TOWNSHIP OF MIDDLESEX,

Cumberland County, Pennsylvania

ORDINANCE NO. 21-73

AN ORDINANCE

OF THE TOWNSHIP OF MIDDLESEX, CUMBERLAND COUNTY, PENNSYLVANIA, AUTHORIZING AND DIRECTING ISSUANCE OF GENERAL OBLIGATION NOTES OF THIS TOWNSHIP, IN THE AGGREGATE PRINCIPAL AMOUNT OF ONE HUNDRED THOUSAND DOLLARS ($100,000), PURSUANT TO THE ACT OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF PENNSYLVANIA, APPROVED JULY 12, 1972, ACT NO. 185, AS AMENDED AND SUPPLEMENTED, TO PROVIDE FUNDS FOR AND TOWARD A CAPITAL PROJECT WHICH CONSISTS OF: (1) PLANNING, DESIGNING ACQUIRING, CONSTRUCTING AND IMPROVING A SEWAGE DISPOSAL SYSTEM; (2) APPROPRIATING, TRANSFERRING AND GRANTING OF MONEYS TO MIDDLESEX TOWNSHIP MUNICIPAL AUTHORITY TO BE USED BY SAID AUTHORITY FOR PLANNING, DESIGNING, ACQUIRING, CONSTRUCTING AND IMPROVING A SEWAGE DISPOSAL SYSTEM TO SERVE THIS TOWNSHIP; AND (3) PURCHASING, ACQUIRING, MAKING AND CONSTRUCTING OTHER CAPITAL IMPROVEMENTS AND/OR CAPITAL EQUIPMENT FOR PROPER MUNICIPAL PURPOSES; DETERMINING THAT SUCH DEBT SHALL BE NONELECTORAL DEBT OF THIS TOWNSHIP; SETTING FORTH A BRIEF DESCRIPTION OF AND A REASONABLE ESTIMATE OF THE USEFUL LIFE OF SUCH PROJECT; ACCEPTING A CERTAIN BID OR PROPOSAL FOR PURCHASE OF SUCH NOTES, AT PRIVATE SALE, AND AWARDING SUCH NOTES AND SETTING FORTH RELATED PROVISIONS; PROVIDING THAT SUCH NOTES, WHEN ISSUED, SHALL BE GENERAL OBLIGATION NOTES OF THIS TOWNSHIP; FIXING THE SUBSTANTIAL FORM, DENOMINATIONS, NUMBERS, DATE, MATURITY DATES, INTEREST RATE, INTEREST PAYMENT DATES, REGISTRATION PRIVILEGES, PLACE OF PAYMENT OF PRINCIPAL AND INTEREST, REDEMPTION PROVISIONS AND TAX FREE PROVISIONS OF SUCH NOTES; AUTHORIZING

EXECUTION OF SUCH NOTES; PROVIDING COVENANTS RELATED TO DEBT SERVICE APPLICABLE TO SUCH NOTES AS REQUIRED BY SUCH ACT AND PLEDGING THE FULL FAITH AND CREDIT AND TAXING POWER OF THIS TOWNSHIP IN SUPPORT THEREOF; CREATING A SINKING FUND IN CONNECTION WITH SUCH NOTES AS REQUIRED BY SUCH ACT; APPOINTING A SINKING FUND DEPOSITARY; PROVIDING A COVENANT TO INSURE PROMPT AND FULL PAYMENT OF ALL OBLIGATIONS OF SUCH NOTES WHEN DUE; AUTHORIZING AND DIRECTING SPECIFIED OFFICERS OF THIS TOWNSHIP TO DO, TO TAKE AND TO PERFORM CERTAIN SPECIFIED, REQUIRED, NECESSARY OR APPROPRIATE ACTS AND THINGS; SETTING FORTH THAT SUCH NOTES HAVE BEEN SOLD AT PRIVATE SALE; DECLARING THE DEBT TO BE INCURRED, TOGETHER WITH OTHER INDEBTEDNESS OF THIS TOWNSHIP, NOT TO BE IN EXCESS OF ANY APPLICABLE LIMITATION IMPOSED BY SUCH ACT UPON THE INCURRING OF DEBT BY THIS TOWNSHIP; SETTING FORTH CERTAIN COVENANTS RELATING TO THE NON-ARBITRAGE STATUS OF SUCH NOTES; PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INSOFAR AS THE SAME SHALL BE INCONSISTENT HEREWITH.

WHEREAS, The Board of Supervisors of the Township of Middlesex, Cumberland County, Pennsylvania (the "Township"), in contemplation of sale and of issuance of general obligation notes, in the aggregate principal amount of One Hundred Thousand Dollars ($100,000), to provide funds for and toward the Project (hereinafter defined), heretofore determined that such general obligation notes: (a) should be offered for sale at private sale; and (b) should be offered for sale at a price of not less than 100% of principal amount, together with accrued interest from the date thereof to the date of delivery thereof; and

WHEREAS, The Board of Supervisors of this Township has obtained realistic cost estimates through actual bids or professional estimates from registered professional engineers and has determined that the costs of the Project, as such costs are defined in Section 107 of the Act of the General Assembly of the Commonwealth of Pennsylvania (the "Commonwealth"), approved July 12, 1972, Act 185, as amended and supplemented, known as the Local Government Unit Debt Act (the "Act"), will be One Hundred Thousand Dollars ($100,000); and

WHEREAS, A proper written and sealed private bid or proposal for purchase of such general obligation notes has been requested from and has been received from Farmers Trust Company (the "Bank"), of Carlisle, Pennsylvania, which bid or proposal was accomplished by bid or proposal security in the form and in the amount required by law; and

WHEREAS, The Board of Supervisors of this Township duly has opened, read and considered such bid or proposal; and

WHEREAS, The Board of Supervisors of this Township desires to accept such bid or proposal of the Bank, to award the Notes (hereinafter defined) to the Bank, at private sale, and to incur nonelectoral debt, in the amount of One Hundred Thousand Dollars ($100,000), in connection with the Project (hereinafter defined), pursuant to provisions of the Act.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED, by the Board of Supervisors of this Township, as follows:

Section 1. The Board of Supervisors of this Township does authorize and direct the issuance of general obligation notes of this Township, pursuant to this Ordinance, in the aggregate principal amount of One Hundred Thousand Dollars ($100,000), to be designated generally as "4 1/2% General Obligation Notes, Series of 1973" (the "Notes"), in accordance with the Act, to provide funds for and toward a capital project which consists of: (1) planning, designing, acquiring, constructing and improving a sewage disposal system; (2) appropriating, transferring and granting of moneys to Middlesex Township Municipal Authority, a municipality authority of this Commonwealth, to be used by said authority for planning, designing, acquiring, constructing and improving a sewage disposal system to serve this Township; and (3) purchasing, acquiring, making and constructing other capital improvements and/or capital equipment for proper municipal purposes (the "Project").

Section 2. The Board of Supervisors of this Township determines that the debt, of which the Notes shall be evidence, to be incurred pursuant to this Ordinance, shall be nonelectoral debt of this Township.

Section 3. A brief description of the Project, for which debt, of which the Notes shall be evidence, is to be incurred, is set forth in Section 1; and a realistic estimated useful life of the Project, the Project being a capital project, is at least sixteen (16) years.

Section 4. The Board of Supervisors of this Township shall and does accept the bid or proposal of the Bank for purchase of the Notes; and the Notes shall be and are awarded to the Bank, in accordance with terms and conditions of their bid or proposal, dated April 19, 1973, at private sale, at a dollar price of $100,000 (100% of principal amount), together with accrued interest from the date thereof to the date of delivery thereof, the Bank having submitted such bid or proposal in accordance with provisions of the Act. The bid or proposal security accompanying such bid or proposal of the Bank shall be held and shall be applied as provided by the Act; Provided, however, that no allowance for interest shall be made by this Township with respect to such bid or proposal security, except as provided by the Act.

Section 5. The Notes, when issued, will be general obligation notes of this Township.

Section 6. The Notes shall be registered in form, shall be in the denominations and shall be numbered as is set forth in Section 7, shall be dated as of the date of execution thereof by the officers of this Township authorized to execute the Notes, and shall bear interest from the date thereof, at the rate of Four and One-Half Per Centum (4 1/2%) per annum, payable initially on November 1, 1973, and thereafter semiannually on May 1 and on November 1 in each year, beginning May 1, 1974, either until maturity or, in the case of the Notes which duly shall have been called for previous redemption and payment of the redemption price shall have been made or provided for, until the date fixed for redemption.

Section 7. The Notes shall be of the denominations, shall bear the numbers and shall mature on the dates, as set forth in the following schedule:

Notes Numbered	Denomination	Maturity Date
1	$5,300	May 1, 1975
2	$5,600	May 1, 1976
3	$5,800	May 1, 1977
4	$6,100	May 1, 1978
5	$6,400	May 1, 1979
6	$6,700	May 1, 1980
7	$7,000	May 1, 1981
8	$7,300	May 1, 1982
9	$7,600	May 1, 1983
10	$7,900	May 1, 1984
11	$8,300	May 1, 1985
12	$8,700	May 1, 1986
13	$9,100	May 1, 1987
14	$8,200	May 1, 1988

Section 8. The Notes shall be subject to redemption prior to maturity, at the option of this Township, as a whole or, from time to time, in part, in the inverse order of their numbers, on any date, in each case upon payment of the principal amount thereof and accrued interest to the date fixed for redemption.

Any redemption, as hereinbefore authorized, shall be upon written notice addressed to the registered owner hereof at the time of such redemption, as such registered owner and address appear on the books of the Township kept by the Paying Agent for such purpose, by deposit of such written notice in the United States mail at least 15 days prior to the date designated for redemption. On the date designated for redemption, notice having been given as aforesaid, and money for payment of the principal and accrued interest being held by the Paying Agent (hereinafter defined), interest on the Notes so called for redemption shall cease to accrue and the Notes so called for redemption shall cease to be entitled to any benefit or security under this Ordinance, and registered owners of the Notes so called for redemption shall have no rights with respect to the Notes so called for redemption, except to receive payment of the principal of and accrued interest on the Notes so called for redemption to the date fixed for redemption.

Section 9. The Principal of and interest on the Notes shall be payable at the principal office of Farmers Trust Company (the "Paying Agent"), in the Borough of Carlisle, Cumberland County, Pennsylvania, in lawful money of the United States of America, without deduction of any tax or taxes now or hereafter levied or assessed thereon under any present or future law of the Commonwealth, which tax or taxes this Township assumes and agrees to pay; Provided, however, that the foregoing shall not be applicable to gift, succession or inheritance taxes or to other taxes not levied or assessed directly on the Notes or the interest paid thereon.

Section 10. The form of the Notes shall be substantially as follows, with appropriate insertions, omissions and variations:

(FORM OF NOTE)

TOWNSHIP OF MIDDLESEX,
CUMBERLAND COUNTY, PENNSYLVANIA
4 1/2% GENERAL OBLIGATION NOTE,
SERIES OF 1973
NO. ______

The TOWNSHIP OF MIDDLESEX, Cumberland County, Pennsylvania (the "Township"), a political subdivision of the Commonwealth of Pennsylvania (the "Commonwealth"), promises to pay to the order of FARMERS TRUST COMPANY, or registered assigns, on the first day of May 19 , unless this Note duly shall have been called for previous redemption and payment of the redemption price shall have been made or provided for, upon surrender hereof, the principal sum of

DOLLARS ($), and to pay interest thereon from the date hereof, at the rate of FOUR AND ONE-HALF PER CENTUM (4 1/2%) per annum, payable initially on the first day of November 1973, and thereafter semiannually on the first days of May and November in each year, beginning May 1, 1974, either until maturity or, in the case of Notes which duly shall have been called for previous redemption and payment of the redemption price shall have been made or provided for, until the date fixed for redemption.

The principal of and interest on this Note shall be payable at the principal office of FARMERS TRUST COMPANY (the "Paying Agent"), in the Borough of Carlisle, Cumberland County, Pennsylvania, in lawful money of the United States of America, without deduction of any tax or taxes now or hereafter levied or assessed thereon under any present or future law of the Commonwealth, which tax or taxes the Township assumes and agrees to pay; Provided, however, that the foregoing shall not be applicable to gift, succession or inheritance taxes or to other taxes not levied or assessed directly on this Note or the interest paid hereon.

This Note is one of a series of notes of the Township, known generally as "4 1/2% General Obligation Notes, Series of 1973" (the "Notes"), all of like date and tenor, except as to denominations and dates of maturity, bearing numbers 1 to 14, both inclusive, in the aggregate principal amount of One Hundred Thousand Dollars ($100,000).

The Notes are subject to redemption prior to maturity, at the option of the Township, as a whole or, from time to time, in part, in the inverse order of their numbers, on any date, in each case upon payment of the principal amount thereof and accrued interest to the date fixed for redemption.

Any such redemption shall be upon written notice addressed to the registered owner hereof at the time of such redemption, as such registered owner and address appear on the books of the Township kept by the Paying Agent for such purpose, by deposit of such written notice in the United States mail at least 15 days prior to the date designated for redemption. On the date designated for redemption, notice having been given as aforesaid, and money for payment of the principal and accrued interest being held by the Paying Agent, interest on the Notes so called for redemption shall cease to accrue and such Notes so called for redemption shall cease to be entitled to any benefit or security under the Ordinance authorizing issuance of the Notes and registered owners of such Notes so called for redemption shall have no rights with respect to such Notes, except to receive payment of the principal of and accrued interest on such Notes to the date fixed for redemption.

The Notes are issued in accordance with provisions of the Act of the General Assembly of the Commonwealth, approved July 12, 1972, Act No. 185, as amended and supplemented, known as the Local Government Unit Debt Act, and by virtue of a duly enacted Ordinance (the "Ordinance") of the Board of Supervisors of the Township. The Act, as such shall have been in effect when the Notes were authorized, and the Ordinance shall constitute a contract between the Township and the registered owners, from time to time, of the Notes.

It hereby is certified that: (i) all acts, conditions and things required to be done, to happen or to be performed as conditions precedent to and in issuance of this Note or in creation of the debt of which this Note is evidence have been done, have happened or have been performed in due and regular form and manner, as required by law; and (ii) the debt represented by this Note, together with any other indebtedness of the Township, is not in excess of any applicable limitation imposed by the Act upon the incurring of the debt of the Township which is evidenced by the Notes.

The Township has covenanted, in the Ordinance, with registered owners, from time to time, of the Notes, pursuant to the Ordinance, that the Township shall include the amount of the debt service, for each fiscal year of the Township in which sums are payable, in its budget for that fiscal year, shall appropriate such amounts to the payment of such debt service and duly and punctually shall pay or shall cause to be paid the principal of each of the Notes and the interest thereon at the dates and place and in the manner stated herein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the Township has pledged and does pledge, irrevocably, its full faith, credit and taxing power. The Act provides that the foregoing covenant of the Township shall be enforceable specifically.

The Township, in the Ordinance, has established a sinking fund with the Paying Agent, as the sinking fund depositary, into which funds for the payment of the principal of and the interest on the Notes shall be deposited not later than the date fixed for the disbursement thereof. The Township has covenanted, in the Ordinance, to make payments out of such sinking fund or out of any other of its revenues or funds, at such times in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of this Note.

This Note is transferable by Farmers Trust Company or by any subsequent registered owner in person or by his attorney duly authorized, in writing, at the principal office of the Paying Agent, but only upon notation of such registration hereon and on the records of the Township to be kept for that purpose at the principal office of the Paying Agent by a duly authorized representative of the Paying Agent in behalf of the Authority. The Township and the Paying Agent may deem and treat Farmers Trust Company or any other person, from time to time, in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment hereof and of interest due hereon, for the purpose of redemption hereof prior to maturity and for all other purposes.

IN WITNESS WHEREOF, the TOWNSHIP OF MIDDLESEX, Cumberland County, Pennsylvania, as provided by the Act and in the Ordinance, has caused this Note to be executed in its name and in its behalf by the manual signature of the (Vice) Chairman of the Board of Supervisors of the Township and the official seal of the Township to be affixed hereunto and the manual signature of the Secretary of the Township to be affixed hereto in attestation thereof, all as of the day of , 1973.

TOWNSHIP OF MIDDLESEX,
Cumberland County, Pennsylvania

By: ______________________________
(Vice) Chairman of the Board of Supervisors

ATTEST:

____
Secretary

(SEAL)

Section 11. The Notes shall be executed in the name of and in behalf of this Township by the manual signature of the Chairman or Vice Chairman of the Board of Supervisors of this Township and the official seal of this Township shall be affixed thereunto and the manual signature of the Secretary of this Township shall be affixed thereunto in attestation thereof; and said officers are authorized to execute and to attest, as applicable, the Notes, as aforesaid.

Section 12. This Township covenants to and with registered owners, from time to time, of the Notes which shall be outstanding, from time to time, pursuant to this Ordinance, that this Township shall include the amount of the debt service, for each fiscal year of this Township in which such sums are payable, in its budget for that fiscal year, shall appropriate such amounts to the payment of such debt service and duly and punctually shall pay or shall cause to be paid the principal of each of the Notes and the interest thereon at the dates and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, this Township shall and does pledge, irrevocably, its full faith, credit and taxing power. As provided in the Act, the foregoing covenant of this Township shall be enforceable specifically.

Section 13. There is created, pursuant to Section 1001 of the Act, a sinking fund for the Notes, to be known as "Sinking Fund - General Obligation Notes, Series of 1973", which sinking fund shall be administered in accordance with applicable provisions of the Act.

Section 14. This Township appoints Farmers Trust Company, having its principal office in the Borough of Carlisle, Cumberland County, Pennsylvania, as the sinking fund depositary with respect to the sinking fund created pursuant to Section 13.

Section 15. This Township covenants to make payments out of the sinking fund created pursuant to Section 13 or out of any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of the Notes when due.

Section 16. The Chairman or Vice Chairman of the Board of Supervisors and Secretary, respectively, of this Township, which shall include their duly qualified successors in office, if applicable, are authorized and directed: (a) to prepare, to certify and to file the debt statement required by Section 410 of the Act; (b) to prepare and to file the application with the Department of Community Affairs of the Commonwealth (the "Department"), together with a complete and accurate transcript of the proceedings relating to the incurring of debt, of which debt the Notes, upon issue, will be evidence, as required by Section 411 of the Act; (c) to pay or to cause to be paid to the Department all proper filing fees required by the Act in connection with the foregoing; and (d) to take other required, necessary and/or appropriate action.

Section 17. The Notes have been sold, as set forth in this Ordinance, at private sale, as permitted by the Act.

Section 18. The Chairman or Vice Chairman of the Board of Supervisors and Secretary, respectively, of this Township are authorized and directed to contract with Farmers Trust Company, having its principal office in the Borough of Carlisle, Cumberland County, Pennsylvania, for its services as sinking fund depositary in connection with the sinking fund created pursuant to Section 13 and as paying agent in connection with the Notes.

Section 19. It is declared that the debt to be incurred hereby, together with any other indebtedness of this Township, is not in excess of any applicable limitation imposed by the Act upon the incurring of debt by this Township.

Section 20. The Treasurer of this Township is authorized and directed to deliver the Notes, upon execution and attestation thereof as provided for herein, to the Bank, but only upon receipt of proper payment of the balance due therefor, and only after the Department has certified its approval pursuant to Section 804 of the Act.

Section 21. This Township covenants to and with purchasers of the issue which constitutes the Notes that it will make no use of the proceeds of such issue which, if such use reasonably had been expected on the date of issue of such Notes, would have caused such Notes to be arbitrage notes (or bonds); and this Township further covenants to comply with the requirements of Section 103 (d) of the Internal Revenue Code, as amended, and with § 1. 103-13 and § 1. 103-14 of the proposed regulations published in the Federal Register on June 1, 1972, or with such regulations as finally adopted, or with other regulations implementing said Section 103 (d), if and to the extent applicable, during the term of such issue.

Section 22. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of this Township that such remainder shall be and shall remain in full force and effect.

Section 23. All ordinances or parts of ordinances, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.

Section 24. This Ordinance shall be effective in accordance with Section 103 of the Act.

DULY ENACTED AND ORDAINED, by the Board of Supervisors of the Township of Middlesex, Cumberland County, Pennsylvania, in lawful session duly assembled, this 2nd day of May, 1973.

TOWNSHIP OF MIDDLESEX,
Cumberland County, Pennsylvania

By: Albert M Shover
(Vice) Chairman of the Board of Supervisors

ATTEST:

R. E. Preston
Secretary

(SEAL)