COUNTY OF BUCKS
Commonwealth of Pennsylvania

ORDINANCE NO. 136

AN ORDINANCE OF THE COUNTY OF BUCKS, COMMONWEALTH OF PENNSYLVANIA, AUTHORIZING THE COUNTY TO INCUR DEBT IN THE AMOUNT OF $6,000,000.00 BY GUARANTYING THE $6,000,000.00 PRINCIPAL AMOUNT OF A PROMISSORY NOTE TO BE ISSUED BY THE BUCKS COUNTY COMMUNITY COLLEGE AUTHORITY FOR THE BENEFIT OF THE BUCKS COUNTY COMMUNITY COLLEGE FOR THE PURPOSE OF FINANCING THE COSTS OF RENOVATIONS TO THE BUCKS COUNTY COMMUNITY COLLEGE NEWTOWN CAMPUS AND ANY COSTS INCURRED BY THE BUCKS COUNTY COMMUNITY COLLEGE AUTHORITY IN CONNECTION WITH THE ISSUANCE OF ITS PROMISSORY NOTE; BRIEFLY DESCRIBING THE PROJECT FOR WHICH SAID DEBT IS TO BE INCURRED; AUTHORIZING AND DIRECTING APPROPRIATE OFFICERS OF THE COUNTY TO PREPARE, VERIFY AND FILE THE DEBT STATEMENT AND OTHER DOCUMENTS REQUIRED BY THE LOCAL GOVERNMENT UNIT DEBT ACT; AUTHORIZING APPROPRIATE OFFICERS OF THE COUNTY, UPON RECEIPT OF APPROVAL OF THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, TO EXECUTE AND DELIVER AN INSTRUMENT EVIDENCING THE COUNTY’S GUARANTY WITH RESPECT TO THE AFORESAID PROMISSORY NOTE; GUARANTEEING THE FULL PAYMENT, WHEN DUE, OF THE PRINCIPAL OF AND INTEREST ON THE PROMISSORY NOTE AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO; PROVIDING FOR AND AUTHORIZING PROPER OFFICERS OF THE COUNTY TO TAKE ALL OTHER ACTIONS AS MAY BE NECESSARY AND DESIRABLE IN CONNECTION WITH SAID GUARANTY; REPEALING INCONSISTENT ORDINANCES; AND PROVIDING AN EFFECTIVE DATE FOR THE WITHIN ORDINANCE

WHEREAS, the County of Bucks, Pennsylvania (the "County"), is a local government unit, as defined in the Local Government Unit Debt Act, Act No. 177 of December 19, 1996, P.L. 1158, as amended (the "Debt Act"); and

WHEREAS, under the Debt Act, the County is authorized to make guaranties, payable out of taxes and other general revenues of the County; and

WHEREAS, the Bucks County Community College Authority (the "Authority") is a body corporate and politic organized and existing pursuant to the Municipal Authorities Act of the Commonwealth of Pennsylvania, as amended and supplemented; and
WHEREAS, the Authority has authorized and proposes to issue a Promissory Note (the "Note") in the amount of $6,000,000, the proceeds of which are to be used to finance the costs of a project (the "Project") consisting of: (a) renovations to the Bucks County Community College (the "College") Newtown Campus; and (b) any costs incurred by the Authority in connection with the issuance of its Note, including but not limited to costs incurred by the College; and

WHEREAS, the County, in order to assist the College and the Authority with the Project, has determined to guarantee the full payment of the principal of and interest on the Note, pursuant to authority conferred upon the County by the Debt Act; and

WHEREAS, the lease rental debt authorized to be incurred hereby, and the existing debt of the County, as determined under the provisions of the Debt Act, do not, in the aggregate exceed the limitations of the Constitution of the Commonwealth of Pennsylvania or the Debt Act.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF BUCKS, COMMONWEALTH OF PENNSYLVANIA, AS FOLLOWS:

Section 1. The Board of County Commissioners of the County of Bucks hereby determines to incur lease rental debt, as such term is defined in the Debt Act, in an aggregate principal amount of $6,000,000.00, such debt to be evidenced by the guaranty of the County as set forth herein for the purpose of assisting the College in the effectuation of the Project.

Section 2. A realistic estimate of the costs of the Project has been obtained on behalf of the County by the College and has been received by the County Commissioners. The average estimated useful life of the Project is at least 18 years.

Section 3. The County Commissioners hereby authorize and direct that the necessary documentation be filed with the Pennsylvania Department of Community and Economic Development (the "Department") so that the debt incurred hereunder may be approved as lease rental debt of the County. It is therefore hereby declared that the lease rental debt of the County to be incurred hereunder shall be $6,000,000.00 which, together with all presently existing net debt of the County, will not be in excess of the limitations as set forth in the Debt Act. The Chairman of the County Commissioners or any other proper officers of the County and their successors are hereby authorized and directed to prepare, certify and file the debt statement required by Section 8110 of the Debt Act, together with the Borrowing Base Certificate and an application for approval of said indebtedness, with the Department as promptly as practicable and to do and perform all other acts and sign all other documents necessary and proper in connection therewith.

Section 4. The Chairman of the County Commissioners or any other proper officers of the County and their successors are hereby authorized and directed to prepare, certify and file with the Department such statements and other documents as may be required under Section 8110(b) of the Debt Act with respect to previously excluded self-liquidating or subsidized debt.
Section 5. Upon receipt by the County of the approval of the Department to incur said debt, the County shall enter into the Guaranty, substantially in the form of Exhibit "A" to this Ordinance, with such changes therein as shall be approved by the County Solicitor and the officers executing the Guaranty, such approval to be conclusively evidenced by such execution.

Section 6. The maximum amount to be paid in each year under the Guaranty is set out on Exhibit "B" attached to this Ordinance. The County covenants that it will include the amount of each such payment in its budget for each year in which each such amount is payable; that it will appropriate such amounts from its revenues for such payments and that it will duly and punctually pay such amounts or cause them to be paid on the dates and at the places and in the manner stated in the Guaranty according to the true intent and meaning thereof. In preparing and adopting its budget for any year, the County may, unless it has received notice of default under the Note, treat as a revenue item an amount not in excess of the amount of its liability hereunder for such year which the College estimates will be available to pay the principal and interest on the Note in that year from other sources. Such amount may be estimated to be received during the year on or before the dates when payments of principal of or interest on the Note will be due. For such budgeting, appropriation and payment, the County hereby pledges its full faith, credit and taxing power.

Section 7. All actions heretofore taken and documents prepared by officials of the County in connection with the incurring of indebtedness as described herein are hereby ratified, affirmed, approved and adopted, and the members of the Board of Commissioners, the County Treasurer, the County Controller, County Clerk, County Solicitor and other appropriate County officials are hereby jointly and severally authorized and directed to take all other necessary or appropriate action in connection with the incurring of indebtedness as described herein, including, without limitation, the execution of such documents as may be necessary or appropriate in connection therewith.

Section 8. All ordinances and resolutions or parts thereof, to the extent inconsistent herewith, are hereby repealed and rescinded.

Section 9. This Ordinance shall be valid and effective for all purposes on the 5th day following advertisement of final enactment hereof, as provided in the Debt Act.
DULY ORDAINED AND ENACTED this 6th day of January, 2010.

COUNTY OF BUCKS

By: ____________________________

Charles H. Martin, Chairman

______________________________

James F. Cawley, Commissioner

______________________________

Diane M. Ellis-Marseglia, Commissioner

[SEAL]

Attest:

Lynn T. Bush
Chief Clerk
COUNTY OF BUCKS
Commonwealth of Pennsylvania

CERTIFICATE

I, LYNN T. BUSH, Chief Clerk of the County of Bucks, Pennsylvania (the "County"), DO HEREBY CERTIFY that the attached is a true, correct and complete copy of an ordinance enacted by the Board of Commissioners (the "Board") with respect to the incurring by said County of debt in the aggregate principal amount of $6,000,000; that the ordinance was duly enacted by the majority vote of all of the members of said Board at a meeting of said Board duly held on January 6, 2010, after proper notice thereof had been duly given as required by law, at which time Board members were present and voted as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charles H. Martin</td>
<td></td>
</tr>
<tr>
<td>James F. Cawley</td>
<td></td>
</tr>
<tr>
<td>Diane M. Ellis-Marseglia</td>
<td></td>
</tr>
</tbody>
</table>

that the minutes of said meeting showing how each Board member voted have been duly recorded in the official records of said County; and that the ordinance was and is duly recorded in the minutes of said County and is now in full force and effect on the date of this certification.

IN WITNESS WHEREOF, I have hereunto set my hand as such official and affixed the seal of the County of Bucks, this ___ day of ________.

[SEAL]

Lynn T. Bush, Chief Clerk
County of Bucks
EXHIBIT A

GUARANTY

THIS GUARANTY, made as of __________, by and among THE COUNTY OF BUCKS, COMMONWEALTH OF PENNSYLVANIA, (the "County"); THE BUCKS COUNTY COMMUNITY COLLEGE AUTHORITY (the "Authority") and PNC BANK, NATIONAL ASSOCIATION (the "Bank").

WHEREAS, the Authority is a body corporate and politic, organized and existing pursuant to the Municipal Authorities Act of the Commonwealth of Pennsylvania, as amended and supplemented (the "Act"); and

WHEREAS, the Authority will issue a Promissory Note in the amount of Six Million ($6,000,000.00) Dollars (the "Note"), the proceeds of which are to be used to finance the costs of a project (the "Project") consisting of: (a) renovations to the Bucks County Community College Newtown Campus; and (b) any costs incurred by the Authority in connection with the issuance of its Note; and

WHEREAS, the County has determined that payment of principal of and interest on the Note will be unconditionally guaranteed by the County pursuant to this Guaranty; and

WHEREAS, pursuant to authority granted by the Pennsylvania Local Government Unit Debt Act, Act No. 177 of December 19, 1996, P.L. 1158, as amended (the "Debt Act"), and by virtue of an Ordinance of the County, duly enacted and approved on January 6, 2010 (the "Ordinance"), this Guaranty has been duly authorized by the County.

NOW, THEREFORE, the County, the Authority and the Bank, in consideration of the premises and the issuance of the Promissory Note and intending to be legally bound, do hereby agree as follows:

1. The County hereby guarantees the full payment of the principal of and interest on the Note and in furtherance thereof covenants and agrees with the Bank that if the Authority shall fail to pay or cause to be paid the full amount of the principal of and interest on the Note when the same become due and payable, at the times and places, under the terms and conditions, and in the manner prescribed in the Note, the County will pay the full amount of such principal and interest to the Bank and any subsequent holder of the Note.

2. The County hereby covenants with the Bank, that it shall include in its budget for that year all amounts payable under this Guaranty for each fiscal year in which such sums are payable, shall appropriate from its general revenues such amounts to the payment of its obligations hereunder, shall duly and punctually pay or cause to be paid such amounts at the date and place and in the manner stated herein according to the true intent and meaning hereof and for such budgeting, appropriation and payments, the County hereby pledges its full faith, credit and taxing power, which presently includes ad valorem taxes on all taxable property in the County without limitation as to rate or amount. The County further agrees that the covenant contained in
this Paragraph 2 may be specifically enforced against it by the Bank or any successor holder of
the Note.

3. The County agrees to pay such amount to the Bank as may be required to
discharge the County's obligations hereunder within ten (10) business days of delivery by the
Bank to the County's Chief Clerk of a drawing certificate in the form attached hereto as
Attachment I, completed as appropriate. The Bank shall communicate any additional
information the County reasonably requests in connection with such request for payment and
otherwise cooperate with the County so as to facilitate the County's performance of its
obligations under this Guaranty.

4. The Bank shall give the County prompt telephonic notice of the occurrence of any
default under the Note of which it has knowledge. The term "default" for the purpose of this
provision includes Events of Default (as defined in the Note or in the Agreement referenced in
the Note) and events which but for notice or lapse of time would constitute such an Event of
Default. Said telephonic notice shall be confirmed within twenty-four (24) hours by writing
delivered by certified mail or such other method of delivery as in the judgment of the Bank is of
equal or greater effectiveness. Failure of the Bank to provide any such notice of default shall not
otherwise limit or affect the obligations of the County under this Guaranty.

5. This Guaranty is entered into pursuant to the Debt Act and is intended to confer
upon the holder of the Note the rights provided therein for the holder of an obligation guaranteed
pursuant to Section 8005 of the Debt Act. In addition to any other rights and remedies available
for the enforcement hereof, this Guaranty may be enforced in accordance with the rights and
remedies contained in Chapter 82, Subchapter D of the Debt Act.

6. So long as the Note remains outstanding this Guaranty shall remain in full force
and effect, irrespective of whether there has been any breach by the Authority of its obligations
under the Note or of any disagreement between the County and the Authority as to the accuracy
of any insufficiency notice or of any modifications of the Note or waivers of compliance with the
terms thereof or of any other defenses based on suretyship or impairment of collateral, it being
the intention of the parties hereto that so long as any amount is due and owing on the Note, there
shall be no termination or abatement of the obligation of the County to make payments as
aforesaid for any cause whatsoever, whether similar or dissimilar to any of the foregoing, any
present or future law to the contrary notwithstanding.

7. The County agrees that its obligations hereunder shall be absolute and
unconditional and shall not be subject to any defense or any right of set-off, counterclaim or
recoupment arising out of any breach by the Authority of any obligation to the County, whether
hereunder or otherwise, and the County postpones until payment in full of the Note any right of
subrogation or reimbursement against the Authority with respect to any payments made by the
County hereunder.

8. This Guaranty shall take effect immediately upon its execution and delivery by all
parties hereto and shall remain in full force and effect until the date that the obligation set forth
in the Note has been paid in full or otherwise satisfied pursuant to the provisions set forth in the
Note.
9. Subsequent to the execution of the Note by the Authority, this Guaranty may not be amended, changed, modified, altered or terminated in any manner without the prior written consent of the Bank.

10. This Guaranty is being entered into solely for the benefit of the Authority and the Bank, and each of their respective successors and assigns, and nothing in this Guaranty expressed or implied is intended or shall be construed to give to any other person any legal or equitable right, remedy or claim under or in respect of this Guaranty or any covenants, conditions or provisions contained herein.

11. The invalidity or unenforceability of any one or more provisions in this Guaranty shall not affect the validity or enforceability of the remaining portions of this Guaranty, or any part thereof.

12. The Ordinance, in its entirety, is hereby incorporated herein by reference.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
IN WITNESS WHEREOF, the County, the Bank and the Authority have caused this Guaranty to be duly executed as of the day and year first above written.

COUNTY OF BUCKS

By: [Signature]
Commissioner

PNC BANK, NATIONAL ASSOCIATION

By: [Signature]
Authorized Officer

BUCKS COUNTY COMMUNITY COLLEGE AUTHORITY

By: [Signature]
Authorized Officer
ATTACHMENT I

DRAWING CERTIFICATE

County of Bucks
Bucks County Administration Building
Doylestown, PA 18901 Attention: Chief Clerk

Re: Drawing Certificate under Guaranty of County of Bucks, dated ________________, with respect to the $6,000,000,000 Promissory Note dated ____________, made by PNC Bank, National Association to the Bucks County Community College Authority (the "Promissory Note")

The undersigned individual, a duly authorized representative of PNC Bank, National Association hereby certifies as follows:

1. This Drawing Certificate is being submitted pursuant to the terms of a Guaranty of the County of Bucks dated ________________, (the "Guaranty") pursuant to which the County has guaranteed the payment of the Promissory Note.

2. The amount needed to make full and timely payment of said principal and/or interest is $__________________.

3. Pursuant to Paragraph 3 of the Guaranty, please remit the following amount to the attention of the undersigned within ten (10) business days of this date: $__________________.

Sincerely,

PNC Bank, National Association

By: ____________________________
## EXHIBIT B

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Initial Balance: $6,000,000.00