ORDINANCE NO. 40 OF 1976
OF THE
COUNTY COMMISSIONERS
OF THE
COUNTY OF BUCKS

TO AUTHORIZE AND DIRECT THE INCURRING OF NON-ELECTORAL DEBT THROUGH THE ISSUANCE OF GENERAL OBLIGATION FUNDING NOTES OF THE COUNTY OF BUCKS, PENNSYLVANIA, IN THE MAXIMUM PRINCIPAL AMOUNT OF SIX MILLION DOLLARS ($6,000,000) FOR THE PURPOSE OF PROVIDING FUNDS FOR THE FUNDING OF UNFUNDED DEBT OF THE COUNTY; DIRECTING THE CHAIRMAN OF THE COUNTY COMMISSIONERS AND THE CHIEF CLERK OF THE COUNTY TO PREPARE, VERIFY AND FILE THE REQUIRED DEBT STATEMENT; COVENANTING THAT THE COUNTY SHALL INCLUDE THE AMOUNT OF THE DEBT SERVICE IN ITS BUDGET FOR FISCAL YEAR 1977; PROVIDING FOR PRINTED NOTES, PAYABLE TO BEARER, THE NUMBERS, DENOMINATION, PRINCIPAL AND INTEREST PAYMENT DATES, AND PROVISION FOR REDEEMPTION OF THE NOTES; COVENANT AS TO PAYMENT OF PRINCIPAL AND INTEREST WITHOUT DEDUCTION FOR CERTAIN TAXES; PROVIDING FOR THE METHOD OF EXECUTING THE NOTES; APPROVING THE FORM OF NOTES; AWARDSING SUCH NOTES AT PRIVATE SALE; CREATING A SINKING FUND; AUTHORIZING THE PROPER OFFICERS OF THE COUNTY TO CONTRACT WITH INDUSTRIAL VALLEY BANK AND TRUST COMPANY FOR ITS SERVICES AS SINKING FUND DEPOSITORY AND PAYING AGENT; AUTHORIZING AND DIRECTING THE CHIEF CLERK TO CERTIFY AND TO FILE WITH THE RECORDER OF DEEDS OF BUCKS COUNTY CERTIFIED COPIES OF THE NECESSARY PROCEEDINGS; COVENANTING THAT THE PROCEEDS OF THE NOTES SHALL NOT BE USED IN SUCH MANNER AS TO CAUSE THE NOTES TO BE AN ARBITRAGE BOND UNDER FEDERAL TAX LAW PROVISIONS; AUTHORIZING PROPER OFFICERS OF THE COUNTY TO DO ALL THINGS NECESSARY TO CARRY OUT THE ORDINANCE; AND REPEALING ALL INCONSISTENT ORDINANCES.

The Board of County Commissioners of the County of Bucks, Pennsylvania (the "County") hereby ordains and enacts that:

Section 1. The corporate authorities of the County hereby authorize and direct the incurring of non-electoral debt through the issuance of general obligation funding notes (the "Notes") of the County in the principal amount of Six Million Dollars ($6,000,000) for the purpose of providing funds for the funding of unfunded debt (consisting of obligations properly contracted for current expenses including tax anticipation notes) of the County pursuant to the order of the Court of Common Pleas of Bucks County, Pennsylvania dated November 12, 1976.

Section 2. It is covenanted with the holders from time to time of the Notes that the County shall include the amount of the debt
service for fiscal year 1977, and any other 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 Notes and the interest thereon on the date or dates and in the places and in the manner stated in the Notes, according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the County pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable; subject, however, as to enforceability of remedies to any applicable bankruptcy, insolvency, moratorium or equitable principles affecting the enforcement of creditors' rights.

Section 3. The Chairman of the County Commissioners and the Chief Clerk of the County are hereby authorized and directed to prepare and verify a debt statement in form required by Section 410 of the Local Government Unit Debt Act. of July 12, 1972, P.L. 781, as amended ("Act").

Section 4. The Notes shall be in printed form payable to bearer and shall have the privilege of registration as to principal and interest, shall be numbered consecutively, shall be in the denominations required pursuant to the proposal of the initial purchaser thereof, shall be dated December 6, 1976, shall mature on December 1, 1977, and shall bear interest at the rate of four per cent (4.00%) per annum also payable on December 1, 1977.

Section 5. The Notes shall be payable as to both principal and interest in lawful money of the United States of America at the principal office of Industrial Valley Bank and Trust Company, 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 County assumes and agrees to pay.

Section 6. The Notes shall be executed by the facsimile signature of the Chairman or Vice Chairman of the County Commissioners, and shall have a facsimile of the corporate seal of the County affixed thereto, duly attested by the facsimile signature of the Chief Clerk of said County, and the said officers are hereby authorized to execute the Notes in such manner. The Chairman or Vice Chairman of the County Commissioners is authorized and directed to deliver, or cause to be delivered, the Notes to the purchaser thereof. The Notes shall be
authenticated by Industrial Valley Bank and Trust Company, Jenkintown, Pennsylvania, Paying Agent.

Section 7. The form of the Notes shall be substantially as follows:

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF BUCKS
GENERAL OBLIGATION FUNDING NOTE - SERIES OF 1976

COUNTY OF BUCKS, Pennsylvania (the "County"), a County existing by and under the laws of the Commonwealth of Pennsylvania, for value received, hereby acknowledges itself indebted and promises to pay to the bearer hereof or, if this Note be registered, to the registered owner or owners hereof, the sum of Twenty-five Thousand Dollars ($25,000) together with interest thereon from the date hereof in the amount of Nine Hundred Eighty-six and Eleven One Hundredths Dollars ($986.11), at the rate of four per cent (4.00%) per annum, in lawful money of the United States of America, on the 1st day of December, 1977.

Both principal of and interest on this General Obligation Funding Note are payable at the principal office of Industrial Valley Bank and Trust Company, Jenkintown, Pennsylvania (the "Paying Agent"), upon surrender hereof, 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 County assumes and agrees to pay.

This General Obligation Funding Note is one of a series of notes of like date, amount, maturity and interest rate, numbered from "1" consecutively upwards, amounting in the aggregate to the sum of Six Million Dollars ($6,000,000) issued in accordance with the provisions of the Act of the General Assembly of the Commonwealth of Pennsylvania, Act of July 12, 1972, P.L. 781, as amended (the "Act"), and by virtue of an Ordinance of the County Commissioners duly enacted.

This General Obligation Funding Note is not subject to redemption prior to maturity.

It is covenanted with the holder from time to time of this General Obligation Funding Note that the County shall include the amount of the debt service for fiscal year 1977 and any other 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 Funding 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 County 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 County and the Paying Agent may deem and treat the bearer hereof or, if this Note is registered as to principal and interest, 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 County nor the Paying Agent shall be affected by any notice to the contrary.
This Note shall pass by delivery unless registered as to principal and interest in the name of the owner or owners upon the Note Registry Book of the County to be kept for that purpose at the principal office of the Paying Agent, such registration to be noted hereon by an officer for the time being of said Paying Agent, after which no transfer shall be made except by the registered owner or owners in person or by his transfer shall be noted upon said Note Registry Book and upon the back hereof; provided, however, that this Note may be transferred to bearer and negotiability thereby restored, and shall continue subject to successive registration or transfer to bearer at the option of the holder or holders for the time being, which shall continue to be transferable by delivery.

This Note shall not be valid or become obligatory for any purpose until this Note shall have been authenticated by the certificate endorsed hereon, manually signed by the Paying Agent or its successor paying agent.

IN WITNESS WHEREOF, County of Bucks, Pennsylvania, has caused this Note to be signed by the facsimile signature of the Chairman or Vice-Chairman of its County Commissioners and a facsimile of its corporate seal to be hereunto affixed, duly attested by the facsimile signature of the Chief Clerk of the County and to be dated as of the 6th day of December, 1976.

COUNTY OF BUCKS

________________________
Chairman, County Commissioners

(SEAL)

Attest:

________________________
Chief Clerk

(FORM OF PAYING AGENT’S AUTHENTICATION CERTIFICATE)

This Note is one of the Notes of the Series designated therein. Printed on the reverse hereof is a complete text of the opinion of Messrs. Townsend, Elliott & Munson, Philadelphia, Pennsylvania, a signed original of which is on file with the undersigned and delivered and dated on the date of the original delivery of and payment for the Notes.

INDUSTRIAL VALLEY BANK AND TRUST COMPANY, PAYING AGENT

________________________
Authorized Officer

(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 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 of the registered owner of the within Note as it appears upon the Note Registry Book of the County in every particular, without alteration or enlargement or any change whatever.

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF BUCKS
GENERAL OBLIGATION FUNDING NOTE - SERIES OF 1976

Dated December 6, 1976
Principal and Interest Due December 1, 1977
Principal and Interest Payable at
Principal Office of
Industrial Valley Bank and Trust Company
Jenkintown, Pennsylvania

(FORM OF REGISTRATION)
NOTHING TO BE WRITTEN HERE EXCEPT BY AN OFFICER OF PAYING AGENT

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The Notes shall be executed in substantially the form as hereinafore set forth with such appropriate changes, additions or deletions as may be approved by the officers executing the Notes in the manner provided in Section 6 hereof; such execution shall constitute approval by such officers on behalf of the County Commissioners.

Section 8. The County Commissioners hereby accept the bid for the Notes submitted by and awards the Notes at private sale to Dolphin & Bradbury and Butcher & Singer Inc. at the price of 99.44%, upon the terms set forth in their proposal, a copy of which is attached hereto and made a part hereof. As set forth in such proposal, the Notes shall bear interest at the rate hereinbefore recited. The average annual debt service on the Notes is $6,236,666.40. Such details are hereby approved.

Section 9. There is hereby established a separate sinking fund for the County to be known as "Sinking Fund - General Obligation Funding Notes - Series of 1976" and into said Fund there shall be paid all moneys necessary to pay the debt service on the Notes when and as the same are collected; provided, however, that the County hereby covenants and agrees to deposit into said Fund the sum of $2,000,000 on each of the dates May 15, June 15 and July 15, 1977,
and thereafter such additional sums as shall be necessary to pay the principal of, and the interest on, the Notes as the same become due. Said Sinking Fund shall be applied exclusively to the payment of the interest covenanted to be paid upon the Notes and to the principal thereof at maturity and to no other purpose whatsoever, except as may be authorized by law, until the same shall have been fully paid.

The sum of $6,236,666.40 shall be hereby appropriated to the Sinking Fund in fiscal year 1977 for the payment of the principal of, and the interest on, the Notes.

Section 10. The proper officers of the County are hereby authorized and directed to contract with Industrial Valley Bank and Trust Company, Jenkintown, Pennsylvania, for its services as sinking fund depository and paying agent with respect to such Notes.

Section 11. It is hereby covenanted that the County will make no use of the proceeds of the Notes at any time during the term thereof which, if such use had been reasonably expected at the date of issuance of the Notes would have caused the Notes to be arbitrage bonds within the meaning of Section 103 (d) of the United States Internal Revenue Code of 1954, as amended, and applicable regulations.

Section 12. The Chief Clerk of the County is hereby authorized to certify to and file with the Recorder of Deeds of Bucks County, Pennsylvania, in accordance with Section 512 of the Act, a complete and accurate copy of the proceedings taken in connection with the increase of debt authorized hereunder, including the order of the Court hereinabove referred to, and pay the filing fees necessary in connection therewith.

Section 13. The proper officers of the County are hereby authorized and empowered on behalf of the County 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.

Section 14. All ordinances or parts thereof inconsistent here-with be and the same hereby are repealed.
ENACTED AND ORDAINED THIS 1st day of December, A.D., 1976.

COUNTY OF BUCKS

(COUNTY SEAL)

ATTEST:

[Signature]

Chief Clerk