TOWNSHIP OF MAIDENCREEK,
Berks County, Pennsylvania

ORDINANCE NO. _____

AN ORDINANCE

OF THE BOARD OF SUPERVISORS OF THE TOWNSHIP INCURRING NONELECTORAL DEBT TO BE EVIDENCED BY A GENERAL OBLIGATION NOTE, IN THE MAXIMUM PRINCIPAL AMOUNT OF ONE HUNDRED THOUSAND DOLLARS ($100,000), AS SECURITY FOR DEBT TO BE INCURRED BY BLANDON COMMUNITY AMBULANCE ASSOCIATION TO PROVIDE FUNDS FOR AND TOWARD REFUNDING A PORTION OF DEBT PREVIOUSLY INCURRED BY SUCH ASSOCIATION IN CONNECTION WITH ITS PURCHASE OF TWO, 2014 BRAUN XL CHEVY G4500 AMBULANCES REQUIRED TO PROVIDE EMERGENCY MEDICAL SERVICES IN AND ABOUT THE TOWNSHIP; SETTING FORTH THE FINDING THAT IT IS IN THE BEST FINANCIAL INTERESTS OF THE TOWNSHIP TO SELL THE NOTE AT PRIVATE SALE BY NEGOTIATION; CONFIRMING ACCEPTANCE OF CERTAIN PROPOSALS FOR PURCHASE OF SUCH NOTE; SETTING FORTH THE TERMS AND SUBSTANTIAL FORM OF SUCH NOTE AND AUTHORIZING EXECUTION AND AUTHENTICATION THEREOF; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE TOWNSHIP IN SUPPORT OF SUCH NOTE; APPOINTING A PAYING AGENT AND A SINKING FUND DEPOSITORY; AUTHORIZING APPROPRIATE OFFICERS OF THE TOWNSHIP TO TAKE CERTAIN ACTIONS AND TO EXECUTE CERTAIN DOCUMENTS OR AGREEMENTS IN CONNECTION WITH ISSUANCE OF SUCH NOTE; AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INSOFAR AS THE SAME SHALL BE INCONSISTENT HEREWITH.

WHEREAS, The Township of Maidencreek, Berks County, Pennsylvania (the "Township"), is a political subdivision (a Township of the Second Class) of the Commonwealth of Pennsylvania (the "Commonwealth") and 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 Supervisors (the "Board of Supervisors"); and

WHEREAS, Blandon Community Ambulance Association (the "Association") entered into equipment financing agreements with Kansas State Bank of Manhattan, dated December 23, 2013 (the "Financing Agreements"), to finance the purchase of two, 2014 Braun XL Chevy G4500 Ambulances in the approximate aggregate principal amount of $386,854 to be used in connection with providing emergency medical services in and about this Township; and

WHEREAS, The Association has received two proposals (the "Proposals") from the Pennsylvania Emergency Management Agency ("PEMA"), Harrisburg, Pennsylvania, under the Volunteer Loan Assistance Program ("VLAP") to provide loans to the Association in the aggregate principal amount of $100,000 to refund a portion of the debt incurred by the Association under the Financing Agreements (the "Project"); and

WHEREAS, The Proposals require that this Township issue a general obligation note to PEMA as security for repayment of the loan to the Association by PEMA for the Project; and

WHEREAS, The Board of Supervisors of the Township has obtained realistic cost estimates for the Project from a registered architect, a professional engineer or another person or persons qualified by experience and has determined that the total costs of the Project are not less than $100,000; and

WHEREAS, The Board of Supervisors of the Township, in contemplation of sale and of issuance of a general obligation note in the maximum principal amount of One Hundred Thousand Dollars ($100,000) to provide funds for and toward the Project, heretofore determined that such general obligation note: (a) should be offered for sale at private sale by negotiation; and (b) should be offered for sale at a price of not less than 100% of principal amount thereof; and

WHEREAS, The Board of Supervisors of the Township desires to accept the Proposals, to award the Note (hereinafter defined) to PEMA at private sale by negotiation, and to incur nonelectoral debt in connection with the Project pursuant to provisions of the Act.

NOW, **THEREFORE**, **BE IT ENACTED AND ORDAINED**, by the Board of Supervisors of the Township, as follows:

Section 1. The Board of Supervisors of the Township, pursuant to this Ordinance and in accordance with the Act, does authorize and direct the issuance of a general obligation note of the Township in the maximum principal amount of $100,000, to be designated as the "General Obligation Note, Series of 2014" (the "Note"), as security for the Project.

Section 2. The Board of Supervisors of the Township expresses its finding that it is in the best financial interests of the Township to sell the Note at private sale by negotiation and determines that the debt to be incurred pursuant to this Ordinance and to be evidenced by the Note shall be nonelectoral debt of the Township.

Section 3. A brief description of the Project is set forth in the preamble hereof. The useful life of the Project is at least 12 years.

Section 4. The Board of Supervisors of the Township shall and does accept the Proposals, and the Note shall be and is awarded to PEMA in accordance with the terms and conditions of the Proposals, the originals of which are on file with the Secretary of the Township, at private sale, at a dollar price of $100,000 (100% of principal amount), PEMA having submitted such Proposals in accordance with provisions of the Act.

Section 5. The Note, when issued, will be a general obligation note of the Township.

Section 6. The Note shall be in such form as is authorized and approved in Section 7 of this Ordinance, shall be numbered 1, shall be in a denomination not to exceed $100,000, shall be dated as of the date of delivery thereof to PEMA, and shall be payable as to principal and interest as set forth in Section 7 of this Ordinance.

Section 7. The Note shall bear interest at the fixed rate of 2.0% per annum for a period of 120 months. The Note shall be payable as to principal and interest in monthly amortized installments, all as set forth in the accepted Proposal and in the Note, the form of which shall be substantially as set forth in **Exhibit A**, which is attached to and made part of this Ordinance.

Section 8. The Township hereby appoints National Penn Bank (the "Bank") as the paying agent for the Note and directs that the principal of, redemption premium, if any, and interest on the Note shall be payable at the principal office of the Bank in Temple, Pennsylvania, in lawful money of the United States of America.

Section 9. The form of the Note shall be substantially as set forth in **Exhibit A**, which is attached hereto and made part hereof, together with such changes thereto not inconsistent with the terms of this Ordinance that shall be approved by the officer of the Township who shall execute and deliver the Note on behalf of the Township, in consultation with legal counsel to the Township, such officer's execution and delivery of the Note to constitute conclusive evidence of such approval.

Section 10. The Note shall be executed in the name of and on behalf of the Township by the manual signature of the Chairman or Vice Chairman of the Board of Supervisors, and the official seal of the Township and the manual signature of the Secretary or Assistant Secretary of the Township shall be affixed thereto in attestation thereof; and said officers are authorized to execute and to attest, as applicable, the Note, as aforesaid.

Section 11. The Township covenants to and with the registered owner, from time to time, of the Note that the Township: (i) shall include the amount of the debt service on the Note, for each fiscal year of the Township in which such sums are payable, in its budget for that 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 (hereinafter defined) or any other of its revenues or funds the principal of and the interest on the Note at the dates and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the Township shall and does pledge, irrevocably, its full faith, credit and taxing power. As provided in the Act, the foregoing covenant of the Township shall be enforceable specifically.

Section 12. There is created, pursuant to the Act, a sinking fund for the Note, to be known as "Sinking Fund - General Obligation Note, Series of 2014" (the "Sinking Fund"), which sinking fund shall be administered in accordance with applicable provisions of the Act.

Section 13. The Township appoints the Bank to act as the sinking fund depository with respect to the Sinking Fund.

Section 14. The Township covenants to make payments out of the Sinking Fund or out of any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of the Note when due.

Section 15. The Chairman or Vice Chairman of the Board of Supervisors and the Secretary or Assistant Secretary, respectively, of the Township are authorized and directed: (a) to prepare, to certify and to file the debt statement required by the Act; (b) to prepare and to file the application with the Pennsylvania Department of Community and Economic Development (the "Department"), together with a complete and accurate transcript of the proceedings relating to the incurring of the debt to be evidenced by the Note upon issuance thereof, as required by the Act; (c) to prepare and to file, if applicable, any statements required by the Act that are necessary to qualify all or any portion of nonelectoral and/or lease rental debt of the Township that is subject to exclusion as self-liquidating or subsidized debt for exclusion from the appropriate debt limit as self-liquidating or subsidized debt; (d) to pay or to cause to be paid to the Department all proper filing fees required by the Act in connection with the foregoing; and (e) to take other required, necessary and/or appropriate action.

The Board of Supervisors of the Township authorizes and directs that an appropriate borrowing base certificate for the Township be prepared for filing with the Department as required by the Act. The Chairman or Vice Chairman of the Board of Supervisors and the Secretary or Assistant Secretary of the Township are authorized to prepare and to execute, or to authorize the auditors of the Township to prepare and to execute, such borrowing base certificate.

Section 16. The Note has been sold, as set forth in this Ordinance, at private sale by negotiation, as permitted by the Act.

Section 17. It is declared that the debt to be incurred hereby, together with any other indebtedness of the Township, is not in excess of any applicable limitation imposed by the Act upon the incurring of debt by the Township.

Section 18. The Secretary or Assistant Secretary of the Township is authorized and directed to deliver the Note, after execution and attestation thereof as provided for herein, to PEMA, as provided in the accepted Proposals, but only after the Department has certified its approval pursuant to the Act or such approval shall be presumed to have been given, as provided in the Act.

Section 19. It is the intention and understanding of the Township that the Association shall pay all sums required under the Note directly to PEMA, as and when due. The Association shall reimburse the Township immediately for any sums paid by the Township under the Note, as a joint and several obligor, and shall indemnify the Township from any liability of any kind arising from the Note or the use of the proceeds thereof.

Section 20. Proper officers of the Township are authorized and directed to execute, as appropriate, and to deliver, as to join in the execution and delivery with the Association, any and all documents or agreements required to implement the financing of the Project and comply with the requirements of the VLAP.

Section 21. 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.

Section 22. All ordinances or parts of ordinances, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.

Section 23. This Ordinance shall be effective in accordance with the Act.

[SIGNATURE PAGE FOLLOWS]

DULY ENACTED AND ORDAINED, by the Board of Supervisors of the Township of Maidencreek, Berks County, Pennsylvania, in lawful session duly assembled, this 11th day of September, 2014.

TOWNSHIP OF MAIDENCREEK,
Berks County, Pennsylvania

By:_____
(Vice) Chairman of the Board of Supervisors

ATTEST:

_____
Secretary of the Township

(SEAL)

EXHIBIT A

PEMA-VL-14 (Revised 10/98)

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY
STATE FIRE COMMISSIONER'S OFFICE
VOLUNTEER LOAN ASSISTANCE PROGRAM
2605 INTERSTATE DR.
HARRISBURG, PENNSYLVANIA 17110

PROMISSORY NOTE OF THE

Blandon Community Ambulance Association and Maidencreek Township
ORGANIZATION and MUNICIPALITY

DATED: **October , 2014**

$100,000.00
AMOUNT
(Vehicles and/or Equipment)

FINAL MATURITY DATE: **October , 2024**

For value received and intending to be legally bound hereby, the undersigned

Blandon Community Ambulance Association and Maidencreek Township

duly organized and existing under laws of the Commonwealth of Pennsylvania, with its principal place of business in **Blandon**, County of **Berks**, Commonwealth of Pennsylvania (the "**MAKER**"), does hereby promise to pay to the order of the Pennsylvania Emergency Management Agency, Volunteer Loan Assistance Program, Harrisburg, Pennsylvania (the "**AGENCY**"), which **AGENCY** and any subsequent transferee hereof is sometimes referred to herein as the "**HOLDER**", at the principal office of the **AGENCY** or at such other place as the HOLDER hereof may, from time to time, direct in writing, the sum of **One Hundred Thousand Dollars and No Cents** Dollars (**$100,000.00**), lawful money of the United States of America, together with interest on the unpaid principal hereof from the date hereof at the rate of two percent (2%) per annum, as follows:

The principal sum of **One Hundred Thousand Dollars and No Cents** Dollars (**$100,000.00**), together with interest thereon at the rate of two percent (2%) per annum, in monthly installments of **Four Hundred Sixty Dollars and Seven Cents** (**$460.07**), the first monthly installment to be made on _____, and on the ____ day of each month thereafter to and including _____. Any payments made after the tenth (10th) day of each month, shall be considered a default. The remedies for default as set forth in the Agreement for Act 208 Loan Assistance, Security Agreement or Mortgage shall apply and are incorporated here.

IN ADDITION, the **MAKER** agrees to pay a penalty charge of six percent (6%) of any monthly repayment that is thirty (30) or more days late of the original due date.

The **MAKER** shall have the privilege, at any time, of prepaying the NOTE without premium or penalty, in whole or in part, provided that such prepayment shall be accompanied by accrued interest on the amount prepaid. Any partial prepayment shall be applied against the installment of principal last (by date) due and payable, and shall not postpone or interrupt payments of future installments of principal and interest which shall continue to be due and payable monthly thereafter until the NOTE is paid in full. Multiple installments of principal and interest shall be acceptable and shall result in the next monthly installment being due and payable immediately following the completion of the time period that was covered by the receipt of the multiple installment.

Interest is to be computed on a 360 days per year basis.

The Agency shall have a lien upon and security interest in: **Two, 2014 Braun XL Chevy G4500 Ambulances. Specifications on file. Vehicle ID# .** Described more fully in the Security Agreement of even date between the Agency and the Volunteer Company to secure payment of the Note and any renewals, extensions and modifications hereof.

In case of an "event of default", as set forth in the Agreement for Act 208 Loan Assistance, Security Agreement or Mortgage, shall occur, the principal amount outstanding on this NOTE may be declared or may become due and payable upon conditions, in the manner and with the effect provided in this NOTE as follows:

a. Whenever any event of default shall occur, the Agency may declare a default hereunder by giving not less than ten (10) days' written notice to the **MAKER** and thereafter any one or more of the following remedial steps may be taken, if at such time said event of default remains uncured.

b. By written notice delivered to the **MAKER**, declare all payments of the Loan to be immediately due and payable, whereupon the same immediately shall be due and payable, anything herein to the contrary notwithstanding.

c. Take any action at law or in equity to collect the payment or payments then due and thereafter to become due, or to secure possession, or to enforce performance and observance of any obligation, agreement or covenant of the **MAKER** hereunder.

d. In case of an event of default, **MAKER** hereby irrevocably authorizes and empowers any attorney of any court of record of Pennsylvania or elsewhere to appear for and confess judgment against **MAKER** for all amounts for which **MAKER** may be or become liable to the Agency or its assignee under this Agreement, as evidenced by an affidavit signed by an officer of the Agency or of said assignees setting forth the amounts then due, including interest thereon plus 5% as an attorney's fee and together with costs of suit and release of errors. Such authority shall not be exhausted by any one exercise thereof, but judgment may be confessed as aforesaid from time to time as often as there is an event of default hereunder.

e. The procedure above shall conform to the Pennsylvania Rules of Civil Procedure governing confession of judgment for money.

f. The **MAKER** hereby waives and releases all errors, defects and imperfections whatsoever of a purely procedural nature in the entering of any judgment or any process or proceedings arising out of this NOTE. **MAKER** also waives the benefit of any laws which now or hereafter might authorize the stay of any execution to be issued on any judgment recovered hereunder.

g. No right or remedy herein conferred upon or reserved to the Agency is intended to be exclusive of any other right or remedy, but each shall be cumulative and in addition to every other right or remedy herein given now or hereafter existing at law or in equity or by statute. In order to entitle the **Agency** to exercise any right or remedy reserved to it herein, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

Notwithstanding any provision or obligation to the contrary in the foregoing, the liability of the **MAKER** for the payment of this NOTE or performance of obligations under the Security Agreement or for costs, fees, penalties, taxes, interest, charges and other payments of any kind, nature or description provided for therein, shall be limited to the Property described in the Security Agreement and the lien of any judgment shall be restricted thereto.

The **MAKER** intends this to be a sealed instrument and to be legally bound hereby.

All issues arising hereunder shall be governed by laws of the Commonwealth of Pennsylvania.

This NOTE is issued by the **MAKER** to aid in the financing of the purchase of fire fighting apparatus equipment, ambulances, and/or rescue vehicles, protective and/or communications equipment, and/or any other accessory equipment necessary for the proper performance of such organizations' duties, as such terms are defined in the Volunteer Fire Company, Ambulance Service, Rescue Squad Assistance Act, P.L. 208 (1976), (72 P.S. 3943.1 et seq.), to accomplish the public purposes of the Act.

This obligation shall bind the **MAKER** and its successors and assigns, and the benefits hereof shall inure to the **AGENCY** and its successors and assigns.

IN WITNESS WHEREOF, **Blandon Community Ambulance Association** has caused this NOTE to be signed in its name and in its behalf by _____, and its seal to be affixed hereto, duly attested by its Authorized Officer, all as of **October , 2014**.

ATTEST:

Blandon Community Ambulance Association

Volunteer Company

Authorized Officer

Authorized Officer

Title

Title

(SEAL)

Maidencreek Township

Authorized Official (name & title)

Municipality

(SEAL)

CERTIFICATE

I, the undersigned, Secretary of the Township of Maidencreek, Berks County, Pennsylvania (the "Township"), certify that: the foregoing is a true and correct copy of an Ordinance which duly was enacted by the Board of Supervisors of the Township, in accordance with law, at a meeting duly held on September 11, 2014; said Ordinance duly has been recorded in the ordinance book of the Township; said Ordinance, upon enactment, as aforesaid, was assigned Ordinance No. _____; the total number of members of the Board of Supervisors of the Township is three (3); the vote of members of the Board of Supervisors of the Township, upon enactment of said Ordinance, the yeas and nays having been called, duly was recorded by me, as Secretary, as follows:

David Franke	-	
Joseph Rudderow III	-	
Claude Beaver	-	;

a Notice with respect to the proposed enactment of said Ordinance has been published, as required by law, in a daily newspaper of general circulation in the Township; said Ordinance was available for inspection by any interested citizen requesting the same in accordance with the requirements of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania (the "Commonwealth") and such notice; and said Ordinance has not been amended, altered or repealed, as of the date of this Certificate.

I further certify that the Board of Supervisors of the Township met the advance notice and public comment requirements of the Sunshine Act, 65 Pa.C.S. §701 et seq., of the Commonwealth, by advertising the time and place of said meeting, by posting prominently a notice of said meeting at the public building in which said meeting was held, and by providing a reasonable opportunity for public comment at said meeting.

IN WITNESS WHEREOF, I set my hand and affix the official seal of the Township, this 11th day of September, 2014.

_____
Secretary of the Township of Maidencreek, Berks County, Pennsylvania

(SEAL)