

March 9, 1977

ORDINANCE NO. 1-77

TO AUTHORIZE AND DIRECT THE INCURRING OF NON-ELECTORAL DEBT THROUGH THE ISSUANCE OF A GENERAL OBLIGATION NOTE OF THE TOWNSHIP OF WEST PIKELAND, CHESTER COUNTY, PENNSYLVANIA, IN THE MAXIMUM AMOUNT OF TWO HUNDRED THOUSAND DOLLARS (\$200,000) FOR THE PURPOSE OF PROVIDING FUNDS FOR AND TOWARD THE COST OF THE PURCHASE BY THE TOWNSHIP OF LAND TO BE HELD AS "OPEN SPACE"; STATING THE REALISTIC ESTIMATED USEFUL LIFE OF THE PROJECT FOR WHICH SAID NOTE IS ISSUED; DIRECTING THE CHAIRMAN AND SECRETARY OF THE BOARD OF TOWNSHIP SUPERVISORS TO PREPARE, CERTIFY AND FILE THE REQUIRED DEBT STATEMENT; COVENANTING THAT THE TOWNSHIP SHALL INCLUDE THE AMOUNT OF ANNUAL DEBT SERVICE IN ITS BUDGET FOR EACH FISCAL YEAR; PROVIDING FOR A FULLY REGISTERED NOTE, DATE OF THE NOTE, PRINCIPAL AND INTEREST PAYMENT DATES AND PROVISION FOR REDEMPTION; COVENANT AS TO PAYMENT OF PRINCIPAL AND INTEREST WITHOUT DEDUCTION FOR CERTAIN TAXES; PROVIDING FOR SIGNATURES AND SEAL AND AUTHENTICATION; APPROVING THE FORM OF NOTE; PROVIDING FOR THE STATED PRINCIPAL MATURITY AMOUNTS AND FIXING THE RATE OF INTEREST ON SUCH NOTE; AWARDING SUCH NOTE AT PRIVATE SALE; CREATING A SINKING FUND; AUTHORIZING THE PROPER OFFICERS OF THE TOWNSHIP TO CONTRACT WITH THE DOWNINGTOWN NATIONAL BANK, DOWNINGTOWN, PENNSYLVANIA, FOR ITS SERVICES AS SINKING FUND DEPOSITARY AND PAYING AGENT; AUTHORIZING AND DIRECTING THE SECRETARY TO CERTIFY AND TO FILE WITH THE DEPARTMENT OF COMMUNITY AFFAIRS 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 ARBITRAGE BONDS UNDER FEDERAL TAX LAW PROVISIONS; AUTHORIZING THE PROPER OFFICERS OF THE TOWNSHIP TO DO ALL THINGS NECESSARY TO CARRY OUT THE ORDINANCE; AND REPEALING ALL INCONSISTENT ORDINANCES

The Board of Township Supervisors of the Township of West Pikeland, Chester County, Pa. (Township) ordains and enacts that:

Section 1. The corporate authorities of the Township do hereby authorize and direct the incurring of non-electoral debt through the issuance of a general obligation note (Note) of the Township in the principal amount of Two Hundred Thousand Dollars (\$200,000) for the purpose of providing funds for and toward the cost of the purchase by the Township of land to be held as "open space";

project for which the Note is to be issued is determined to be in excess of forty (40) years.

Section 3. The Chairman and Secretary of the Board of Township Supervisors are hereby authorized and directed to prepare and certify a debt statement required by Section 410 of the Local Government Unit Debt Act of July 12, 1972, P.L. 781, as amended (Act).

Section 4. It is covenanted with the registered owner from time to time of the Note, that the Township shall include the amount of the debt service for each fiscal year in which such sums are payable in its budget for that year, shall appropriate such amounts to the payment of such debt service, and shall duly and punctually pay, or cause to be paid, the principal of the Note and the interest thereon at the dates and places and in the manner stated in the Note, according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the Township pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable; subject, as to the enforceability of remedies to any applicable bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights.

Section 5. The Note shall be in fully registered typewritten form, shall be numbered one (1), shall be dated the date of its issuance and shall mature each year on the anniversary of its date of issuance in the following amounts: 1978 - \$40,000; 1979 - \$40,000; 1980 - \$40,000; 1981 - \$40,000; 1982 - \$40,000. Interest on the unpaid principal amount of the Note shall be payable semi-annually from the date of the Note until maturity or prior redemption at the rate hereinafter cited.

The Note shall be callable for redemption, at the option of the Township, at par and accrued interest, in whole or in part, at any time upon at least 30 days written notice to the registered owner thereof, unless such notice is waived by such owner.

Lionville office of The Downingtown National Bank, without deduction for any tax or taxes, except gift, succession 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 7. The Note shall be executed by the Chairman or Vice-Chairman of the Board of Township Supervisors and shall have the corporate seal of the Township affixed thereto, duly attested by the Secretary of said Board, and the said officers are hereby authorized to execute the Note in such manner. The Chairman or Vice-Chairman of the Board of Township Supervisors is 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 8. The form of the Note shall be substantially as follows:

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF CHESTER
TOWNSHIP OF WEST PIKELAND
GENERAL OBLIGATION NOTE - SERIES OF 1977

FOR VALUE RECEIVED, the Township of West Pikeland, Chester County, Pennsylvania, acknowledges itself indebted and promises to pay to _____, the sum of Two Hundred Thousand Dollars (\$200,000) on _____, 1982, unless this General Obligation Note shall have been called for previous redemption and payment, with interest at the rate of _____ per cent (_____ %) per annum on the unpaid principal amount, payable semi-annually from the date of the Note, commencing six months from the date of the Note, until payment of this Note in full, and shall mature each year on the anniversary of the date of the Note in the following amounts:

<u>Principal Amount</u>	<u>Maturity Year</u>
\$40,000	1978
\$40,000	1979
\$40,000	1980
\$40,000	1981
\$40,000	1982

Bank (Paying Agent), without deduction for any tax or taxes, except gift, succession 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.

This General Obligation Note is issued in accordance with the provisions of the Act of the General Assembly of the Commonwealth of Pennsylvania, approved July 12, 1972, P.L. 781, as amended, and by virtue of an Ordinance of the Township duly enacted, and the sworn statement of the duly authorized officers of the Township as appears of record in the office of the Pennsylvania Department of Community Affairs.

This General Obligation Note may be called for prior redemption, in whole or in part, at the option of the Township at any time at par and accrued interest, upon at least 30 days written notice to the registered owner hereof, unless such notice is waived by such owner.

It is covenanted with the holders from time to time of this General Obligation Note that the Township shall include the amount of the debt service for each fiscal year in which sums are payable in its budget for that year, shall appropriate such amounts to the payment of such debt service, and shall duly and punctually pay or cause to be paid the principal of this General Obligation Note and the interest thereon at the dates and places and in the manner stated in this Note according to the true intent and meaning hereof, and for such budgeting, appropriation and payment, the Township pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable; subject, however, as to the enforceability of remedies to any applicable bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights.

The Township and the Paying Agent may deem and treat the person in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest hereon, and for all other purposes. Neither the Township nor the Paying Agent shall be affected by any notice to the contrary.

This Note is transferable by the registered owner hereof in person or by his attorney, duly authorized in writing, at the Lionville office of the Paying Agent, but such transfer shall not be valid unless registered on the Registry Book of the Township to be kept for that purpose at such office of the Paying Agent; provided, however, that in lieu of such notation hereon, and upon surrender hereof, for cancellation, a new fully registered note of like date and number, and then outstanding principal amount, shall be issued to the transferee, at his sole expense, in exchange herefore.

IN WITNESS WHEREOF, the Township of West Pikeland, Chester County, Pennsylvania, has caused this Note to be signed by the Chairman of the Board of Township Supervisors and its corporate seal to

Andrew D. McClelland
Chairman, Board of
Township Supervisors

[SEAL]

Attest:

Margaret S. Hardy
Secretary

[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto the within Note, and all rights thereunder, and hereby irrevocably constitutes and appoints as its attorney to transfer said Note on the books of the within named Paying Agent, with full power of substitution in the premises.

Dated:

NOTICE: The name of the Assignor as it appears in the signature on this assignment must correspond with the name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

[FORM OF REGISTRATION]

NOTHING TO BE WRITTEN HERE EXCEPT BY AN OFFICER OF PAYING AGENT

Date of Registry	:	In Whose Name Registered	:	Registrar
	:		:	
	:		:	
	:		:	

deletions as may be approved by the officers executing the Note in the manner provided in Section 7 hereof; such execution shall constitute approval by such officers on behalf of the Board of Township Supervisors.

Section 9. The Note shall be numbered "1", shall bear interest, until maturity or redemption, at the rate per annum, and shall mature in the amounts and on the anniversary of the date of its issuance in certain years, all as follows:

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity Year</u>
\$40,000	4.20%	1978
40,000	4.20%	1979
40,000	4.20%	1980
40,000	4.20%	1981
40,000	4.20%	1982

Section 10. The Township hereby awards the Note, at private sale, to Downingtown National Bank upon the terms set forth in its proposal, a copy of which is attached hereto and made a part hereof. As set forth in such proposal, the Note is purchased at a bid price of par plus accrued interest and bears interest at the rate of four and twenty one-hundredths per cent (4.20%) per annum. The Note carries an average annual debt service of \$45,040. Such details are hereby approved.

Section 11. There is hereby established a separate sinking fund for the Township to be known as "Sinking Fund - 1977 Series Note" and into said Fund there shall be paid all moneys necessary to pay the debt service on the Note when and as the same are collected, and said 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.

are annually hereby appropriated to the Sinking Fund for the payment thereof:

- 1977 - \$ 4,200
- 1978 - \$47,560
- 1979 - \$45,880
- 1980 - \$44,200
- 1981 - \$42,520
- 1982 - \$40,840

Section 12. The proper officers of the Township are hereby authorized and directed to contract with The Downingtown National Bank, Downingtown, Pennsylvania, for its services as sinking fund depository and paying agent with respect to the Note.

Section 13. The Secretary of the Board of Township Supervisor is hereby authorized to certify to and file with the Department of Community Affairs, 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 hereinabove referred to, and to pay the filing fees necessary in connection therewith.

Section 14. It is hereby covenanted that the Township will make no use of the proceeds of the Note at any time during the term thereof which, if such use had been reasonably expected at the date of issuance of the Note would have caused the Note to be arbitrage bonds within the meaning of Section 103(c) of the United States Internal Revenue Code of 1954, as amended, and applicable regulations.

Section 15. The proper officers of the Township are hereby authorized and empowered on behalf of the Township to execute any and all 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 this Ordinance.

atw. r. ite. S. Brady

Section 16. All ordinances or parts of ordinances inconsistent herewith be and the same hereby are repealed.

DULY ENACTED at a meeting of the Board of Township Supervisors of the Township of West Pikeland, Chester County, Pennsylvania, held on the *7th* day of March, 1977.



Chairman, Board of
Township Supervisors

[SEAL]

Attest:


Secretary



I HEREBY CERTIFY that the foregoing is a true and correct copy of an Ordinance duly enacted by the affirmative vote of a majority of the members of the Board of Township Supervisors of the Township of West Pikeland, Chester County, Pennsylvania, at a meeting held the 7th day of March, 1977; that proper notice of such meeting was duly given as required by law; and that said Ordinance has been duly recorded upon the Minutes of said Board showing how each member voted thereon.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Borough this 7th day of March, 1977.

Marquise S. Grady
Secretary

[SEAL]