

0-2022-05

**ORDINANCE
TOWNSHIP OF SWATARA,
DAUPHIN COUNTY, PENNSYLVANIA**

TO AUTHORIZE AND DIRECT THE INCURRING OF NON-ELECTORAL DEBT THROUGH THE ISSUANCE OF A GENERAL OBLIGATION NOTE, SERIES OF 2022 (THE "NOTE") IN THE PRINCIPAL AMOUNT OF \$1,023,000 OF THE TOWNSHIP OF SWATARA, DAUPHIN COUNTY, PENNSYLVANIA (THE "MUNICIPALITY") FOR THE PURPOSE OF PROVIDING FUNDS TO (1) UNDERTAKE CERTAIN CAPITAL PROJECTS AS DESCRIBED HEREIN (COLLECTIVELY, THE "CAPITAL PROJECT"); AND (2) PAY THE COSTS OF ISSUING THE NOTE OR ANY OR ALL OF THE SAME; STATING THAT REALISTIC COST ESTIMATES HAVE BEEN MADE FOR THE CAPITAL PROJECT AND STATING THE ESTIMATED PROJECT COMPLETION DATE; STATING THE REALISTIC ESTIMATED USEFUL LIVES OF THE PROJECT FOR WHICH THE NOTE IS ISSUED; DIRECTING THE PROPER OFFICERS OF THE MUNICIPALITY TO PREPARE, CERTIFY AND FILE THE REQUIRED DEBT STATEMENT AND BORROWING BASE CERTIFICATE; COVENANTING THAT THE MUNICIPALITY 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, INTEREST PAYMENT DATES, PROVISIONS FOR REDEMPTION AND STATED PRINCIPAL MATURITY AMOUNTS AND FIXING THE RATES OF INTEREST ON SUCH NOTE; APPROVING THE FORM OF A LOAN AGREEMENT WITH THE COUNTY OF DAUPHIN, PENNSYLVANIA; AUTHORIZING THE PROPER OFFICERS OF THE MUNICIPALITY TO CONTRACT WITH A BANK OR BANK AND TRUST COMPANY FOR ITS SERVICES AS SINKING FUND DEPOSITORY, PAYING AGENT AND REGISTRAR; PROVIDING FOR THE REGISTRATION, TRANSFER AND EXCHANGE OF THE NOTE; PROVIDING FOR THE EXECUTION, DELIVERY AND AUTHENTICATION OF THE NOTE AND THE DISPOSITION OF THE PROCEEDS THEREOF; APPROVING THE FORM OF THE NOTE, PAYING AGENT'S AUTHENTICATION CERTIFICATE AND ASSIGNMENT; AWARDING SUCH NOTE AT A SALE BY NEGOTIATION AND STATING THAT SUCH SALE IS IN THE BEST FINANCIAL INTEREST OF THE MUNICIPALITY; CREATING A SINKING FUND AND APPROPRIATING ANNUAL AMOUNTS FOR THE PAYMENT OF DEBT SERVICE ON THE NOTE;

AUTHORIZING AND DIRECTING THE PROPER OFFICERS OF THE MUNICIPALITY TO CERTIFY AND TO FILE WITH THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT CERTIFIED COPIES OF THE NECESSARY PROCEEDINGS; UNDERTAKING CERTAIN TAX COVENANTS WITH REGARD TO THE NOTE; APPROVING FILING CERTAIN DOCUMENTS IN CONNECTION WITH THE MUNICIPALITY'S CONTINUING DISCLOSURE OBLIGATIONS, IF NECESSARY; AUTHORIZING AND DIRECTING THE PROPER OFFICERS OF THE MUNICIPALITY TO DO ALL THINGS NECESSARY TO CARRY OUT THIS ORDINANCE AND THE LOAN AGREEMENT; AUTHORIZING AND DIRECTING THE PROPER OFFICERS OF THE MUNICIPALITY TO PAY ISSUANCE COSTS; AUTHORIZING INCIDENTAL ACTIONS; RESCINDING INCONSISTENT ORDINANCES; AND STATING THE EFFECTIVE DATE.

WHEREAS, the Township of Swatara, Dauphin County, Pennsylvania (the "Municipality") is a Township existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth") and is a Local Government Unit, as defined in the Local Government Unit Debt Act, 53 Pa.C.S. §8001 *et seq.*, as amended and supplemented (the "Debt Act"); and

WHEREAS, the Board of Commissioners (the "Governing Body") of the Municipality desires to undertake certain capital projects, including construction of improvements to the Spring Creek system, including stormwater sediment reduction projects in partnership with Pennsylvania Department of Transportation (collectively, the "Capital Project"); and

WHEREAS, to finance the costs of the Capital Project the Municipality has determined to issue its General Obligation Note, Series of 2022, in the principal amount of \$1,023,000 (the "Note"); and

WHEREAS, the County of Dauphin, Pennsylvania (the "County" or the Purchaser") has established the Dauphin County Infrastructure Bank-General Program (the "DCIB-G Program") to assist municipalities located in the County in financing water, wastewater, and stormwater infrastructure improvement projects that support economic development, public health and safety; and

WHEREAS, the County has authorized the DCIB-G Program to provide reduced interest rate loans to municipal entities in the County for eligible projects; and

WHEREAS, to finance the DCIB-G Program, it is anticipated that the Board of Commissioners of the County will enact an ordinance authorizing the issuance of tax-exempt general obligation bonds or notes (the "DCIB-G Note") in the aggregate principal amount not to exceed \$11,416,000; and

WHEREAS, the County will lend the proceeds of the DCIB-G Note to the municipal entities whose projects have been approved for financing through the DCIB-G Program by the County; and

WHEREAS, on July 13, 2022, the Board of County Commissioners approved the projects for inclusion in the DCIB-G Program, one of which was the Project (hereinafter defined) to be undertaken by the Municipality; and

WHEREAS, the County has presented to Municipality a Purchase Proposal (defined hereinafter), attached hereto as Exhibit D, to use proceeds of the DCIB-G Note to purchase the Note; and

WHEREAS, the Municipality will enter into a loan agreement with the County (the "Loan Agreement") pursuant to which, *inter alia*, the County will agree to loan a portion of the proceeds of the DCIB-G Note to the Municipality to finance the cost of the Project and the Municipality will agree to repay the loan of DCIB-G Note proceeds; and

WHEREAS, the issuance of the Note by the Municipality constitutes the incurrence of non-electoral debt by the Municipality within the meaning of the Debt Act.

NOW, THEREFORE, BE AND IT HEREBY IS ENACTED AND ORDAINED, by the Board of Commissioners (the "Governing Body") of the Municipality, as follows:

Section 1. Incurrence of Debt; Amount and Purpose of Note; Realistic Cost Estimates; Estimated Project Completion Date. The Governing Body of the Municipality hereby authorizes and directs the incurring of non-electoral debt through the issuance of its Note to provide funds to (i) undertake the Capital Project; and (ii) to pay the costs of issuing the Note ((i) and (ii) collectively, the "Project"). Realistic cost estimates have been obtained for the Capital Project through estimates made by qualified persons, as required by Section 8006 of the Act.

The Municipality hereby reserves the right to undertake components of the Project in such order and at such time or times as it shall determine and to allocate the proceeds of the Note and other available moneys to the final costs of the Project in such amounts and order of priority as it shall determine; but the proceeds of the Note shall be used solely to pay the "costs," as defined in the Act, of the Project described herein or, upon appropriate amendment hereto, to pay the costs of other projects for which the Municipality is authorized to incur indebtedness.

The estimated completion date of the Capital Project is December 31, 2024.

The first stated principal installment of the Note shall be made within the later of two years from the date of issue or one year following such estimated completion date of the Capital Project in compliance with Section 8142(c) of the Act.

Section 2. Realistic Estimated Useful Life. The realistic estimated useful life of the Capital Project is estimated to be in excess of twenty-five (25) years and the principal amount

of the Note equal to the separate costs of the Capital Project having a shorter useful life than the period during which the Note will be outstanding has been scheduled to mature prior to the end of such useful life, and the balance prior to the end of the longest useful life.

Section 3. Debt Statement and Borrowing Base Certificate. The President or Vice President of the Governing Body, and the Secretary or Assistant Secretary or any one of them, and/or any other duly authorized or appointed officer of the Municipality (“Proper Officers”), are hereby authorized and directed to prepare and certify a debt statement required by Section 8110 of the Act and a Borrowing Base Certificate.

Section 4. Loan Agreement. The Municipality shall enter into the Loan Agreement, to be dated the date of issuance and delivery of the Note, with the County.

The Loan Agreement shall be substantially in the form presented to this meeting and attached hereto as Exhibit A, which form is approved, together with such changes therein as shall be approved by the solicitor to the Municipality and bond counsel for the Municipality, if applicable, and the Proper Officers of the Municipality executing the same, their execution and delivery thereof to constitute conclusive evidence of such acceptance.

The Proper Officers of the Municipality are hereby authorized to execute, to attest and to deliver the Loan Agreement.

Section 5. Covenant to Pay Note. It is covenanted with the holders of the Note that the Municipality shall: (i) include the amount of the debt service for the Note for each fiscal year in which the sums are payable in its budget for that year; (ii) appropriate those amounts from its general revenues for the payment of the debt service; and (iii) duly and punctually pay, or cause to be paid, from its sinking fund or any other of its revenues or funds the principal of, and the interest on, the Note at the dates and places and in the manner stated in the Note according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the Municipality pledges its full faith, credit and taxing power. The covenant contained in this **Section 5** shall be specifically enforceable.

Section 6. Form of Note; Description of Note. The Note is substantially in the form set forth in Exhibit A, hereto. The Note shall be in registered form, without coupons, and shall be numbered in such manner as may be satisfactory to the Municipality and the County. So long as the Note is held by the County, the Note shall not require numbering as recommended by the Committee on Uniform Security Identification Procedures (“CUSIP”).

The Note shall be issued in the principal amount of \$1,023,000, or such lesser amount as authorized by the Governing Body of the Municipality pursuant to this Ordinance, shall be dated the date of its issuance, and shall bear interest, until maturity or prior prepayment, at the rates per annum, and shall mature in the amounts and in certain years, all as set forth in Exhibit B attached hereto and made a part hereof. The Note shall be issued in certificated form in the form of a single certificate for the entire principal amount of the Note with one maturity date and annual principal payments. The full principal amount of the Note shall be advanced by the County, on the date of issuance hereof.

If the date for payment of the principal of, or interest on, the Note is not a business day, then the date of such payment shall be the next succeeding day which is a business day. Payment on such subsequent business day shall have the same force and effect as if made on the nominal date of payment. A business day shall be any day in which the Purchaser and the Paying Agent are not authorized by law or under lawful authority to be closed.

The principal of and interest on the Note shall be payable in lawful money of the United States of America at the offices of the Paying Agent (hereinafter defined).

The Municipality shall have the right to prepay all principal and interest on the Note pursuant to the terms set forth in the Note.

Section 7. Execution, Delivery and Authentication of the Note; Disposition of Proceeds. The Note shall be executed by the manual or facsimile signature of the Proper Officers, or any one of them, and/or any other duly authorized or appointed officer of the Municipality, and shall have the corporate seal of the Municipality or a facsimile thereof impressed thereon, duly attested by the manual or facsimile signature of the Secretary or Assistant Secretary of the Municipality, and such officers are hereby authorized and directed to execute the Note in such manner. In case any official of the Municipality whose manual or facsimile signature shall appear on the Note shall cease to be such official before the authentication of the Note, such signature or the facsimile signature thereof shall nevertheless be valid and sufficient for all purposes the same as if such official had remained in office until authentication; and the Note may be signed on behalf of the Municipality, even though at the date of authentication of such Note such person was not an official. The Proper Officers of the Municipality, any one of them, and/or any other duly authorized or appointed officer of the Municipality, are authorized and directed to deliver, or cause to be delivered, the Note to the Purchaser as purchaser thereof against the full balance of the purchase price therefor.

Section 8. Paying Agent, Sinking Fund Depository and Registrar. The Governing Body pursuant to authorization contained herein hereby authorizes and directs the Proper Officers to contract with a Pennsylvania bank and trust company (the "Paying Agent"), for its services as sinking fund depository, paying agent and registrar with respect to the Note, and the Paying Agent is hereby appointed to act in such capacities with respect to the Note. There is hereby established a separate sinking fund for the Municipality designated as the "Sinking Fund – General Obligation Note, Series of 2022" (the "Sinking Fund"). Into the Sinking Fund there shall be paid, when and as required, all moneys necessary to pay the debt service on the Note, and the 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 earlier prepayment and to no other purpose whatsoever, except as may be authorized by law, until the same shall have been fully paid. The Paying Agent, as sinking fund depository shall, as and when said payments are due, without further action by the Municipality, withdraw available monies in the Sinking Fund and apply said monies to the payment of the principal of and interest on the Note.

The amounts set forth in Exhibit C attached hereto and made a part hereof shall be pledged in each of the fiscal years shown in Exhibit C to pay the debt service on the Note, and such amounts are annually hereby appropriated to the Sinking Fund for the payment thereof.

The proceeds of the Note shall be deposited in a settlement fund which the Paying Agent shall create and shall be disbursed, transferred or deposited as directed in a closing receipt duly executed and delivered by an authorized officer of the Municipality on the date of issuance and delivery of the Note.

Section 9. Manner of Sale; Award of Note. The Governing Body of the Municipality after due deliberation and investigation has found that a private sale by negotiation is in the best financial interest of the Municipality and based upon such finding the Governing Body of the Municipality hereby awards the Note, at negotiated sale, to the Purchaser for its own account, upon the terms set forth in its proposal for purchase of the Note (the "Purchase Proposal"), a copy of which is attached hereto as Exhibit D and made a part hereof. Such details are hereby approved.

The execution and delivery of the Purchase Proposal by Proper Officers of the Municipality shall constitute conclusive evidence of such approval.

Section 10. Debt Proceedings. The Secretary or Assistant Secretary of the Municipality are hereby authorized and directed to certify to and file with the Pennsylvania Department of Community and Economic Development, 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 and borrowing base certificate referred to hereinabove, as well as any certificate excluding such debt as subsidized or self-liquidating debt of the Municipality (which may be filed simultaneously with the proceedings taken in connection with the increase of debt or at such other time as determined by the Municipality), and to pay the filing fees necessary in connection therewith.

Section 11. Tax Covenants. The Municipality acknowledges that the DCIB-G Note is being issued by the County as a tax-exempt obligation compliant with all the provisions of Section 103 and 141 through 150, inclusive, of the Internal Revenue Code of 1986, as amended (the "Tax Code").

(a) The Municipality represents and warrants that the proceeds of the Note are being applied for the purposes described herein as the Project.

(b) The Municipality further represents and warrants that it will take such actions as shall be necessary or desirable, from time to time and within its reasonable control, as shall be necessary to maintain the exclusion of interest paid on the DCIB-G Note from the gross income of the owner of the DCIB-G Note for federal income tax purposes, pursuant to the requirements of the Tax Code. The Municipality will not take any action or permit any action to be taken on its behalf or cause or permit any circumstance within its control to arise or continue, if such action or circumstance, or its expectation on the date of issue of the Note, would cause the interest paid by the Municipality on the DCIB-G Note to be subject to federal income tax in the hands of the owner thereof.

Section 12. Settlement Account and Project Fund. The Municipality hereby creates with the Paying Agent a special account to be known as the "Township of Swatara - 2022 Note Settlement Account" (the "Settlement Account"). The Settlement Account shall be held in

trust for the benefit of the Municipality until disbursed in accordance with the provisions hereof. The Municipality shall deliver the net proceeds (including accrued interest, if any) derived from the sale of the Note to the Paying Agent for deposit in the Settlement Account. The Paying Agent shall disburse, transfer or deposit such proceeds as directed in the Closing Receipt.

The Municipality hereby creates with the Paying Agent a special fund to be known as the “Township of Swatara - 2022 Capital Project Fund” (the “Capital Project Fund”). The Capital Project Fund shall be held in trust for the benefit of the Municipality until disbursed in accordance with the provisions hereof. The proceeds of the Note on deposit in the Capital Project Fund shall be used, upon written requisition by any one of the Proper Officers of the Municipality, to pay the costs of the Capital Project or other eligible Capital Project costs. Proceeds of the Notes remaining on deposit in the Capital Project Fund upon completion of the Capital Project shall, upon the advice of and as directed by counsel, be either (i) transferred to the Sinking Fund and used by the Municipality to pay debt service on the Note, or (ii) used by the Municipality to optionally redeem the Note, as appropriate, pursuant to the redemption provisions of this Ordinance.

Section 13. Continuing Disclosure. If required under an existing continuing disclosure obligation, the Municipality covenants to provide notice of the incurrence of indebtedness evidence by the Note in the form attached hereto as Exhibit E within ten (10) business days of closing for the Note. Any continuing disclosure filing required under this Ordinance shall be made solely by transmitting such filing through the EMMA System of the Municipal Securities Rulemaking Board, at www.emma.msrb.org.

Section 14. Incidental Actions. The Proper Officers are hereby authorized, directed and empowered on behalf of the Municipality 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 the provisions of this Ordinance, and the issuance and delivery of the Note.

Section 15. Payment of Issuance Costs. The Proper Officers are hereby authorized and directed to pay the costs of issuing the Note at the time of delivery of the Note to the Purchaser, such costs being estimated in the Purchase Proposal attached hereto.

Section 16. Rescinding Inconsistent Ordinances. All ordinances or parts of ordinances inconsistent herewith are rescinded, cancelled and annulled.

Section 17. Severability. In the case any one or more of the provisions of this Ordinance shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Ordinance and this Ordinance shall be construed and enforced as if such illegal or invalid provisions had not been contained herein.

Section 18. Effective Date. This Ordinance shall become effective on the earliest date permitted by the Act.

DULY ENACTED, by the Board of Commissioners, in lawful session duly assembled, this 14th day of September, 2022.

TOWNSHIP OF SWATARA,
Dauphin County, Pennsylvania

By: *Christine L. Zubeck*
(Vice) President of the Board of Commissioners

ATTEST:

Karen Alleman
(Assistant) Secretary of the Township

(SEAL)

CERTIFICATE

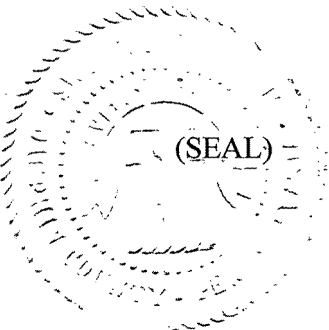
I, the undersigned, (Assistant) Secretary of the Township of Swatara, Dauphin County, Pennsylvania (the "Municipality"), DO HEREBY CERTIFY that: the foregoing is a true and correct copy of an Ordinance that duly was duly enacted by affirmative vote of a majority of all members of the Board of Commissioners of the Municipality at a meeting duly held on September 14, 2022; said Ordinance duly has been recorded in the minute book of the Board of Commissioners of the Municipality; a notice with respect to the intent to enact said Ordinance has been published as required by law; 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; and said Ordinance has not been amended, altered, modified or repealed as of the date of this Certificate.

I further certify that the Board of Commissioners of the Municipality met the advance notice and public comment and agenda posting and availability requirements of the Sunshine Act, 65 Pa. Cons. Stat. §701 *et seq.*, by advertising the time and place of said meeting, by posting the agenda of said meeting on the Municipality's website, by posting prominently a notice of said meeting and the agenda of said meeting at the principal office of the Municipality and at the public building in which said meeting was held, by making copies of the agenda available for the public at the meeting, and by providing a reasonable opportunity for public comment at such meeting prior to enactment of said Ordinance, all as required by such Act.

I further certify that: the total number of members of the Board of Commissioners of the Municipality is five (5); the vote of members of the Board of Commissioners of the Municipality upon said Ordinance was called and duly was recorded upon the minutes of said meeting and members of the Board of Commissioners of the Municipality voted upon said Ordinance in the following manner:

<u>Name</u>	<u>Vote</u>
Christine Zubeck	YAY
Jeff Varner	YAY
Shaela Ellis	YAY
Richard Boudier	YAY
Michael Tuckey	YAY

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Municipality this 14th day of September, 2022.



Karen Alleman
(Assistant) Secretary of the Township

EXHIBIT A
FORM OF LOAN AGREEMENT (INCLUDING NOTE)

LOAN AGREEMENT

THIS LOAN AGREEMENT (this “**Agreement**”), dated this _____ of October, 2022, by and between the County of Dauphin (the “**County**”), with its administrative offices located at 2 S. Second Street, Harrisburg, PA 17101 and Township of Swatara, Dauphin County, Pennsylvania (the “**Municipality**”), with its administrative offices located at 599 Eisenhower Boulevard, Harrisburg, PA 17111.

RECITALS

WHEREAS, the Municipality is both a “local government unit” and a “township” duly organized and operating under the Constitution and the laws of the Commonwealth of Pennsylvania (the “**Commonwealth**”), particularly the Local Government Unit Debt Act, as amended (53 Pa.C.S. § 8001 *et seq.*, the “**Debt Act**”); and

WHEREAS, pursuant to that certain Ordinance of the Municipality, enacted on September 14, 2022 (the “**Ordinance**”), the Municipality has determined to undertake a project (the “**Project**”) consisting of (i) financing a capital project consisting of the construction of improvements to the Spring Creek system, including stormwater sediment reduction projects in partnership with Pennsylvania Department of Transportation, and (ii) paying the costs of financing; and

WHEREAS, the Municipality is authorized by law, including, in particular, the Debt Act, among other things, to borrow money and to make and issue negotiable notes and bonds, and to make such agreements in connection therewith as the Municipality shall deem advisable; and

WHEREAS, the County has authorized a loan financing program offering subsidized interest rate loans to municipal entities in the County for qualified municipal infrastructure projects designated as the “Dauphin County Infrastructure Bank Program – General” (the “**DCIB-G Program**”); and

WHEREAS, on September 7, 2022, the County approved the issuance of a tax-exempt general obligation note (the “**DCIB-G Note**”) in the aggregate principal amount not to exceed \$11,416,000 in order to fund the DCIB-G Program for 2022; and

WHEREAS, to finance the Project the Municipality has requested the County to make a loan to the Municipality through the DCIB-G Program in the amount of \$1,023,000 (the “**Loan**”) and the County is willing to make the Loan to the Municipality upon the terms and conditions hereinafter set forth and in its purchase proposal dated August 24, 2022 (the “**Purchase Proposal**”), which was accepted by the Municipality in accordance with the Ordinance; and

WHEREAS, as evidence of the Loan made by the County hereunder the Municipality is issuing its General Obligation Note, Series of 2022, in the original principal amount of \$1,023,000, in the form attached hereto as Exhibit A (the “**Note**”), for purchase by the County pursuant to the Purchase Proposal; and

WHEREAS, the Note is secured by the full faith, credit and taxing power of the Municipality in accordance with the Ordinance; and

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein set forth, the parties hereto, each intending to be legally bound hereby, covenant and agree as follows:

Section 1. Definitions.

In this Agreement (except as otherwise expressly provided for or unless the context otherwise requires), the following terms have the meanings specified in the foregoing recitals:

Agreement	Loan
Commonwealth	Municipality
County	Note
Debt Act	Ordinance
DCIB-G Note	Project
DCIB-G Program	Purchase Proposal

In addition, the following terms shall have the following meanings, unless the context otherwise requires:

“**Closing Date**” means the date on which all conditions precedent in Section 8 of this Agreement have been satisfied or waived by the County.

“**Date of Issuance**” has the meaning given such term in Section 2 hereof.

“**Default Rate**” means a rate of interest per annum equal to 5.00%.

“**Designated Officers**” means any member of the Governing Body and the Secretary of the Municipality, or their duly elected or appointed and acting successors.

“**Event of Default**” means an event specified in Section 11.

“**Governing Body**” means the Board of Commissioners of the Municipality.

“**Late Charge**” has the meaning given such term in Section 2 hereof.

“**Loan Documents**” has the meaning given such term in Section 6 hereof.

“**Maturity Date**” means November 1, 2032.

“**Paying Agent**” means Webster Bank, N.A., the paying agent and registrar for the Note.

Section 2. Loan; Note; Interest.

Subject to the terms and conditions and relying upon the representations and warranties herein set forth, the County agrees to make the Loan to the Municipality on the date hereof. To evidence the Loan, the Municipality shall execute and deliver the Note to the County. The Note shall be in the form of a fully registered instrument, registered in the name of the County in the principal amount of \$1,023,000.

The Note shall be in the form attached hereto as Exhibit A, will be dated the Closing Date (also referred to herein as the “**Date of Issuance**”) and shall bear interest on the unpaid balance of principal of the Note at a fixed rate of 1.74% per annum, based on a 30/360 year formulation for the actual number of days. Such interest shall be payable from the Date of Issuance through and including the Maturity Date or earlier prepayment in whole. Such interest shall be payable semi-annually during the term of the Note, on May 1 and November 1 of each year.

Notwithstanding anything herein to the contrary, upon a determination by the County that as a result of any action or failure to take action by the Municipality, all or any portion of the interest on the DCIB-G Note shall be subject to federal income tax, the Note will bear interest at the Default Rate. In addition, the Municipality will pay to the County on demand the difference between the amount of interest which the County would have received in interest at the Default Rate if the indebtedness evidenced by the Note had borne interest at the Default Rate during the entire period that interest on the DCIB-G Note is so declared, determined or required to be taxable (as a result of any action or failure to take action by the Municipality) or to cause a loss of deduction, together with such penalties and interest, if any, due and payable because of non-payment of federal income taxation less interest paid at the tax-exempt rate notwithstanding that the indebtedness evidenced by the Note may have been paid in full prior to such declaration or determination. In the event of any such declaration or determination, the County, as the registered owner, will promptly give written notice of the same to the Municipality.

Notwithstanding anything herein to the contrary, upon an Event of Default, at the option of the County, the Note shall bear interest at the Default Rate.

If the Municipality fails to make any payment of principal, interest or other amount coming due pursuant to the provisions of the Note within ten (10) calendar days of the date due and payable, the Municipality also shall pay to the registered owner thereof a late charge equal to the greater of five percent (5.00%) of the amount of such payment or \$25.00, whichever is greater (the “**Late Charge**”). Such ten-day period shall not be construed in any way to extend the due date of any such payment. Both the Late Charge and the Default Rate are imposed as liquidated damages for the purposes of defraying the County’s expenses incident to the handling of delinquent payments, but are in addition to, and not in lieu of, the County’s exercise of any rights and remedies thereunder, or under applicable law, and any fees and expenses of any agents or attorneys which the County may employ. In addition, the Default Rate reflects the increased credit risk to the County of carrying a loan that is in default. The Municipality agrees that the Late Charge and the Default Rate are reasonable forecasts of just compensation for anticipated and actual harm incurred by the County, and that actual harm incurred by the County cannot be estimated with certainty and without difficulty.

The obligations of the Municipality under this Section 2 shall survive the termination of this Agreement.

Section 3. Payments.

Payments of principal of the Loan will be made in accordance with the Debt Service Schedule attached to the Note and incorporated by reference, together with interest thereon at the applicable rate and payable on the dates stated in Section 2, and shall be paid in immediately available funds by wire transfer to such account as directed by the County to the Paying Agent without the need for the County to surrender the Note. All outstanding principal of and accrued interest on the Note shall be due and payable in full not later than the Maturity Date of the Note.

Section 4. Prepayment.

Beginning on December 1, 2024, and any time thereafter, Municipality has retained the right to prepay all or any part of the outstanding principal of the Note in advance of the Maturity Date, upon thirty (30) days' prior written notice to the County. Such prepayment of the Note shall not be subject to any prepayment penalty or premium.

Section 5. Note Registration.

Pursuant to the Ordinance, the Paying Agent shall keep books for the registration of the Note. The principal of and interest on the Note shall be payable only to the registered owner or his attorney or legal representative.

The transfer of the Note may be registered only upon the books kept for the registration and transfer of the Note upon surrender thereof to the Paying Agent together with an assignment duly executed by the registered owner or his attorney or legal representative and shall be in such form as shall be satisfactory to the Paying Agent.

The person in whose name the Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes. Payment of or on account of the principal of and interest on said Note shall be made only to the registered owner thereof or his registered assigns. All such payments shall be valid and effectual to satisfy and discharge the liability upon said Note, including the interest thereof, to the extent of the sum or sums so paid.

Section 6. Security.

The Note is a valid and binding general obligation of the Municipality. The Municipality has covenanted in the Ordinance with the owners from time to time of the Note to: (i) include the amount of the debt service respect to the Note for each fiscal year in which the sums are payable in its budget for that year; (ii) appropriate those amounts from its general revenues for the timely payment of such debt service; and (iii) duly and punctually pay, or cause to be paid, from its sinking fund or any other of its revenues or funds the principal of, and the interest on, the Note at the dates and places and in the manner stated in the Note according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the Municipality has pledged its full faith, credit and taxing power. As provided for in the Debt Act, such covenant shall be specifically enforceable by the County.

Notwithstanding the foregoing, nothing contained herein shall prohibit or restrain the authorization, issuance, sale or delivery of additional bonds or notes of the Municipality, including but not limited to tax and revenue anticipation notes, on parity with the Note.

This Agreement, the Note, the Ordinance and all other agreements and documents executed and/or delivered pursuant hereto, as each may be amended, modified, extended or renewed from time to time with the prior written consent of the County, are collectively referred to as the “**Loan Documents.**” Capitalized terms not defined herein shall have the meanings ascribed to them in the Loan Documents.

The obligations of the Municipality hereunder shall not be affected by any bankruptcy, arrangement of creditors, reorganization or similar proceedings of the Municipality; and, to the extent applicable, the Municipality specifically waives any right or benefit which could accrue to it by reason of any such proceeding and agrees that the same shall not affect the liability of the Municipality hereunder.

Section 7. Representations.

To induce the County to make the Loan to the Municipality pursuant to this Agreement, the Municipality hereby represents and warrants to the County that:

(a) The Municipality is a “local government unit” as defined in the Debt Act. The Municipality possesses all requisite power and authority under laws of the Commonwealth to enter into and to perform all the covenants and agreements set forth in this Agreement, to issue the Note and to undertake the Project. The Municipality is duly authorized to execute and deliver the Loan Documents, all necessary action to authorize the execution and delivery of the Loan Documents has been properly taken, and the Municipality is duly authorized to borrow under this Agreement and to perform all of the other terms and provisions of the Loan Documents.

(b) The Municipality has full power and authority to enter into the transactions provided for in this Agreement, including, without limitation, the issuance, execution and delivery of the Note, and has been duly authorized to do so by appropriate action of the Governing Body of the Municipality or otherwise as may be required by law, charter, other organizational documents or agreement, and this Agreement and the Note, when executed and delivered by the Municipality, will constitute the legal, valid and binding obligation of the Municipality enforceable in accordance with its terms.

(c) There is no litigation pending in any court against the Municipality, nor to the knowledge of the Municipality is there any threatened, in any court or other tribunal of competent jurisdiction, State or Federal, against the Municipality, in any way: (a) affecting the existence of the Municipality or the titles of its officers to their respective offices; (b) seeking to prohibit, restrain or enjoin the issuance, execution or delivery of the Note or the collection of taxes and general revenues of the Municipality pledged to pay the Note; (c) contesting the power or authority of the Municipality to issue, execution and deliver the Note, to enact the Ordinance, to execute and deliver this Agreement and any other Loan Documents, or to perform any official act in connection with any of the foregoing instruments; or (d) questioning or affecting the validity of the Note, the

Ordinance, this Agreement, or any other Loan Documents, or the proceedings of the Municipality relating to the issuance, execution or delivery of the Note.

(d) Neither this Agreement, the Note, the Loan Documents, nor any certificate or other document furnished to the County in connection herewith contains or will contain any untrue statement of material fact or omits or will omit to state a material fact necessary in order to make the statements contained in this Agreement or the Note not misleading. There is no fact known to the Municipality which materially adversely affects or, so far as the Municipality can now foresee, might materially adversely affect, the business, assets, operations, financial condition or results of operation of the Municipality and which has not otherwise been fully set forth in this Agreement.

(e) The Municipality is in compliance with all terms and conditions set forth herein, and no Event of Default and no condition or event which, with the giving notice or lapse of time, or both, would, unless cured or waived, become an Event of Default, has occurred and is continuing or exists.

(f) There is no agreement or law binding on the Municipality which would conflict with or in any way prevent the execution, delivery or performance of any Loan Document or which would be in default or violated as a result of such execution, delivery or performance.

(g) The financial statements of the Municipality heretofore furnished to the County present fairly the financial condition of the Municipality at the respective dates indicated therein and there has been no material adverse change in the business, assets, operations, financial condition or results of operation of the Municipality from that reflected in such financial statements. Since the date of such financial statements, the Municipality has not entered into any direct or contingent bond debt, lease, installment purchase, or loan obligations.

(h) The Municipality is not in default in the payment of any indebtedness.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to have been performed and to have happened precedent to and in connection with the execution, issuance and delivery of this Agreement and the Note do exist, have been performed and have happened and that the Note are within every debt and other limitation prescribed by law.

Section 8. Conditions of Lending.

The obligation of the County to make the Loan is subject to the accuracy of all representations and warranties herein contained, to the performance by the Municipality of its agreements to be performed hereunder, and to the satisfaction of the following further conditions:

(a) The Municipality shall be in compliance with all terms and conditions set forth herein, and no Event of Default and no condition or event which, with the giving of notice or lapse of time, or both, would, unless cured or waived, become an Event of Default, shall have occurred and be continuing or shall exist;

(b) The execution and delivery of this Agreement and the originally fully executed Note, in form and substance acceptable to the County (provided that an electronic copy of the original Note shall be sufficient for the closing of the Loan with the original to immediately follow

to the attention of the County), and concurrently with the execution and delivery of this Agreement and the Note, the Municipality shall have also furnished to the County (i) certified copies of the Ordinance and the approval of the Department of Community and Economic Development for the issuance of the Note, (ii) evidence of the authority of each person who has signed this Agreement, the Note and certificates on behalf of the Municipality, and (iii) a certification from the Municipality as to its compliance with the debt limitations under the Debt Act, and as to all matters incident to the transaction herein contemplated which the County may reasonably request; and

(c) All legal details and proceedings in connection with the transactions contemplated by this Agreement shall be in form and substance satisfactory to the County, and the County shall have received all such counterparts, originals or certified or other copies of such documents or proceedings in connection with such transactions, in form and substance as to certification and otherwise, satisfactory to the County, as the County may reasonably request.

Section 9. Receipt of Loan Proceeds.

On the Closing Date, the Municipality shall draw in full the proceeds of the Note and apply such proceeds solely to pay costs of the Project in accordance with the Ordinance. The Municipality shall cause such proceeds to be deposited with the Paying Agent.

Section 10. Covenants of Municipality.

The Municipality covenants that, from the date of execution of this Agreement until the Loan (and specifically the principal of and interest on the Note) has been fully paid, it will:

(a) At all times comply with the laws of the Commonwealth applicable to the Municipality, including the Debt Act.

(b) Promptly notify the County of any condition or event which constitutes an Event of Default or which, with the lapse of time or giving of notice, or both, would become such an Event of Default, and, if such a condition or event has been so disclosed, specifying the nature and extent thereof and the corrective measures which the Municipality proposes to take in relation thereto.

(c) Execute or provide, as requested by the County, such other documents and information as are reasonably necessary with respect to the transactions contemplated by this Agreement.

(d) Furnish to the County, upon request, (1) the Municipality's audited financial statements, and auditor's management letters, if any, (2) the annual budget of the Municipality, and (3) such additional information as the County may reasonably request.

(e) Maintain books and records in accordance with Generally Accepted Accounting Principles and permit any officers or qualified employees or representatives of the County designated by it to visit and inspect the Municipality's books and discuss the affairs, finances and accounts of the Municipality, all at such times and as often as the County may reasonably request.

(f) (i) take such actions as shall be necessary or desirable, from time to time and within its reasonable control, as shall be necessary to maintain the exclusion of interest paid on the DCIB-G Note from the gross income of the owner for federal income tax purposes, pursuant to the requirements of Section 103 and 141 through 150, inclusive, of the Internal Revenue Code of 1986, as amended; (ii) refrain from taking any action or permitting any action to be taken on itself or causing or permitting any circumstances within its control to arise or continue, if such action or circumstance, or its expectation on the date of issuance of the Note, which would cause the interest paid by the County on the DCIB-G Note to be subject to federal income tax in the hands of the owner thereof; (iii) expend at least 85% of the net sale proceeds of the Note (plus investment proceeds thereon, if any) for the cost of the Project within three years of the date hereof; (iv) within six months of the date hereof, incur substantial binding obligations (such as third-party contracts) to expend at least 5% of the net sale proceeds of the Note on the Project; and (v) proceed with due diligence to completion of the project.

(g) The covenants and agreements of the Municipality under the Ordinance, together with the related definitions contained therein, are hereby incorporated by reference in this Agreement as if each and every covenant, agreement and definition were set forth herein in its entirety, and each of such covenants and agreements is hereby made for the benefit of the County. No amendments to such covenants, agreements or definitions or any waiver of such covenants or agreements shall be effective to amend or waive such covenants, agreements or definitions as incorporated herein by reference without the prior written consent of the County.

(h) Pay all costs, expenses (including reasonable attorneys' fees), and disbursements incurred by the County (i) in all efforts made to enforce or collect payment of the Note or amount due hereunder, (ii) in connection with entering into, modifying or amending this Agreement, or any consents or waivers hereunder and all related documents, and (iii) in defending or prosecuting any actions or proceedings arising out of or relating to County's transactions with the Municipality. The obligations of the Municipality under this subsection (h) shall survive the termination of this Agreement.

Section 11. Events of Default.

The occurrence of any of the following events shall each be deemed an Event of Default:

(a) Failure by the Municipality to pay, when due, any amount of principal of or interest on the Note or any other default under the terms of the Note, including, without limitation, any fee payable pursuant to this Agreement; or

(b) Default in the performance of any covenant or agreement set forth in this Agreement or in the Note or the occurrence of a default under any other agreement between the Municipality and the County; or

(c) Any representation or warranty made by the Municipality is untrue or incomplete in any material respect or any schedule, statement, report, warranty, representation, notice or writing furnished by the Municipality pursuant to this Agreement is untrue or incomplete in any material respect on the date as of which the facts set forth are stated or certified; or

(d) Any certificate or financial statement furnished pursuant to the Loan Documents or the Debt Act shall prove to have been false or misleading in any material respect as of the time made or furnished; or

(e) If the Municipality shall commence a voluntary case under any applicable bankruptcy, insolvency or similar law, or shall consent to the appointment of or the taking of possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of or for any substantial part of the Municipality's property, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action in furtherance of the foregoing; or a custodian, receiver, trustee, examiner, liquidator or similar official shall be appointed for the Municipality or any substantial part of its property, or a proceeding described above shall be instituted against the Municipality and such proceeding continues undischarged or any such proceeding continues undismissed or unstayed for a period of thirty (30) or more days; or a debt moratorium, debt restructuring, debt adjustment or comparable restriction is imposed on the repayment when due and payable of the principal of or interest on any indebtedness of the Municipality by the Municipality or any governmental authority with appropriate jurisdiction; or

(f) If, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Municipality or of any part of its property and such custody or control shall not be terminated or stayed within 90 days from the date of assumption of such custody or control; or

(g) The Municipality shall fail or refuse to comply with any provisions of the Debt Act or shall for any reason be rendered incapable of fulfilling its obligations hereunder or thereunder; or

(h) An order for relief shall be entered pursuant to an Act of Congress or any law of the Commonwealth relating to bankruptcy with respect to an involuntary petition seeking reorganization of, or an order shall be entered appointing any receiver or trustee for, the Municipality or a substantial part of its property, or a writ or warrant of attachment or any similar process shall be issued against a substantial part of the property of the Municipality, or an order shall be entered at either the state court level enjoining or preventing the Municipality from conducting all or any part of its business as it is usually conducted, or garnishment proceedings shall be instituted by attachment, levy or otherwise, against any deposit balance maintained, or any property deposited, with the County by the Municipality; or

(i) Default in any payment of principal of or interest on any obligation of the Municipality for borrowed money beyond any period of grace with respect thereto or default in the observance of any material covenant, term or condition with respect to such obligation beyond any period of grace if the effect of such default is to cause, or to permit the holder or holders of such obligation or obligations (or a trustee or agent on behalf of such holder or holders) to cause, all or part of such obligation or obligations to become due before its or their otherwise stated maturity.

Upon the occurrence of an Event of Default: (i) as and to the extent provided for in, and in compliance with the Debt Act, if an Event of Default specified in clause (e), (f) or (h) above shall

occur, the outstanding principal balance and accrued interest under the Note, together with any additional amounts payable thereunder or hereunder, shall be immediately due and payable without demand or notice of any kind; (ii) as and to the extent provided for in, and in compliance with the Debt Act, if an Event of Default specified in clause (a), (g) or (i) above shall occur, the outstanding principal balance and accrued interest under the Note together with any additional amounts payable thereunder or hereunder, at the County's option and without demand or notice of any kind, may be accelerated and become immediately due and payable; (iii) the Note will bear interest at the Default Rate from the date of the occurrence of the Event of Default; and (iv) the County may exercise from time to time any other rights and remedies available under the Loan Documents, the Debt Act and/or any other laws and pursue any other action available at law or in equity, in all cases consistent with the Debt Act. For all purposes of the Debt Act, the County shall be deemed the holder of 100% of the aggregate principal amount of the "series of bonds" (within the meaning of the Debt Act) represented by the Note.

Section 12. Miscellaneous.

(a) No delay or failure of the County in exercising any right, power or privilege hereunder or under law shall affect the right, power or privilege, nor shall any single or partial exercise thereof or any abandonment or discontinuance of steps to enforce such a right, power or privilege preclude any further exercise thereof. Any waiver, permit, consent or approval of any kind or character on the part of the County or any breach or default under this Agreement or any waiver of any provision or condition of this Agreement must be in writing and shall be effective only to the extent in such writing specifically set forth. Nothing in this Agreement shall be deemed any waiver or prohibition of County's right of banker's lien or setoff.

(b) All representations, warranties, covenants and agreements of the Municipality contained herein or made in writing in connection herewith shall survive execution and delivery of this Agreement, the making of the Loan and issuance of the Note to the County, except as herein otherwise expressly provided.

(c) Any notices required or permitted to be given pursuant hereto, or in connection herewith, shall be deemed to have been fully given when addressed and mailed, postage prepaid, as follows:

If to the County:

County of Dauphin
c/o Dauphin County Industrial Development
Authority
3211 North Front Street, Suite 301-C
Harrisburg, PA 17110
Attention: George H Connor, Executive Director
Email: GConnor@dauphincounty.gov

With a copy to:

McNees Wallace & Nurick LLC
570 Lausch Lane, Suite 200
Lancaster, PA 17601
Attention: Erica Wible, Esquire
Email: ewible@mcneeslaw.com

If to the Municipality:

Swatara Township
599 Eisenhower Boulevard
Harrisburg, PA 17111
Attn: James R. Fosselman
jfosselman@swataratwp.com

With a copy to:

Tucker Arensberg, P.C.
300 Corporate Center Drive, Suite 200
Camp Hill, PA 17011
Attention: Kevin L. Hall, Esq., Solicitor
khall@tuckerlaw.com

(d) This Agreement may be executed in as many counterparts as may be deemed necessary and convenient, each of which shall be regarded for all purposes as an original, but such counterparts shall constitute but one and the same instrument.

(e) This Agreement constitutes the entire contract between the County and the Municipality and supersedes all prior communications, oral and written, as well as all contemporaneous oral communications between the parties.

(f) This Agreement may only be amended in writing executed by the Municipality and the County.

(g) If any part or provision of this Agreement is found or declared to be invalid or in contravention of any governing law or regulation, such part or provision shall be severable without affecting the validity of any other part or provision of this Agreement.

(h) This Agreement shall be binding upon and inure to the benefit of the County, the Municipality and their respective successors and assigns, except the Municipality may not voluntarily transfer or assign its rights hereunder.

(i) This Agreement shall be deemed to be a contract made under the laws of the Commonwealth and shall be governed by and construed in accordance with the laws thereof.

[Remainder of Page Intentionally Left Blank]

Section 13. Waiver of Right to Jury Trial.

EACH PARTY HERETO WAIVES ITS RIGHT TO A JURY TRIAL OF ANY AND ALL CLAIMS OR CAUSES OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT AND THE OTHER RELATED DOCUMENTS. IT IS HEREBY ACKNOWLEDGED THAT THE WAIVER OF A JURY TRIAL IS A MATERIAL INDUCEMENT FOR THE COUNTY TO ENTER INTO THIS AGREEMENT AND THAT THE EXECUTION AND DELIVERY OF THIS AGREEMENT BY THE MUNICIPALITY, ON BEHALF OF THE MUNICIPALITY, AND THE COUNTY IS MADE IN RELIANCE UPON SUCH WAIVER. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT SUCH WAIVER HAS BEEN KNOWINGLY AND VOLUNTARILY MADE FOLLOWING CONSULTATION WITH ITS RESPECTIVE LEGAL COUNSEL.

IN WITNESS WHEREOF, the parties hereto, by their officers thereunto duly authorized, have executed this Agreement as of the day and year first above written.

Attest

TOWNSHIP OF SWATARA
Dauphin County, Pennsylvania


(Assistant) Secretary

By 
(Vice) President, Board of Commissioners

Attest

COUNTY OF DAUPHIN, PENNSYLVANIA

Chief Clerk

By _____
(Vice) Chairman

EXHIBIT A

FORM OF NOTE

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
TOWNSHIP OF SWATARA, DAUPHIN COUNTY, PENNSYLVANIA
GENERAL OBLIGATION NOTE, SERIES OF 2022

INTEREST <u>RATE</u>	DATE <u>OF ISSUANCE</u>	MATURITY <u>DATE</u>
1.74%	October 27, 2022	November 1, 2032

PURCHASER: COUNTY OF DAUPHIN, COMMONWEALTH OF PENNSYLVANIA

PRINCIPAL AMOUNT: ONE MILLION TWENTY-THREE THOUSAND DOLLARS (\$1,023,000)

Township of Swatara, Dauphin County, Pennsylvania (the “**Municipality**”), existing under the laws of the Commonwealth of Pennsylvania, for value received, hereby acknowledges itself indebted and promises to pay to the County of Dauphin, Commonwealth of Pennsylvania (the “**Purchaser**”), or registered assigns, the principal sum of One Million Twenty-Three Thousand Dollars (\$1,023,000), on the dates and in the maximum amounts set forth on Schedule A attached hereto, in such coin or currency of the United States of America which, at the respective times of payment, is legal tender for payment of public and private debts. This General Obligation Note, Series of 2022 (the “**Note**”) is issued pursuant to a Loan Agreement dated October 27, 2022 (the “**Agreement**”) entered into between the Municipality and the Purchaser. All capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Agreement.

The debt of which this Note is evidence is non-electoral debt pursuant to the Pennsylvania Local Government Unit Debt Act, 53 Pa. Cons. Stat. §8001 et seq., as amended (the “**Debt Act**”). The issuance and sale of this Note to the Purchaser at private sale by negotiation has been found and determined by the Board of Commissioners of the Municipality, on the basis of all information available, to be in the best financial interest of the Municipality.

The Note shall bear interest from the Date of Issuance of the Note on the unpaid balance of principal, payable semiannually on the first (1st) day of May and November of each year, commencing May 1, 2023, and at maturity or earlier payment, at a fixed rate of 1.74% per annum, from the date of its issuance through and including November 1, 2032 (the “**Maturity Date**”). If the Municipality fails to make any payment of principal, interest or other amount coming due pursuant to the provisions of this Note within ten (10) calendar days of the date due payable, the Municipality shall also pay a late charge equal to the greater of five percent (5.00%) of the amount of such payment or \$25.00, whichever is greater (the “**Late Charge**”).

Upon an Event of Default, and certain other events described in the Agreement, at the option of the Purchaser, the Note shall bear interest at the Default Rate.

The interest rate referenced in this Note shall be computed on the basis of a three hundred sixty (360) day year comprised of twelve (12) thirty (30) day months.

The full principal amount of the Note shall be advanced by the Purchaser, on the Date of Issuance hereof.

The principal or redemption price of this Note shall be payable upon surrender thereof when due in lawful money of the United States of America at the designated office of Webster Bank, N.A., or the designated office of any additional or appointed alternate or successor paying agent or agents (the “**Paying Agent**”). Surrender of this Note shall not be required in order for the holder of this Note to receive payment of principal of and interest on this Note, except final payment thereof on the final maturity shall be made only upon complete surrender hereof to the Paying Agent.

If the date for payment of the principal of or interest on this Note shall be a Saturday, Sunday, legal holiday or on a day on which banking institutions in the Commonwealth of Pennsylvania are authorized or required by law to close, then the date for payment of such principal or interest shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which banking institutions are authorized or required to close, and payment on such date shall have the same force and effect as if made on the nominal date established for such payment but interest shall accrue until the date of such payment. All such payments of principal of and interest on this Note shall be paid in immediately available funds to such account as directed by the Purchaser without the need for the Purchaser to surrender such Note.

The Municipality shall have the right to prepay all or a portion of the unpaid principal amount of the Note as described in the Agreement.

The appropriate officer of the Municipality shall deposit money sufficient for the payment of the principal of and interest on this Note into a sinking fund before the date of each such payment of principal or interest. Such sinking fund, known as the “Sinking Fund – Township of Swatara - Series of 2022,” has been established at the office of the Paying Agent at which this Note is payable.

This Note, immediately upon execution and delivery hereof by the Municipality, shall be registered, both as to principal and interest, in the name of the owner, on records of the Municipality to be kept for that purpose by the Paying Agent, as paying agent, such registration to be noted hereon by a duly authorized representative of the paying agent on the attached Certificate of Registration. After such registration, no transfer hereof shall be valid unless made by the holder hereof in person, or by a duly authorized attorney, and similarly noted upon the attached Certificate of Registration. Rights of any holder hereof, subsequent to the initial holder hereof, shall not exceed rights of the predecessor holder hereof.

It is covenanted with the holder this Note that the Municipality shall: (i) include the amount of the debt service respect to the Note for each fiscal year in which the sums are payable in its budget for that year; (ii) appropriate those amounts from its general revenues for the timely payment of such debt service; and (iii) duly and punctually pay, or cause to be paid, from its sinking fund or any other of its revenues or funds the principal of, and the interest on, the Note at the dates

and places and in the manner stated in the Note according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the Municipality pledges its full faith, credit and taxing power. As provided in the Act, 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 generally.

The obligation of the Municipality to make payments of principal of and interest on the Note shall be absolute and unconditional, not subject to off-set or defense for any reason.


This Note may be transferred only in accordance with the provisions of the Ordinance.

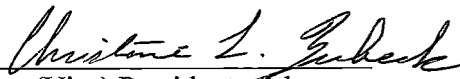
No consent or waiver, express or implied, to or of any breach or default in the performance of any obligation under this Note or the Ordinance shall constitute a consent or waiver to or of any other breach or default in the performance of the same or any other obligation.

IN WITNESS WHEREOF, the Municipality has caused this Note to be executed in its name and on its behalf by the manual or facsimile signature of its President or (Vice) President and its corporate seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual or facsimile signature of its Secretary or Assistant Secretary, all as of the Date of Issuance.

Attest:

TOWNSHIP OF SWATARA,
Dauphin County, Pennsylvania


(Asst.) Secretary

By: 
(Vice) President of the
Board of Commissioners

(Seal)

SCHEDULE A
(Debt Service Schedule)

Payment Date	Principal Amount	Interest Rate	Interest Amount	Annual Debt Service
5/1/2023		1.740	\$10,581.23	
11/1/2023	\$93,000	1.740	8,900.10	\$112,481.33
5/1/2024		1.740	8,091.00	
11/1/2024	96,000	1.740	8,091.00	112,182.00
5/1/2025		1.740	7,255.80	
11/1/2025	98,000	1.740	7,255.80	112,511.60
5/1/2026		1.740	6,403.20	
11/1/2026	100,000	1.740	6,403.20	112,806.40
5/1/2027		1.740	5,533.20	
11/1/2027	101,000	1.740	5,533.20	112,066.40
5/1/2028		1.740	4,654.50	
11/1/2028	103,000	1.740	4,654.50	112,309.00
5/1/2029		1.740	3,758.40	
11/1/2029	105,000	1.740	3,758.40	112,516.80
5/1/2030		1.740	2,844.90	
11/1/2030	107,000	1.740	2,844.90	112,689.80
5/1/2031		1.740	1,914.00	
11/1/2031	109,000	1.740	1,914.00	112,828.00
5/1/2032		1.740	965.70	
11/1/2032	111,000	1.740	965.70	112,931.40
	\$1,023,000		\$102,322.73	\$1,125,322.73

CERTIFICATE OF REGISTRATION

NOTICE: NO WRITING HEREON EXCEPT

BY PAYING AGENT ON BEHALF OF THE TOWNSHIP OF SWATARA

It is hereby certified that the foregoing Note is registered as to principal and interest as follows:

<u>Name of Registered Owner</u>	<u>Address of Registered Owner</u>	<u>Date of Registration</u>	<u>Paying Agent's Authorized Signature</u>
County of Dauphin, Commonwealth of Pennsylvania			

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

PLEASE INSERT SOCIAL SECURITY OR EMPLOYER
IDENTIFICATION NUMBER OF ASSIGNEE

_____ the
_____ within Note and all rights thereunder, and hereby irrevocably constitutes and appoints

_____ attorney to
transfer said Note on the books of the within named Paying Agent, with full power of
substitution in the premises.

Dated: _____

Notice: This signature on this Assignment must correspond with the name as it appears on the
Paying Agent's Certificate of Registration in every particular, without alteration or any change
whatsoever.

**EXHIBIT B
MATURITY SCHEDULE**

Payment Date	Principal	Interest Rate	Interest Payment	Annual Debt Service
5/1/2023		1.740%	\$10,581.23	
11/1/2023	\$93,000	1.740	8,900.10	\$112,481.33
5/1/2024		1.740	8,091.00	
11/1/2024	96,000	1.740	8,091.00	112,182.00
5/1/2025		1.740	7,255.80	
11/1/2025	98,000	1.740	7,255.80	112,511.60
5/1/2026		1.740	6,403.20	
11/1/2026	100,000	1.740	6,403.20	112,806.40
5/1/2027		1.740	5,533.20	
11/1/2027	101,000	1.740	5,533.20	112,066.40
5/1/2028		1.740	4,654.50	
11/1/2028	103,000	1.740	4,654.50	112,309.00
5/1/2029		1.740	3,758.40	
11/1/2029	105,000	1.740	3,758.40	112,516.80
5/1/2030		1.740	2,844.90	
11/1/2030	107,000	1.740	2,844.90	112,689.80
5/1/2031		1.740	1,914.00	
11/1/2031	109,000	1.740	1,914.00	112,828.00
5/1/2032		1.740	965.70	
11/1/2032	111,000	1.740	965.70	112,931.40
	\$1,023,000		\$102,322.73	\$1,125,322.73

EXHIBIT C
ANNUAL AMOUNTS APPROPRIATED TO SINKING FUND

Year	Annual Debt Service
2023	\$112,481.33
2024	112,182.00
2025	112,511.60
2026	112,806.40
2027	112,066.40
2028	112,309.00
2029	112,516.80
2030	112,689.80
2031	112,828.00
2032	112,931.40

**EXHIBIT D
PURCHASE PROPOSAL**



DAUPHIN COUNTY
PENNSYLVANIA
INDUSTRIAL DEVELOPMENT
AUTHORITY

August 24, 2022

Township of Swatara
599 Eisenhower Boulevard
Harrisburg, PA 17111
Attention: James Fosselman
jfosselman@swataratwp.com

Re: \$1,023,000
General Obligation Note, Series of 2022

Honorable Members of the Board:

By this correspondence, the County of Dauphin (the “**County**”), through the facilities of the Dauphin County Infrastructure Bank (General) Program, does wish to state and confirm its offer to purchase from the Township of Swatara, Dauphin County, Pennsylvania (the “**Township**”), at a price of par, and at a settlement expected to occur on or about October 27, 2022, the Township’s above-referenced Note (the “**Note**”), bearing interest at the rate and maturing in the aggregate amounts shown on *Schedule I* attached hereto.

The Note will be issued pursuant to a Loan Agreement between the County and the Township and the Ordinance enacted by the Board of Commissioners of the Township in order to (i) finance a capital project consisting of the construction of improvements to the Spring Creek system, including stormwater sediment reduction projects in partnership with Pennsylvania Department of Transportation; and (ii) pay the costs of issuing the Note.

This offer to purchase is without recourse to the County, but is instead subject and limited to the (i) anticipated authorization by the County of the issuance of its general obligation bonds or note (the “**DCIB-G Note**”), (ii) amount of proceeds available from the anticipated sale of the DCIB-G Note, and (iii) full and final approval of the County’s issuance of the DCIB-G Note by the Department of Community and Economic Development (“**DCED**”) pursuant to the Local Government Unit Debt Act, 53 Pa.C.S.A. §8001 et seq. (the “**Debt Act**”). This Purchase Proposal has been made and entered into by the parties with the intent and purpose to comply with the terms and provisions of the Debt Act, and its terms and provisions shall be read and interpreted in light of, and in a manner consistent with, the Debt Act and administrative and judicial rulings and determinations thereunder.

Very truly yours,

George H. Connor
Executive Director, Dauphin County Office of
Community & Economic Development



DAUPHIN COUNTY
PENNSYLVANIA
INDUSTRIAL DEVELOPMENT
AUTHORITY

Accepted and agreed this 14 day of September, 2022.

TOWNSHIP OF SWATARA,
Dauphin County, Pennsylvania

By: Christine L. Zubeck
(Vice) President
Board of Commissioners

COUNTY OF DAUPHIN, PENNSYLVANIA
Dauphin County Infrastructure Bank (General) Program

Swatara Township, Dauphin County, Pennsylvania
SCHEDULE I

Payment Date	Principal Amount	Interest Rate	Interest Amount	Annual Debt Service
5/1/2023		1.740	\$10,581.23	
11/1/2023	\$93,000	1.740	8,900.10	\$112,481.33
5/1/2024		1.740	8,091.00	
11/1/2024	96,000	1.740	8,091.00	112,182.00
5/1/2025		1.740	7,255.80	
11/1/2025	98,000	1.740	7,255.80	112,511.60
5/1/2026		1.740	6,403.20	
11/1/2026	100,000	1.740	6,403.20	112,806.40
5/1/2027		1.740	5,533.20	
11/1/2027	101,000	1.740	5,533.20	112,066.40
5/1/2028		1.740	4,654.50	
11/1/2028	103,000	1.740	4,654.50	112,309.00
5/1/2029		1.740	3,758.40	
11/1/2029	105,000	1.740	3,758.40	112,516.80
5/1/2030		1.740	2,844.90	
11/1/2030	107,000	1.740	2,844.90	112,689.80
5/1/2031		1.740	1,914.00	
11/1/2031	109,000	1.740	1,914.00	112,828.00
5/1/2032		1.740	965.70	
11/1/2032	111,000	1.740	965.70	112,931.40
	\$1,023,000		\$102,322.73	\$1,125,322.73

EXHIBIT E
FORM OF EMMA NOTICE

**NOTICE OF FINANCIAL OBLIGATION
TOWNSHIP OF SWATARA
Dauphin County, Pennsylvania
CUSIP Base No. 870071**

Township of Swatara, Dauphin County, Pennsylvania (the "Municipality"), as an obligated person with respect to outstanding obligations hereby provides notice of the incurrence of a financial obligation pursuant to Rule 15c2-12 of the Securities and Exchange Commission, as described below.

The Municipality issued its General Obligation Note, Series of 2022 (the "Note"), dated October 27, 2022, to the County of Dauphin, Pennsylvania, in the principal amount of \$1,023,000, bearing interest at a tax -exempt fixed rate through November 1, 2032, the maturity date of the Note. A copy of the Note is attached hereto.

The Note is being issued to finance the certain capital projects of the Municipality.

**TOWNSHIP OF SWATARA
Dauphin County, Pennsylvania**

Dated: September 14, 2022

LEGAL NOTICE NOTICE OF MEETING NOTICE IS HEREBY GIVEN

LEGAL NOTICE

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Board of Commissioners of the Township of Swatara, Dauphin County, Pennsylvania (the "Municipality") at its public meeting scheduled for Wednesday, September 14, 2022, at 7:00 P.M., prevailing local time, at the Municipal Building located at 599 Eisenhower Boulevard, Harrisburg, Pennsylvania will, among other things, accept a proposal from the County of Dauphin, Pennsylvania (the "County") pursuant to a loan financing program through the Dauphin County Infrastructure Bank (General) for the purchase of a general obligation note of the Municipality in the principal amount of \$1,023,000 (the "Note") and will take other action in connection with the incurring of non-electoral debt through the issuance of such Note and at such meeting, or in the alternative at a meeting of the governing body of the Municipality held not less than three (3) nor more than thirty (30) days from the date of publication of this notice.

The Ordinance authorizes the sale of the Note by private sale by negotiation and the issuance of the Note; determines that a private sale by negotiation is in the best financial interest of the Municipality; awards the Note to the County, upon the terms of the County's proposal; approves the terms and substantial form of the Note, fixes the rate or rates of interest to be paid, pledges the full faith and credit of the Municipality for the payment thereof; authorizes the proper officers of the Municipality to appoint a sinking fund depository; creates a sinking fund; sets forth covenants with respect to the tax status of the Note; and authorizes the proper officers to take the necessary steps to issue the Note.

The funds to be obtained from the Note will be used to (i) finance a capital project consisting of the construction of improvements to the Spring Creek system, including stormwater sediment reduction projects in partnership with Pennsylvania Department of Transportation; and (ii) pay the costs of issuing the Note.

Omissions from the Ordinance, as proposed, as well as any amendments thereto, will be supplied at the time of the enactment of the Ordinance if the Municipality shall determine to proceed.

Copies of the full text of the proposed Ordinance may be examined by any citizen of the Municipality at the Municipal Building, 599 Eisenhower Boulevard, Harrisburg, Pennsylvania, on regular business days from 8:00 a.m. to 4:30 p.m., prevailing time.

TOWNSHIP OF SWATARA

BY ORDER OF:

JIM FOSSELMAN, MANAGER

Appeared in: *Patriot-News* on Thursday, 09/08/2022

Select notice to print