

ORDINANCE NO. 2010-02
OF THE
BOARD OF SUPERVISORS
OF
WEST PIKELAND TOWNSHIP

AUTHORIZING AND DIRECTING THE INCURRING OF NON-ELECTORAL DEBT OF THE TOWNSHIP OF WEST PIKELAND, CHESTER COUNTY, PENNSYLVANIA THROUGH THE ISSUANCE OF ITS GENERAL OBLIGATION NOTE, SERIES OF 2010, IN THE AGGREGATE PRINCIPAL AMOUNT OF ONE MILLION FIFTEEN THOUSAND DOLLARS (\$1,015,000) FOR THE PURPOSE OF PROVIDING FUNDS TO FINANCE THE COSTS OF A TOWNSHIP ROAD PAVING PROGRAM INCLUDING STREET, OAK HILL AND HAVERHILL ROADS, MULBERRY STREET, FAIRFIELD SUBDIVISION AND HORSESHOE TRAIL AND TO PAY THE COST OF ISSUING THE NOTE (THE "CAPITAL PROJECT"); STATING THAT REALISTIC COST ESTIMATES HAVE BEEN MADE FOR THE CAPITAL PROJECT; DECLARING THE USEFUL LIFE OF THE CAPITAL PROJECT FOR WHICH SAID NOTE IS ISSUED; DIRECTING THE PROPER OFFICERS TO PREPARE, CERTIFY AND FILE THE REQUIRED DEBT STATEMENT AND BORROWING BASE CERTIFICATE; COVENANTING THAT THE TOWNSHIP SHALL INCLUDE THE AMOUNT OF ANNUAL DEBT SERVICE IN ITS BUDGET FOR EACH FISCAL YEAR; SETTING FORTH THE SUBSTANTIAL FORM OF THE NOTE; SETTING FORTH THE STATED PRINCIPAL AND INTEREST PAYMENT DATES, REDEMPTION PROVISIONS, PLACE OF PAYMENT AND OTHER DETAILS OF THE NOTE; STATING A COVENANT AS TO PAYMENT OF PRINCIPAL AND INTEREST WITHOUT DEDUCTION FOR CERTAIN TAXES; PROVIDING FOR THE EXECUTION OF THE NOTE; AWARDING THE NOTE AT PRIVATE SALE AND STATING THAT SUCH PRIVATE SALE IS IN THE BEST FINANCIAL INTEREST OF THE TOWNSHIP; APPOINTING A PAYING AGENT AND SINKING FUND DEPOSITARY; CREATING A SINKING FUND; AUTHORIZING AND DIRECTING THE PROPER OFFICERS OF THE TOWNSHIP TO CERTIFY AND TO FILE WITH THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT CERTIFIED COPIES OF THE NECESSARY PROCEEDINGS; COVENANTING THAT THE PROCEEDS OF THE NOTE SHALL NOT BE USED IN SUCH A MANNER AS TO CAUSE THE NOTE TO BE AN ARBITRAGE

BOND UNDER FEDERAL TAX LAW PROVISIONS; MAKING CERTAIN TAX REPRESENTATIONS AND DESIGNATING THE NOTE AS A "QUALIFIED TAX-EXEMPT OBLIGATION"; AUTHORIZING AND DIRECTING THE PROPER OFFICERS OF THE TOWNSHIP TO DO ALL THINGS NECESSARY TO CARRY OUT THE ORDINANCE; AUTHORIZING AND DIRECTING THE PROPER OFFICERS OF THE GOVERNING BODY TO PAY ISSUANCE COSTS; AND REPEALING ALL INCONSISTENT ORDINANCES.

The Board of Supervisors (the "Board of Supervisors") of the Township of West Pikeland, Chester County, Pennsylvania (the "Township"), pursuant to the Pennsylvania Local Government Unit Debt Act, as amended 53 Pa.C.S. §8001 *et seq.* (the "Act"), hereby ordains as follows:

Section 1. Incurrence of Debt; Amount and Purpose of Note and Realistic Cost Estimates. The Township hereby authorizes and directs the incurring of non-electoral debt through the issuance of its General Obligation Note, Series of 2010 (the "Note") of the Township in an aggregate principal amount of One Million Fifteen Thousand Dollars (\$1,015,000) to finance the costs of a Township road paving program for the streets and roads identified in the title hereof and to pay the costs of issuing the Note (collectively, the "Capital Project"). Proceeds of the Note will be disbursed at the time of issuance of the Note to pay or reimburse costs of the Capital Project.

Realistic cost estimates were obtained by the Township for the Capital Project through estimates of qualified persons and actual bids, as required by Section 8006 of the Act.

Section 2. Realistic Estimated Useful Life of Capital Project. The realistic estimated useful life of the Capital Project is estimated to be in excess of 12 years and the Note does not extend beyond the useful life thereof.

Section 3. Debt Statement and Borrowing Base Certificate. The Chairman or Vice Chairman of the Board of Supervisors and the Secretary of the Board of Supervisors are hereby authorized and directed to prepare and certify a Debt Statement required by Section 8110 of the Act and a Borrowing Base Certificate.

Section 4. Covenant to Pay Note. It is covenanted with the registered owner from time to time of the Note that the Township shall (i) include the amount of the debt service for the Note for each fiscal year in which such sums are payable in its budget for that year, (ii) appropriate such amounts from its general revenues for the payment of such debt service, and (iii) duly and punctually pay, or cause to be paid, from its sinking fund or any other of its revenues or funds the principal of, and the interest on, the Note at the dates and

places and in the manner stated in the Note according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the Township pledges its full faith, credit and taxing power. As provided by the Act, this covenant shall be specifically enforceable.

Section 5. Form of Note. The Note shall be substantially in the form set forth in Exhibit "A" hereto, subject to such changes as may be necessary to conform to the Commitment Letter accepted by Section 9 hereof and as counsel may recommend and the Chairman or Vice Chairman of the Board of Supervisors may approve, such approval to be conclusively evidenced by such officer's execution thereof.

Section 6. Description of Note; Maturity Schedule. The Note shall be in fully registered form without coupons, in the amount of \$ 1,015,000, shall be dated as of the date of issue, shall bear interest on the amount of principal outstanding from time to time at the rate of 4.375% until December 1, 2017, or at the Default Rate or Taxable Rate, and subject to an interest rate reset thereafter, all as set forth in the form of Note attached hereto as Exhibit A and made a part hereof.

Interest will be payable at the interest rate described above until the December 1, 2017, beginning on December 1, 2010 and on the first day of each March, June, September and December thereafter on the unpaid principal balance, and all unpaid principal and accrued interest thereon shall be due and payable in full on March 1, 2019. On December 1, 2017, the interest rate shall be reset by the registered holder of the Note to a rate equal to the tax exempt equivalent to the holder of the 10 year United States Treasury rate plus 300 basis points as stated in the form of the Note.

Installments of principal shall also be payable quarterly on the above dates commencing December 1, 2011 in amounts which when added to interest due on such dates, produces approximately level repayments until the maturity of the Note, subject to adjustment if necessary when the interest rate is reset.

The Note is subject to redemption prior to maturity at the option of the Township, at any time, upon 15 days' written notice to the holder, at par plus accrued interest to the date fixed for redemption in whole or in part.

The stated maturity of the Note has been fixed in compliance with Section 8142(b)(1) of the Act.

Section 7. Paying Agent, Sinking Fund Depository and Registrar; Payment of Principal and Interest Without Deduction for Taxes. The proper officers of the Township are hereby authorized and directed to contract with DNB First, National Association (the "Paying Agent") for its services

as sinking fund depository, paying agent and registrar with respect to the Note and such Bank is hereby appointed to act in such capacities with respect to the Note.

The principal of and interest on the Note shall be payable when due in lawful money of the United States of America at the principal office of DNB First, National Association, Downingtown, Pennsylvania or such other office as the Paying Agent may designate in writing to the Township.

If the date for payment of the principal of, and interest on, the Note shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth of Pennsylvania are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

The principal or redemption price of, and interest on, the Note are payable without deduction for any tax or taxes, except gift, succession, franchise, excise or inheritance taxes, now or hereafter levied or assessed thereon under any present or future laws of the Commonwealth of Pennsylvania, all of which taxes, except as above provided, the Township assumes and agrees to pay.

Section 8. Execution of Note. The Note shall be executed by the Chairman or Vice Chairman of the Board of Supervisors of the Township and shall have the corporate seal of the Township affixed thereto, duly attested by the Secretary of the Township, and the said officers are hereby authorized and directed to execute the Note in such manner. If any officer whose signature appears on the Note shall cease to hold such office before the actual delivery date of such Note, such signature shall nevertheless be valid and sufficient for all purposes as if such person had remained in such office until the actual delivery date of such Note. The Chairman or Vice Chairman of the Board of Supervisors (or such other authorized officer of the Township) is hereby authorized and directed to deliver, or cause to be delivered, the Note to the purchaser thereof against the full balance of the purchase price therefor.

Section 9. Manner of Sale; Award of Note; Bid Price; Interest Rate. The Board of Supervisors of the Township after due deliberation and investigation has found that a private sale by negotiation is in the best financial interest of the Township and based upon such finding the Board of Supervisors of the Township hereby awards the Note, at private sale, to DNB First, National Association (the "Purchaser"), upon the terms set forth in its Commitment Letter presented to this meeting, a copy of which shall be filed with the debt proceedings herein authorized. As set forth in such Commitment Letter, the Note is purchased at a price of \$1,015,000 The Note shall bear interest at 4.375% per annum until adjusted as provided in the Commitment Letter.

Section 10. Sinking Fund for Note; Appropriation of Annual Amounts for Payment of Debt Service. The Township covenants that it shall establish and maintain a sinking fund for the Township designated as "Township of West Pikeland, Series of 2010 Note Sinking Fund" (the "Sinking Fund") to be held by the Paying Agent (or such substitute or successor Paying Agent which shall hereafter be appointed in accordance with the provisions of the Act) in the name of the Township, but subject to withdrawal only by the Paying Agent and into which there shall be paid, when and as required, all moneys necessary to pay the debt service on the Note, and the Sinking Fund shall be applied exclusively to the payment of the interest covenanted to be paid upon the Note and to the principal thereof at maturity or prior redemption and to no other purpose whatsoever, except as may be authorized by law, until the same shall have been fully paid.

Pending application to the purposes for which the Sinking Fund is established, the Chairman, the Vice-Chairman or Treasurer of the Board of Supervisors is hereby authorized and directed to cause the moneys therein to be invested or deposited and insured or secured as permitted and required by Section 8224 of the Act. All income received on such deposits or investments of moneys in the Sinking Fund during each applicable period shall be added to the Sinking Fund and shall be credited against the deposit next required to be made in the Sinking Fund.

The Paying Agent is hereby authorized and directed, without further action by the Township, to pay from the Sinking Fund the principal of and interest on the Note as the same becomes due and payable in accordance with the terms hereof, and the Township hereby covenants that such moneys, to the extent required, will be applied to such purposes.

All moneys deposited in the Sinking Fund for the payment of the Note which have not been claimed by the owners thereof after two years from the date payment is due, except where such moneys are held for the payment of outstanding checks, drafts or other instruments of the Paying Agent, shall be returned to the Township. Nothing contained herein shall relieve the Township of its liability to the holder of an unrepresented Note.

In each of the fiscal years 2010 through 2018, the amounts set forth in the proposal of the Purchaser accepted by Section 9 hereof, which proposal is attached hereto and incorporated herein, shall be pledged to pay the debt service on the Note, and such amounts are annually hereby appropriated to the Sinking Fund for the payment thereof.

Section 11. Debt Proceedings. The Secretary of the Township is hereby authorized and directed to certify to and file with the Pennsylvania Department of Community and Economic Development in accordance with the

Act, a complete and accurate copy of the proceedings taken in connection with the increase of debt authorized hereunder, including the debt statement and borrowing base certificate referred to hereinabove, and to pay the filing fees necessary in connection therewith.

Section 12. Tax Covenants, Representations and Designations.

The Township hereby covenants that:

(i) The Township will make no use of the proceeds of the Note during the term thereof which would cause such Note to be "arbitrage Bonds" within the meaning of section 148 of the Internal Revenue Code of 1986, as amended (the "Code") and will comply with the requirements of all Code sections necessary to ensure that the Note is described in Code section 103(a) and not described in Code section 103(b) throughout the term of the Note;

(ii) In compliance with section 148(f)(4)(D) of the Code, the Township hereby represents that (i) it is a governmental unit with general taxing powers, (ii) the Note is not a "private activity bond" as defined in the Code, (iii) ninety-five percent or more of the net proceeds of the issue are to be used for local government activities of the Township, and (iv) the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the Township and its subordinate entities during the calendar year in which the Note is issued is not reasonably expected to exceed \$5,000,000.

In order to ensure that the registered owners of the Note, if they are financial institutions, will not be subject to certain provisions of the Code as a result of acquiring and carrying the Note, the Township hereby designates the Note as a "qualified tax-exempt obligation," within the meaning of Code section 265(b)(3)(B), and the Township hereby covenants that it will take such steps as may be necessary to cause the Note to continue to be an obligation described in such Code section during the period in which the Note is outstanding. The Township represents that it has not issued, and does not reasonably anticipate issuing, tax-exempt obligations which, when combined with the Note, will result in more than \$30,000,000 of tax-exempt obligations being issued in the calendar year in which the Note is issued. For purposes only of the foregoing sentence, the term "tax-exempt obligations" shall include any "qualified 501(c)(3) bond," as defined in Code section 145, but shall not include any other "private activity bond," as defined in Code section 141(a), any obligation which would be an "industrial development bond" or a "private loan bond" as defined in sections 103(b)(2) and 103(o)(2)(a) of the Internal Revenue Code of 1954, as amended, but for the fact that it is issued pursuant to section 1312, 1313, 1316(g) or 1317 of the Tax Reform Act of 1986, or any obligation issued to currently refund any obligation to the extent the amount thereof does not exceed the outstanding amount of the refunded obligation.

Section 13. Incidental Actions. The proper officers of the Township are hereby authorized, directed and empowered on behalf of the Township to execute any and all agreements, papers and documents and to do or cause to be done any and all acts and things necessary or proper for the carrying out of the purposes of this Ordinance and payment of costs of issuance, including any investment agreements as may be appropriate in connection with investing the proceeds of the Note.

Section 14. Inconsistent Ordinances. All ordinances or parts of ordinances inconsistent herewith be and the same hereby are repealed, canceled and annulled.

Section 15. Effective Date. This Ordinance shall take effect on the earliest date permitted by the Act.

ENACTED AND ORDAINED this 16th day of August, 2010.

WEST PIKELAND TOWNSHIP
BOARD OF SUPERVISORS

Robert R. Shemonsky, Chairman

[SEAL]

Attest:

Joan C. Matthews, Secretary

**TOWNSHIP OF WEST PIKELAND
COUNTY OF CHESTER, PENNSYLVANIA**

CERTIFICATE OF SECRETARY

The undersigned, Secretary of the Township of West Pikeland
HEREBY CERTIFIES that:

1. The foregoing Ordinance authorizing the issuance and sale of a ONE MILLION FIFTEEN THOUSAND DOLLAR (\$1,015,000) General Obligation Note of the Township of West Pikeland, was duly moved and seconded and enacted by a majority vote of all the members of the Board of Supervisors of said Township at a duly called and convened public meeting of said Board held on August 16, 2010; that public notice of said meeting was given as required by law; and that the roll of the Board was called and such members voted or were absent as follows:

<u>Name</u>	<u>Vote</u>
Robert R. Shemonsky	_____
Richard R. Bright, Jr.	_____
Ernie Holling	_____
Tom Tucker	_____
Harold M. Hallman, III	_____

2. Said Ordinance has not been altered, amended, modified, or suspended and is still in full force and effect as of the date of the delivery of this Certificate.

WITNESS my hand and seal of the Township of West Pikeland as of
August 16, 2010.

Joan C. Matthews, Secretary

SEAL

EXHIBIT A

No.

\$1,015,000

**TOWNSHIP OF WEST PIKELAND
CHESTER COUNTY, PENNSYLVANIA
GENERAL OBLIGATION NOTE, SERIES OF 2010**

INTEREST RATE

4.375 % until
December 1, 2017;
Variable thereafter

MATURITY DATE

March 1, 2019

ISSUANCE DATE

September __, 2010

REGISTERED OWNER: DNB First, National Association

PRINCIPAL

Township of West Pikeland, Chester County, Pennsylvania (the "Issuer"), a municipality existing under laws of the Commonwealth of Pennsylvania (the "Commonwealth"), promises to pay to the order of the Registered Owner named above or registered assigns, the amount of \$1,015,000, unless this Note shall have been previously called for redemption in whole or in part and payment of the redemption price shall have been duly made or provided for, and to pay interest thereon, on so much thereof as may be outstanding, from the Issuance Date specified above at the annual Interest Rate specified above, computed on the basis of a 360 day year and actual number of days elapsed, in quarterly installments at the times and in the manner hereinafter provided.

Installments of principal repayments shall commence on December 1, 2011 and shall be payable quarterly thereafter on the same dates as interest is due hereon, such principal installments to be in amounts which, when added to interest due on the same date, shall result in a level quarterly payment for the remaining term of this Note to the extent possible, such payment amount to be calculated by the Registered Owner and billed to the Issuer. Such payments shall be as shown on the schedule attached hereto and to the accepted Commitment Letter, subject to the foregoing sentence regarding level payments upon change interest rate.

INTEREST PAYMENTS

So long as this Note is a "qualified tax exempt obligation" as defined in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended ("Code")

and interest hereon is excluded from gross income of the holder for purposes of federal income taxes, Interest on this Note shall be payable at the Interest Rate

of 4.375% on December 1, 2010 and on the first day of each March, June, September and December thereafter to and including December 1, 2017, at which time the rate of interest hereon shall be reset to a rate equal to the Registered Owner's tax exempt equivalent of the 10 year United States Treasury Rate plus 300 basis points, in each case as billed by the Registered Owner.

TAXABLE RATE

If there is a determination by any federal taxing authority that, for any reason whatsoever, interest payable to the Registered Owner of this Note is not exempt from federal income tax, or (ii) any determination by any taxing authority or by the Internal Revenue Service or other federal taxing authority that this Note is not a "qualified tax exempt obligation" or the occurrence of any event as a result of which the Issuer ceases to qualify as a "qualified small issuer" as defined in Section 265(b)(3)(C) of the Code (each, an "Adverse Determination"), then the interest rate hereon shall be a variable rate (changing as frequently as daily) equal to the Wall Street Journal "Prime Rate" per annum from the date such interest becomes taxable, but not more than 12% per annum as the maximum rate. ("Taxable Rate"). The Wall Street Journal Prime Rate is the "Prime Rate" published in the "Money Rates" section of The Wall Street Journal on the applicable date or the highest "Prime Rate" if more than one is published as such rate may change from time to time. If The Wall Street Journal cease to be published or goes on strike or is otherwise not published for any period of time or if it ceases to publish a "Prime Rate," then the Registered Owner may use any similar published prime or base rate.

The Taxable Rate shall be imposed effective as of the first date on which any interest payable to Registered Owner under this Note became taxable and/or as of the effective date on which Section 265(b)(1) became applicable to Registered Owner with respect to this Note, and the Taxable Rate shall be deemed retroactive to such effective date. The difference between interest at the Taxable Rate, as retroactively applied, and interest paid by Issuer under this Note, up through the date on which Registered Owner imposes the Taxable Rate, shall be due and payable by Issuer to Registered Owner upon demand by Registered Owner. Notwithstanding anything herein to the contrary, in no event shall the Taxable Rate exceed 12% per annum. The Issuer shall forward a copy of any notice of an Adverse Determination to the Registered Owner within five days of its receipt.

LATE PAYMENTS

If all or part of an installment payment of principal and interest is late by 15 or more days, the Issuer shall pay a late fee equal to 5% of the amount of the installment not paid when due.

If all or any part of an installment payment of principal and interest is late by more than 30 days, the rate of interest on the outstanding balance hereof shall increase to a rate which is 3.00% per annum in excess of the rate borne by this Note before said late payment (the "Default Rate") until the payments hereon are brought current, such Default Rate not to exceed 12% per annum.

PLACE OF PAYMENTS

The principal of and interest on this Note shall payable at the principal office of DNB First, National Association, (the "Paying Agent"), in Downingtown, Pennsylvania, in lawful money of the United States of America.

OPTIONAL REDEMPTION

This Note is subject to redemption prior to maturity, in whole or in part, on any date without charge or penalty, upon 15 days written notice sent by the Issuer to the Registered Owner.

AUTHORITY FOR ISSUANCE

This Note is issued in accordance with the provisions of the Pennsylvania Local Government Unit Debt Act, as amended, 53 Pa.C.S. §8001 *et seq.* (the "Act") and by virtue of an Ordinance of the Board of Supervisors of the Issuer duly enacted August 16, 2010 (the "Ordinance"). The Ordinance shall constitute a contract between the Issuer and the Registered Owner, from time to time, of this Note.

ISSUER CERTIFICATIONS

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; (ii) the debt represented by this Note, together with any other indebtedness of the Issuer, is not in excess of any applicable limitation imposed by the Act upon the incurring of the debt of the Issuer which is evidenced by this Note, and (iii) the Issuer has designated this Note as a "qualified tax-exempt obligation within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986.

ISSUER COVENANTS AS TO DEBT SERVICE

The Issuer has covenanted, in the Ordinance, to and with the registered owner, from time to time, of this Note, that the Issuer: (i) shall include the amount of the debt service for this Note, for each fiscal year of the Issuer in which such sums are payable, in its budget for that fiscal year, (ii) shall appropriate such amounts from its general revenues for the payment of such debt service, and (iii) shall duly and punctually pay or cause to be paid from the sinking fund established under the Ordinance or any other of its revenues or funds the principal of this Note and the interest hereon at the dates and place and in the manner stated herein, according to the true intent and meaning hereof; and, for such budgeting, appropriation and payment, the Issuer has pledged and does pledge, irrevocably, its full faith, credit and taxing power. The Act provides that the foregoing covenant of the Issuer shall be enforceable specifically.

SINKING FUND FOR DEBT SERVICE

The Issuer, in the Ordinance, has established a sinking fund with the Paying Agent, as the sinking fund depository, into which funds for the payment of the principal of and the interest on this Note shall be deposited not later than the date fixed for the disbursement thereof. The Issuer 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 and in such annual amount, as shall be sufficient for prompt and full payment of all obligations of this Note.

RESTRICTION ON TRANSFER

This Note is transferable by any 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 Issuer to be kept for that purpose at the principal office of the Paying Agent by a duly authorized representative of the Paying Agent acting in behalf of the Issuer. The Issuer and the Paying Agent may deem and treat the person, from time to time, in whose name this Note shall be registered as the absolute owner hereof for the purpose of receiving payment hereof and of interest due hereon, and for all other purposes.

PAYMENTS ON HOLIDAYS OR WEEKENDS

If the date for payment of the principal or redemption price of, and interest on this Note shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the principal office of the Paying Agent is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

COVENANT AS TO TAXES

The principal of redemption price of, and interest on, this Note are payable without deduction for any tax or taxes, except gift, succession, franchise, excise or inheritance taxes, now or hereafter levied, or assessed thereon under any present or future laws of the Commonwealth of Pennsylvania, all of which taxes, except as above provided, the Issuer assumes and agrees to pay.

NO RECOURSE

No recourse shall be had for the payment of the principal or redemption price of, or interest on, this Note, or for any claim based hereon or on the Ordinance, against any member, officer or employee, past, present, or future, of the Issuer or of any successor body, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the execution and issuance of this Note.

IN WITNESS WHEREOF, Township of West Pikeland, Chester 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 Chairman or Vice-Chairman of the Board of Supervisors and the official seal of the Issuer to be affixed hereto and the manual signature of the Secretary or Assistant Secretary of the Board of Supervisors to be affixed hereto in attestation thereof, all as of the ____ day of September, 2010.

TOWNSHIP OF WEST PIKELAND

Attest:

SPECIMEN NOT FOR EXECUTION

Secretary

By: _____
Chairman, Board of Supervisors

SEAL

REGISTRATION RECORD

NOTHING TO BE WRITTEN HERE EXCEPT BY A DULY AUTHORIZED REPRESENTATIVE OF DNB FIRST, NATIONAL ASSOCIATION, THE PAYING AGENT, ACTING AS REGISTRAR, IN BEHALF OF THE WITHIN NAMED ISSUER.

Date of Registry	Name of Registered Owner	Registrar (Authorized Representative)

ASSIGNMENT

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

_____(the "Transferee")
Name

Address

Social Security or Federal Employer Identification No. _____
the within Note and all rights thereunder and hereby irrevocably constitutes and appoints _____ as attorney to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

NOTICE: No transfer will be made in the name of the Transferee unless the signature(s) to this assignment correspond(s) with the name(s) appearing upon the face of the within Note in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the Transferee is supplied. If the Transferee is a trust, the names and Social Security or Federal Employer Identification Numbers of the settlor and beneficiaries of the trust, the Federal Identification Number and date of the trust and the name of the trustee must be supplied.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an approved eligible guarantor institution, an institution that is a participant in a Securities Transfer Association recognized signature guaranteed program.