

**RESOLUTION NUMBER 98- 103**

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TOWNSHIP OF HOPEWELL, BEAVER COUNTY, PENNSYLVANIA AUTHORIZING A BORROWING IN ANTICIPATION OF CURRENT TAXES AND CURRENT REVENUES AND THE ISSUANCE OF A TAX ANTICIPATION NOTE(S); ESTABLISHING THE FORM OF SUCH NOTE(S); APPROVING AND ACCEPTING A PROPOSAL OF CENTURY NATIONAL BANK AND TRUST COMPANY TO PURCHASE THE NOTE(S); AWARDED AND AUTHORIZING THE NEGOTIATED SALE THEREOF TO SAID BANK; PROVIDING SECURITY AND ESTABLISHING A SINKING FUND FOR SUCH NOTE(S); AUTHORIZING AND DIRECTING CERTAIN OFFICIALS TO DELIVER A CERTIFICATE AS TO TAXES AND REVENUES TO BE COLLECTED, TO CAUSE TO BE MADE THE FILINGS REQUIRED BY LAW, TO EXECUTE AND DELIVER THE NOTE(S), AND TAKE SUCH OTHER ACTIONS AS MAY BE NECESSARY OR DESIRABLE.

WHEREAS, the Local Government Unit Debt Act of the Commonwealth of Pennsylvania (the "Act") empowers and authorizes a local government unit to borrow money from time to time in any fiscal year in anticipation of the receipt of current taxes or current revenues or both and to evidence said indebtedness by tax anticipation notes; and

WHEREAS, Century National Bank and Trust Company (the "Bank") has submitted to Hopewell Township (the "Municipality") a Proposal dated January 2, 1998 to Purchase a Tax Anticipation Note(s) of the Municipality and the Municipality desires, by the adoption of this Resolution by the affirmative vote of a majority of the members of the governing body of the Municipality now holding office, to accept such proposal and award and authorize the issue and sale of this Tax Anticipation Note(s);

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION ONE. The Board of Commissioners of the Municipality hereby authorizes the borrowing of the principal sum of \$1,000,000.00 in anticipation of the receipt of current taxes or current revenues or both, said borrowing to be evidenced by the Tax Anticipation Note(s) of the Municipality (the "Note(s)") in the aforesaid principal sum, which shall be dated the date of the issuance thereof, which shall be stated to mature December 31, 1998, which shall bear interest, payable monthly and at maturity, at a thirteen percent (13%) rate per annum (based on a year of 365 days, as the case may be) (fixed or fixed as of the date of the loan or fluctuating) which shall be the tax free equivalent of 63% of the prime interest rate announced from time to time by the Bank

at its principal office in Rochester, Pennsylvania, for new 90 day loans to commercial borrowers of substantial size and high credit standing; however, in no event will the rate be less than NA % or exceed NA % payable monthly and at maturity, and which shall be in substantially the form annexed to this Resolution as Exhibit A and hereby made a part of this Resolution as though fully set forth at this place.

SECTION TWO. The Proposal to Purchase a Tax Anticipation Note(s) dated January 2, 1998, of Century National Bank and Trust Company submitted to the Municipality is hereby approved and accepted. The Note(s) is approved and shall be awarded, issued and sold, upon a negotiated sale, to the Bank at the principal amount thereof in accordance with said Proposal.

SECTION THREE. The Note(s) shall be equally and ratably secured by the pledge of, security interest in, and a first lien and charge on, the taxes or revenues or both of the Municipality to be received during the period when the note will be outstanding. Such pledge, lien and charge shall be fully perfected as against the Municipality, all its creditors and all third parties from and after the filing of a financing statement or statements with the Secretary of the Commonwealth and the office of the Prothonotary of Beaver County.

SECTION FOUR. There is hereby created and established at the New Sheffield Office of the Bank, as a Fund for the Note(s), the "Tax Anticipation Note(s) Fund" of the Municipality, and the Treasurer of the Municipality shall, as set forth in Exhibit A hereto, make payments out of the current taxes and other current revenues of the Municipality into such Fund.

SECTION FIVE. The Certification as to Taxes and Revenues to be Collected dated December 30, 1997, prepared by the Manager of the Municipality and submitted to the Board of Commissioners of the Municipality in accordance with the Act is hereby approved, and the said officials are hereby authorized, empowered and directed to deliver a signed counterpart of such certificate (or of a revised subsequently dated certificate as may be necessary to comply with the Act) to the Bank in connection with the issuance and delivery of the Note(s).

SECTION SIX. The Manager of the Municipality is hereby authorized, empowered and directed (i) to cause the proceedings and documents in connection with the authorization, issue and sale of the Note(s) to be filed with the Pennsylvania Department of Community Affairs as required by the Act, (ii) to execute and deliver the Note(s) to the Bank against receipt of the proceeds thereof, and (iii) to take all such other actions and execute all

such other documents as may be necessary or desirable to effect the issue and sale of the Note(s) in conformity with the aforesaid Proposal and the Act.

SECTION SEVEN. Any Resolution conflicting with the provision of this Resolution is hereby repealed so far as the same affects this Resolution.

Resolved and adopted this 13th day of January, 1998.

(MUNICIPALITY SEAL)

HOPEWELL TOWNSHIP

By: Patsy A. D'Eramo, Jr.

Chairman of the Board of Commissioners

By: Josephine C. C. C.

Treasurer

ATTEST:

Daniel L. Young, Bates  
Manager

**CENTURY NATIONAL BANK AND TRUST COMPANY**

**TAX ANTICIPATION NOTE**

\$1,000,000.00  
(Principal Sum)

DATED: \_\_\_\_\_

DUE DATE: December 31, 1998

For value received and intending to be legally bound hereby, the undersigned local government unit (the "Municipality")

HOPEWELL TOWNSHIP

A FIRST CLASS TOWNSHIP

located in Beaver County, Pennsylvania, promised to pay to the order of

**CENTURY NATIONAL BANK AND TRUST COMPANY**

at its Sheffield Office located in Aliquippa, Pennsylvania, the Principal Sum set forth above on the due date set forth above, together with interest on unpaid principal from the date hereof, payable monthly, and at maturity, at the rate per annum (based on a year of 365 days, as the case may be) of 13%.

IF AT ANY TIME OR FROM TIME TO TIME AFTER THE DATE HEREOF THERE SHOULD BE A CHANGE IN THE RATE OF INCOME TAX IMPOSED UPON THE BANK BY SECTION 11 OF THE INTERNAL REVENUE CODE OF 1954, AS AMENDED (THE "BANK TAX RATE"), THEN THE ABOVE-NOTED TAX FREE RATE OF 63% OF PRIME PERCENT SHALL BE ADJUSTED, EFFECTIVE AS OF THE EFFECTIVE DATE OF THE CHANGE IN THE BANK TAX RATE, TO BEAR INTEREST AT THE THEN TAXABLE EQUIVALENT OF THE AFOREMENTIONED RATE OF 63% OF PRIME PERCENT, SUBJECT, HOWEVER, TO A FLOOR OF N/A ( %) PERCENT AND A CEILING OF N/A ( %) PERCENT.

The Municipality shall have the right at its option to prepay this Note, as a whole at any time or in part from time to time, without premium or penalty.

The Note is secured by the pledge of, and a first lien and charge on, the taxes and revenues of the Municipality to be received when the notes will be outstanding.

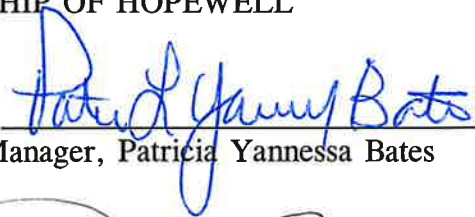
The "Tax Anticipation Note Fund" of the Municipality, has been established at the office of Century National Bank and Trust Company, at which this Note is payable and moneys deposited in such Fund shall be applied forthwith to the payment of interest on the principal of this Note until such interest shall have been paid in full.



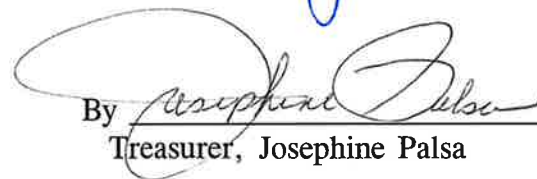
This Note is issued under the authority of the Pennsylvania Local Government Unit Debt Act, Act No. 52, approved April 28, 1978, as amended and pursuant to the Resolution duly adopted on January 13, 1998, by the governing body of the Municipality. Proceedings with respect to the issuance of this Note were filed with the Department of Community Affairs on \_\_\_\_\_, 1998, and it is hereby certified and recited that all conditions, acts and things required by law to exist, to have been performed and to have happened precedent to and in connection with the issuance of this Note do exist, have been performed and have happened and that this Note is within every debt and other limitation prescribed by law.

WITNESS the due execution hereof of two officers of the Municipality thereunto duly authorized.

TOWNSHIP OF HOPEWELL

By   
Manager, Patricia Yannessa Bates

(MUNICIPAL SEAL)

By   
Treasurer, Josephine Palsa