

ORDINANCE NO. 729

AUTHORIZING THE AMENDMENT AND MODIFICATION OF THE PENN TOWNSHIP'S GENERAL OBLIGATION NOTE, SERIES OF 2006, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$1,500,000 FOR THE PURPOSE OF LOWERING THE INTEREST RATE PAYABLE ON SAID NOTE; ACCEPTING A PROPOSAL FOR THE MODIFICATION OF THE NOTE; AND AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS.

WHEREAS, Penn Township, York County, Pennsylvania (the "Township") is a first class township of the Commonwealth of Pennsylvania (the "Commonwealth"), a "local government unit" within the meaning of the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "Act"), and is governed by its Board of Commissioners (the "Board"); and

WHEREAS, The Township, pursuant to its ordinance duly adopted on July 17, 2006, issued its General Obligation Note, Series of 2006, on August 30, 2006, in the original principal amount of \$1,500,000 (the "Note"), to Bank of Hanover and Trust Company, predecessor to PNC Bank (the "Bank"), in order to fund a capital project of the Township and pay the costs of issuance associated with the Note (collectively, the "Project"); and

WHEREAS, the Township and the Bank desire to amend the Note to reduce the interest rate applicable to the Note and modify the prepayment provisions, by entering into a "Loan Modification Agreement" (the "Modification Agreement"), and perform other acts and execute other documents to implement the terms of the Modification Agreement; and

WHEREAS, the Township further desires to take all necessary action authorizing the negotiation, acceptance, execution, attestation and delivery by its President or Vice President and Secretary or Assistant Secretary, as applicable, of all documents and instruments required in

connection with the modification of the Note, including the Modification Agreement in connection with the modification of the Note.

THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Township, as follows:

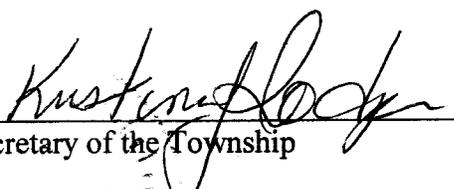
1. The Township shall enter into the Modification Agreement, substantially in the form presented to this meeting, which form is approved; and a copy of the Modification Agreement in the form so presented and approved shall be filed with the Township's Secretary and made available for inspection at reasonable times by interested persons requesting such inspection.
2. The President or Vice President and Secretary or Assistant Secretary of the Township are authorized and directed to execute, attest and deliver the Modification Agreement.
3. Said officers of the Township shall execute such other documents and do such other things as may be necessary to carry out the Modification Agreement, and the intent and purpose of this Ordinance, and to make such Modification Agreement a legal obligation of the Township, including such acts and documents as may be necessary to comply with the Note and Section 103(b)(2) and Section 148 of the Internal Revenue Code of 1986, as amended (the "Code").
4. The Township hereby designates the Note as a "qualified tax-exempt obligation," as defined in Section 265(b)(3)(B) of the Code, for the 2011 calendar year, to the extent not deemed designated, for the purposes and effect contemplated by Section 265 of the Code.

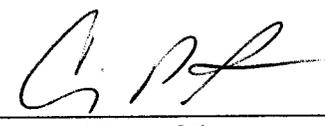
5. All ordinances or parts of ordinances insofar as they conflict with this Ordinance are hereby repealed.
6. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of the Township that such remainder shall be and shall remain in full force and effect.
7. This Ordinance shall be effective immediately.

DULY ADOPTED by the Board of Commissioners of PENN TOWNSHIP, York County, Pennsylvania, this 21st day of November 2011.

ATTEST:

PENN TOWNSHIP


Secretary of the Township

By: 

President of the
Board of Commissioners

(SEAL)