | | 61,607.50 | 61,607.50 | 61,607.50 | | | |
| 01-Nov-95 | 5,000 | | 3.30% | 3.50% | 61,607.50 | 66,607.50 | 66,607.50 | | 128,215.00 | |
| 01-May-96 | | | | | 61,525.00 | 61,525.00 | 61,525.00 | | | |
| 01-Nov-96 | 5,000 | | 3.95% | 4.05% | 61,525.00 | 66,525.00 | 66,525.00 | | 128,050.00 | |
| 01-May-97 | | | | | 61,426.25 | 61,426.25 | 61,426.25 | | | |
| 01-Nov-97 | 5,000 | | 4.10% | 4.20% | 61,426.25 | 66,426.25 | 66,426.25 | | 127,852.50 | |
| 01-May-98 | | | | | 61,323.75 | 61,323.75 | 61,323.75 | | | |
| 01-Nov-98 | 5,000 | | 4.35% | 4.45% | 61,323.75 | 66,323.75 | 66,323.75 | | 127,647.50 | |
| 01-May-99 | | | | | 61,215.00 | 61,215.00 | 61,215.00 | | | |
| 01-Nov-99 | 5,000 | | 4.60% | 4.70% | 61,215.00 | 66,215.00 | 66,215.00 | | 127,430.00 | |
| 01-May-2000 | | | | | 61,100.00 | 61,100.00 | 61,100.00 | | | |
| 01-Nov-2000 | 5,000 | | 4.80% | 5.00% | 61,100.00 | 66,100.00 | 66,100.00 | | 127,200.00 | |
| 01-May-2001 | | | | | 60,980.00 | 60,980.00 | 60,980.00 | | | |
| 01-Nov-2001 | 10,000 | | 5.00% | 5.20% | 60,980.00 | 70,980.00 | 70,980.00 | | 131,960.00 | |
| 01-May-2002 | | | | | 60,730.00 | 60,730.00 | 60,730.00 | | | |
| 01-Nov-2002 | 10,000 | | 5.10% | 5.30% | 60,730.00 | 70,730.00 | 70,730.00 | | 131,460.00 | |
| 01-May-2003 | | | | | 60,475.00 | 60,475.00 | 60,475.00 | | | |
| 01-Nov-2003 | 15,000 | | 5.20% | 5.40% | 60,475.00 | 75,475.00 | 75,475.00 | | 135,950.00 | |
| 01-May-2004 | | | | | 60,085.00 | 60,085.00 | 60,085.00 | | | |
| 01-Nov-2004 | | 10,000 | | | 60,085.00 | 70,085.00 | 70,085.00 | | 130,170.00 | |
| 01-May-2005 | | | | | 59,795.00 | 59,795.00 | 59,795.00 | | | |
| 01-Nov-2005 | | 185,000 | | | 59,795.00 | 244,795.00 | 244,795.00 | | 304,590.00 | |
| 01-May-2006 | | | | | 54,430.00 | 54,430.00 | 54,430.00 | | | |
| 01-Nov-2006 | | 195,000 | | | 54,430.00 | 249,430.00 | 249,430.00 | | 303,860.00 | |
| 01-May-2007 | | | | | 48,775.00 | 48,775.00 | 48,775.00 | | | |
| 01-Nov-2007 | | 205,000 | | | 48,775.00 | 253,775.00 | 253,775.00 | | 302,550.00 | |
| 01-May-2008 | | | | | 42,830.00 | 42,830.00 | 42,830.00 | | | |
| 01-Nov-2008 | 815,000 | 220,000 * | 5.80% | 6.40% | 42,830.00 | 262,830.00 | 262,830.00 | | 305,660.00 | |
| 01-May-2009 | | | | | 36,450.00 | 36,450.00 | 36,450.00 | | | |
| 01-Nov-2009 | | 230,000 | | | 36,450.00 | 266,450.00 | 266,450.00 | | 302,900.00 | |
| 01-May-2010 | | | | | 29,550.00 | 29,550.00 | 29,550.00 | | | |
| 01-Nov-2010 | | 245,000 | | | 29,550.00 | 274,550.00 | 274,550.00 | | 304,100.00 | |
| 01-May-2011 | | | | | 22,200.00 | 22,200.00 | 22,200.00 | | | |
| 01-Nov-2011 | | 260,000 | | | 22,200.00 | 282,200.00 | 282,200.00 | | 304,400.00 | |
| 01-May-2012 | | | | | 14,400.00 | 14,400.00 | 14,400.00 | | | |
| 01-Nov-2012 | | 275,000 | | | 14,400.00 | 289,400.00 | 289,400.00 | | 303,800.00 | |
| 01-May-2013 | | | | | 6,150.00 | 6,150.00 | 6,150.00 | | | |
| 01-Nov-2013 | 1,215,000 | 205,000 * | 6.00% | 6.50% | 6,150.00 | 211,150.00 | 211,150.00 | | 217,300.00 | |
| | \$2,100,000 | | | | \$2,024,862.08 | \$4,124,862.08 | \$4,124,862.08 | | \$4,124,862.08 | |

* BY MATURITY

08-Jun-93

SCHEDULE "B", Page 2

\$300,000 Guaranteed Sewer Assessment Bonds, Series B of 1993

| <u>Payment Date</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-------------------------|------------------|-----------------|--------------|
| 11/01/93 | | \$ 5,187.50 | \$ 5,187.50 |
| 05/01/94 | | 6,225.00 | 6,225.00 |
| 11/01/94 | | 6,225.00 | 6,225.00 |
| 11/01/95 | | 6,225.00 | 6,225.00 |
| 05/01/95 | | 6,225.00 | 6,225.00 |
| 11/01/96 | | 6,225.00 | 6,225.00 |
| 05/01/96 | \$ 300,000.00 | 6,225.00 | 306,225.00 |
| | \$ 300,000.00 | \$42,537.50 | \$342,537.50 |

Certification

I, the undersigned, the duly appointed and acting Secretary of Township of Hopewell Board of Commissioners (the "Board"), hereby certify that the foregoing is a true, correct and complete copy of the Ordinance which was duly adopted at a public meeting of the Board held on June 8, 1993, after proper notice thereof had been duly given as required by law; that a quorum was present at said meeting and acted throughout; and that said Ordinance was and is duly recorded in the Ordinance Book of the Township of Hopewell, has not been amended or repealed, and is in full force and effect on the date of this certification.

I further certify that the vote upon the Ordinance was called and duly recorded upon the minutes and that the members voted in the following manner:

| | <u>Yes</u> | <u>No</u> | <u>Abstain</u> | <u>Absent</u> |
|-----------------------|------------|-----------|----------------|---------------|
| M. Timothy Force | <u>X</u> | _____ | _____ | _____ |
| Fred A. Bologna, Jr. | <u>X</u> | _____ | _____ | _____ |
| Matthew N. DeLuca | <u>X</u> | _____ | _____ | _____ |
| N. Ray Miller | <u>X</u> | _____ | _____ | _____ |
| Patsy A. D'Eramo, Sr. | <u>X</u> | _____ | _____ | _____ |

IN WITNESS WHEREOF, I have hereunto set my signature as such official and affixed the seal of the Township of Hopewell this 8th day of June, 1993.


Secretary