

COUNTY OF BUCKS
COMMONWEALTH OF PENNSYLVANIA
ORDINANCE NO. 91

TO AUTHORIZE AND DIRECT THE INCURRING OF ELECTORAL AND NONELECTORAL DEBT THROUGH THE ISSUANCE BY THE COUNTY OF BUCKS OF GENERAL OBLIGATION BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO FINANCE THE COSTS INCURRED OR TO BE INCURRED WITH RESPECT TO VARIOUS CAPITAL PROJECTS OF THE COUNTY, INCLUDING BUT NOT LIMITED TO CONSTRUCTION AND RENOVATION OF: IMPROVEMENTS TO NESHAMINY MANOR NURSING HOME; THE LEVITTOWN LIBRARY; A JUVENILE DETENTION FACILITY; IMPROVEMENTS TO THE COUNTY COURTHOUSE IN ORDER TO COMPLY WITH THE PROVISIONS OF THE AMERICANS WITH DISABILITIES ACT; THE BUCKS-MONT MORGUE; ARCHIVAL PROJECTS; NESHAMINY MANOR CENTER WATER SYSTEM AND SEWER LINES; STORAGE TANK REMOVAL; FIRE ALARM SYSTEMS UPGRADE; WOMEN'S CENTER UPGRADE; COURTHOUSE HEATING SYSTEM; EMERGENCY DISPATCH SYSTEM MODERNIZATION; EMERGENCY SERVICES TRAINING CENTER; LIBRARY MATERIALS AND EQUIPMENT; BRIDGE IMPROVEMENTS; PARKS AND RECREATION IMPROVEMENTS TO OXFORD VALLEY, FROSTY HOLLOW, LAKE TOWHEE AND PEACE VALLEY PARKS; AS WELL AS TO PROVIDE FUNDS FOR PARKLAND ACQUISITION AND FARMLAND PRESERVATION, PROVISIONS FOR CAPITALIZING INTEREST, AND THE EXPENSE OF ISSUING THE BONDS AS PERMITTED BY SECTION 401 OF THE ACT OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF PENNSYLVANIA APPROVED APRIL 28, 1978, ACT NO. 52, AS AMENDED AND SUPPLEMENTED; DETERMINING THAT SAID BONDS SHALL BE SOLD AT PRIVATE SALE; DETERMINING THAT SUCH DEBT SHALL BE PARTIALLY ELECTORAL AND PARTIALLY NONELECTORAL DEBT OF THE COUNTY; ACCEPTING A BID FOR PURCHASE OF SAID BONDS AT PRIVATE SALE AND AWARDING SAID BONDS AND SETTING FORTH RELATED PROVISIONS; PLEDGING THE COUNTY'S FULL FAITH, CREDIT AND TAXING POWER; FIXING THE SUBSTANTIAL FORM, DENOMINATIONS, DATE, MATURITY DATES, INTEREST RATES, INTEREST PAYMENT DATES, REGISTRATION PROVISIONS, PLACE OF PAYMENTS OF PRINCIPAL AND INTEREST AND REDEMPTION PROVISIONS OF SAID BONDS, AS WELL AS THE FORM OF PAYING AGENT'S CERTIFICATE AND FORM OF ASSIGNMENT AND TRANSFER; AUTHORIZING EXECUTION, ATTESTATION AND AUTHENTICATION OF SAID BONDS; PROVIDING COVENANTS RELATED TO DEBT SERVICE APPLICABLE TO SAID BONDS; CREATING A SINKING FUND IN CONNECTION WITH SAID BONDS; APPOINTING A PAYING AGENT, REGISTRAR AND A SINKING FUND DEPOSITARY; PROVIDING A COVENANT TO INSURE PROMPT AND FULL PAYMENT OF ALL OBLIGATIONS OF SAID BONDS WHEN DUE; AUTHORIZING AND DIRECTING APPROPRIATE AND SPECIFIED OFFICERS OF THE COUNTY TO PREPARE, EXECUTE, VERIFY AND FILE, AS APPROPRIATE, THE DEBT STATEMENT, THE BORROWING BASE CERTIFICATE TO BE APPENDED TO THE DEBT STATEMENT, AND OTHER APPROPRIATE DOCUMENTS REQUIRED BY SUCH ACT; AUTHORIZING AND DIRECTING APPROPRIATE OFFICERS OF THE COUNTY TO DO AND PERFORM CERTAIN OTHER SPECIFIED, REQUIRED OR APPROPRIATE ACTS AND THINGS; SETTING FORTH THAT SAID BONDS HAVE BEEN SOLD AT PRIVATE SALE; DECLARING THAT THE NONELECTORAL DEBT TO BE INCURRED IS WITHIN THE LIMITATION IMPOSED BY SUCH ACT UPON THE INCURRING OF SUCH DEBT BY THE COUNTY; PROVIDING FOR THE COUNTY'S COVENANTS AS TO CERTAIN FEDERAL TAX MATTERS; PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND REPEALING ALL ORDINANCE OR PARTS OF ORDINANCES INSOFAR AS THE SAME SHALL BE INCONSISTENT HERewith.

WHEREAS, the County of Bucks, Pennsylvania (the "County"), is a Second Class A County existing under laws of the Commonwealth of Pennsylvania (the "Commonwealth") and is a Local Government Unit, as defined in the Local Government Unit Debt Act, Act No. 52 of 1978, approved April 28, 1978, as amended and supplemented, of the Commonwealth (the "Act"); and

WHEREAS, the Board of County Commissioners of the County (the "Commissioners") have determined to incur electoral debt in the aggregate principal amount of \$10,455,000 and nonelectoral debt in the aggregate principal amount of \$10,455,000 and nonelectoral debt in the aggregate principal amount of \$32,600,000 by issuance and sale of its \$43,055,000 aggregate principal amount of General Obligation Bonds, Series of 1995 (the "Bonds") each of which shall be dated March 15, 1995, in accordance with provisions of the Act, for the purpose of providing funds to be used, together with interest to be earned thereon, for and toward projects consisting of (1) various capital projects of the County, including but not limited to the construction and renovation of: improvements to Neshaminy Manor Nursing Home; the Levittown Library; a Juvenile Detention Facility; improvements to the County Courthouse in order to comply with the provisions of the Americans with Disabilities Act; improvements to the Bucks-Mont morgue; archival projects; Neshaminy Manor Center water system and sewer lines upgrade; storage tank removal; fire alarm systems upgrade; Women's Center upgrade; Courthouse heating system; emergency dispatch system modernization; Emergency Services Training Center upgrade; library materials and equipment; bridge improvements; parks and recreation improvements to Oxford Valley, Frosty Hollow, Lake Towhee and Peace Valley Parks; as well as to provide funds for parkland acquisition and farmland preservation, (collectively, the "Projects"); (2) provision for capitalized interest on the Bonds; and (3) payment of the costs and expenses of issuance of the Bonds; and

WHEREAS, the Commissioners have determined that a private sale by negotiation of the Bonds is in the best financial interest of the County; and

WHEREAS, in a public referendum held on November 8, 1994, the citizens of the County approved the incurrence of \$11,455,000 of electoral debt by the County for the purpose of providing funds for some of the Projects, as more fully described herein;

WHEREAS, the firms of First American Securities, Inc., Wheat First Butcher Singer, Meridian Capital Markets, a division of Meridian Bank, Janney Montgomery Scott, Inc. and Bryn Mawr Investment Group, Inc., acting as underwriters (collectively, the "Purchasers") have submitted a proposal for purchase of the Bonds at private sale (the "Bond Purchase Agreement"); and

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WHEREAS, the Commissioners desire to accept the Bond Purchase Agreement of the Purchasers, substantially in the form attached hereto, to award the Bonds to the Purchasers and to incur electoral debt in the aggregate principal amount of \$10,455,000 and nonelectoral debt in the aggregate principal amount of \$32,600,000, pursuant to provisions of the Act; and

WHEREAS, the Commissioners determine that it is necessary and desirable to appoint Mellon Bank, N.A., a national banking association lawfully conducting a banking and trust business in the Commonwealth, as sinking fund depository, and as registrar and paying agent for the Bonds (the "Paying Agent").

NOW, THEREFORE, BE IT ENACTED by the Commissioners of the County, as follows:

ARTICLE I

DEFINITIONS, INTERPRETATIONS, PRELIMINARY
MATTERS, LEGAL AUTHORITY AND PROCEEDINGS UNDER ACT

Section 1.01. Terms Defined in the Recitals. In this Ordinance, except as otherwise expressly provided or unless the context clearly otherwise requires, the singular includes the plural, the masculine includes the feminine, all definitions and references to documents include all amendments or supplements thereto, all definitions of entities or persons include its or their respective successors and assigns and the following terms shall have the meanings specified in the foregoing recitals:

Act
Bonds
Bond Purchase Agreement
Commissioners
Commonwealth
County
Projects
Paying Agent
Purchasers

Section 1.02. Other Definitions. For all purposes of this Ordinance and all Supplemental Ordinances hereafter enacted, except as otherwise expressly provided or unless the context clearly otherwise requires, the terms defined in this Section have the following meanings:

"Accountant" means such independent certified public accountant or accounting firm as shall at the time be employed by the County for the purpose of performing the functions and duties of the independent certified public accountant under this Ordinance or any Supplemental Ordinances.

"Annual Budget" means the written statement of the anticipated annual receipts and expenses of the County for each Fiscal Year approved by the Commissioners as provided in Section 6.04, or as amended and supplemented with like approval.

"Authorized Officer" means with respect to the County such officers of the County as may from time to time be designated by a Certified Resolution, a copy of which is filed with the Paying Agent.

"Bond" or "Bonds" means all Bonds outstanding from time to time under this Ordinance, including Bonds issued pursuant to Section 2.10.

"Book-Entry Bond" means a Bond authorized to be issued to, and issued to and registered in the name of, the Securities Depository directly or indirectly for the beneficial owners thereof.

"Certified Resolution" means a copy of one or more resolutions certified by the Chief Clerk, under the County's seal, to have been duly adopted by the Commissioners and to be in effect on the date of such certification.

"Chief Clerk" shall mean the County Administrator/Chief Clerk of the Board of County Commissioners.

"Code" means the Internal Revenue Code of 1986, as amended, or any successor legislation. References to any sections of the Code shall be deemed to refer to the comparable sections of any such successor legislation.

"Cost or Costs" in connection with any project means all expenses which are properly chargeable thereto under sound accounting practice or which are incidental to the financing and construction or acquisition of such project, including, without limiting the generality of the foregoing:

- A. amounts payable to contractors and costs incident to the award of contracts:
- B. cost of labor, facilities and services furnished by the County and its employees or others, materials and supplies purchased by the County or others, and permits and licenses obtained by the County;

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C. engineering fees and expenses for survey, design, inspection, supervision and other duties required for proper construction of a project;

D. premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same;

E. interest during construction of a project and for the period after construction permitted by the Act;

F. administrative expenses of the County (including compensation and expenses of the Paying Agent) during construction and for a reasonable period after construction of a project.

G. printing, legal, accounting and other professional and advisory fees and expenses and other expenses of financing;

H. costs, fees and expenses in connection with the acquisition of real property or rights therein;

I. cost of machinery and equipment necessary for the completion and proper operation of the project or property in question; and

J. amounts required to repay temporary or bond, anticipation loans made to finance the costs of any project.

In the case of projects for refunding or redeeming any Bonds, "Cost" includes, without limiting the generality of the foregoing, the items listed above as applicable, advertising and other expenses related to the redemption of the Bonds to be redeemed, the redemption price of such Bonds and the accrued interest payable on redemption to the extent not otherwise provided for. Whenever Costs are to be paid hereunder, payment may be made to reimburse the County or other person or entity which has paid the same.

"Debt Service Requirements" means, with respect to any period, the amounts required in said period to pay, or to be set aside or deposited in the Sinking Fund for the payment of the principal of or interest on Bonds, excepting amounts set aside out of proceeds of Bonds for payment of interest. For the purpose of ascertaining aggregate Debt Service Requirements, interest shall be computed to mandatory redemption dates to the extent that Bonds are required to be redeemed by mandatory redemption provisions, otherwise computed to stated maturity dates.

"Electoral Debt" shall mean the portion of the Bonds which is treated as electoral debt in accordance with Article III of the Act, as more fully provided in Section 2.01 hereof.

"Fiscal Year" means a period of 12 consecutive months ending the last day of December of each year.

"Juvenile Detention Project" shall mean the construction and equipping of a juvenile detention center in the Township of Doylestown, Pennsylvania.

"Government Obligations" means direct obligations of the United States of America, or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America or an agency or instrumentality thereof.

"Neshaminy Manor Project" shall mean the construction and equipping of a County-owned and operated nursing home containing approximately 360 beds in the Township of Doylestown, Pennsylvania.

"Officer's Certificate" means a certificate or statement signed by an Authorized Officer.

"Outstanding", when used with reference to Bonds, shall mean, at any date as of which the amount of Outstanding Bonds is to be determined, the aggregate of all Bonds theretofore and thereupon being authenticated and delivered, except:

(i) Bonds cancelled at or prior to such date;

(ii) Bonds for the payment of which cash shall have been theretofore deposited with the Paying Agent and which shall have matured by their terms, but shall not have been surrendered for payment;

(iii) Bonds for the payment or redemption of which funds sufficient to pay all principal, interest and premium, if any, to the date of maturity or date fixed for redemption shall have been theretofore deposited with the Paying Agent, provided, in the case of redemption, that notice thereof has been published as required by this Ordinance or irrevocable instructions given to the Paying Agent to publish such notice; and

(iv) Bonds which are no longer deemed to be outstanding in accordance with the provisions of Section 1110(b) of the Act.

"Paying Agent" means Mellon Bank, N.A. in its capacity as paying agent and sinking fund depository under this Ordinance and its successors.

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"Permitted Investments" means investment permitted to be made by the County of its funds under the laws of the Commonwealth of Pennsylvania.

"Rating Agency" means Standard and Poor's Ratings Group, A division of McGraw-Hill, Inc., Moody's Investors Service, Inc., or any other entity from time to time providing the rating borne by the Bonds.

"Registrar" means the Paying Agent who is also acting as bond registrar with respect to the Bonds.

"Ordinance" means this instrument and, unless the context indicates otherwise, all Supplemental Ordinances.

"Securities Depository" means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, or its nominee, or any other person, firm, association or corporation designated in a Supplemental Ordinance to serve as Securities Depository for the Bonds.

"Sinking Fund" means the separate fund created by Section 3.01.

"Supplemental Ordinance" means an ordinance supplemental to this Ordinance executed for the purpose of amendments or modifications pursuant to Section 6.02.

All references in this Ordinance to designated "Articles", "Sections" and other subdivisions of this Ordinance are to the designated Articles, Sections or other subdivisions of this instrument as originally enacted. The words "herein", "hereof" and "hereunder", and other words of similar import, refer to this Ordinance as a whole and not to any particular Article, Section or other subdivision unless otherwise specified.

Section 1.03. Legal Authority. This Ordinance is enacted pursuant to the Act and the Second Class A County Code of the Commonwealth, and the Commissioners, on behalf of the County, hereby determines and states that each and every matter and thing provided for herein is necessary and desirable to carry out and effectuate the public purposes of the County in accordance with such laws. All of the mandatory provisions of the Act shall apply hereunder whether or not expressly stated herein.

Section 1.04. Ordinance To Constitute Contract. In consideration of the purchase and acceptance of the Bonds authorized to be issued hereunder by those who shall purchase the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the County and the holders of all such Bonds; and the covenants and agreements herein set forth to be performed on behalf of the County shall be for the benefit, protection and security of holders of all such Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank, without preference, priority or distinction of any such Bond over any other thereof.

Section 1.05. Increase in Indebtedness. The gross nonelectoral indebtedness of the County shall be increased in the aggregate amount of \$32,600,000 for the purpose of providing funds for the Projects hereinafter described. Such nonelectoral indebtedness shall be evidenced by \$32,600,000 principal amount of the Bonds (the "Nonelectoral Debt"), as shown on Schedule 1 attached to this Ordinance.

Section 1.06. Debt Statement and Other Proceedings Authorizing Bonds. The Chief Clerk is hereby authorized and directed to execute and file the debt statement and borrowing base certificate required by the Act and to apply to the Department of Community Affairs for approval of the proceedings authorizing the issuance of the Bonds, and to execute and file with said Department any and all documents required to be submitted as part of said application for approval.

Section 1.07. Covenant as to Debt Service. The County hereby covenants with the holders from time to time of the Outstanding Bonds: (a) that the County will include in its Annual Budget for each Fiscal Year, commencing with the Fiscal Year ending December 31, 1996, the amounts of the debt service on the Outstanding Bonds which will be payable in each such fiscal year so long as any of such Bonds shall remain outstanding; (b) that the County will appropriate to and deposit in the Sinking Fund hereinafter established, from its general revenues, such amounts for the payment of such debt service; and (c) that the County will duly and punctually pay out of the Sinking Fund and, to the extent necessary, out of its general revenues so deposited, the principal of every Bond and the interest thereon on the dates, at the places and in the manner stated in the Bonds, according to the true intent and meaning thereof; and for such budgeting, appropriation and payment, the County hereby pledges its full faith, credit and taxing power. The covenant contained herein shall be specifically enforceable.

Section 1.08. Taxes Not Assumed. The County does not assume the payment of any taxes with respect to the Bonds.

Section 1.09. Useful Life. The realistic useful life, as measured from the date of issuance of the Bonds for the Projects financed hereby is shown on Schedule 4 attached to and made a part of this Ordinance.

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ARTICLE II

CONCERNING THE BONDS - TERMS OF THE BONDS

Section 2.01. Authorization of Bonds - Form of the Bonds. There shall be issued hereunder \$43,055,000 in aggregate principal amount of General Obligation Bonds, Series of 1995, described in Section 2.03, for the purpose of: (a) the Projects; (b) making provision for capitalized interest on certain of the Projects; and (c) payment of the costs of issuing the Bonds for the foregoing purposes.

The amount of the proceeds of the Bonds to be applied to the purposes set forth in this Section 2.01(a) is estimated to be as set forth in Exhibit A attached hereto and made a part hereof. The portions of the Bonds which shall be deemed to be Nonelectoral Debt and to be deemed to be Electoral Debt are shown on Schedule 1 attached to and made a part of this Ordinance. The portions of the Bonds which are deemed to be Nonelectoral Debt and which relate to the Juvenile Detention Project, the Neshaminy Manor Project, and portions of other Projects, respectively, are shown on Schedule 2 attached to and made a part of this Ordinance. The principal amount of the Bonds associated with each Project for which Electoral Debt is being issued is shown on Schedule 3 attached to and made a part of this Ordinance.

The Bonds shall be fully registered bonds and shall be dated, shall be in the denomination, shall be numbered, shall mature and shall bear interest as more particularly set forth in Section 2.03.

The Bonds shall be in substantially the following form with appropriate insertions, omissions and variations:

[FORM OF SERIES OF 1995 BOND]

Registered No. \$ _____

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF BUCKS
GENERAL OBLIGATION BOND, SERIES OF 1995

<u>Interest Rate</u>		<u>Maturity Date</u>	<u>Dated</u>
<u>Date of Series</u>	<u>Cusip Number</u>		
1995			March 15,

Registered Owner:

Principal Sum:

The County of Bucks, Commonwealth of Pennsylvania (the "County"), a political subdivision and body corporate existing under laws of the Commonwealth of Pennsylvania (the "Commonwealth"), for value received, hereby acknowledges itself indebted and promises to pay to the registered owner of this General Obligation Bond, Series of 1995 (the "Bond"), on the above stated maturity date, unless this Bond shall be redeemable and shall have been duly called for previous redemption and payment of the redemption price shall have been made or provided for, the above stated Principal Sum, and to pay interest thereon at the above stated annual rate of interest, from the Interest Payment Date (hereinafter defined) next preceding the date of registration and authentication of this Bond, unless this Bond is registered and authenticated as of an Interest Payment Date, in which event this Bond shall bear interest from such Interest Payment Date, or unless this Bond is authenticated prior to November 1, 1995, or if no interest has been paid, in which event this Bond shall bear interest from the Dated Date given above, or unless this Bond is authenticated after a Record Date (hereinafter defined) but prior to the immediately succeeding Interest Payment Date, in which event this Bond shall bear interest from such immediately succeeding Interest Payment Date, such interest to be payable semiannually commencing on November 1, 1995 and on the first day of May and November in each year thereafter (each, an "Interest Payment Date"), and continuing until maturity hereof or, if this Bond shall be redeemable and payment of the redemption price shall have been made or provided for, until the date fixed for redemption hereof. Interest on this Bond shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The principal of and premium, if any, on this Bond is payable to the registered owner hereof in lawful moneys of the United States of America upon presentation hereof at the principal corporate trust office of Mellon Bank, N.A. (the "Paying Agent", which term shall include any duly appointed alternate or successor paying agent) in the City of Pittsburgh, Pennsylvania, or at the duly designated office of any alternate or successor paying agent. Payment of the interest due hereon shall be paid to the registered owner hereof as shall appear on the bond register maintained by the Paying Agent, as bond registrar, at the close of business on the fifteenth day of April and October (whether or not a business day), respectively, in each year (the "Record Date") irrespective of any transfer or exchange of this Bond subsequent to the applicable

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Record Date, by check drawn on the Paying Agent mailed to the registered owner at his address as it appears on the bond register maintained by the Paying Agent, as bond registrar. In the event the County shall default in the payment of interest due hereon at the time the same is due and payable, such defaulted interest will be payable to the registered owner hereof in the manner described above dispatched to the registered owner as shall appear on the bond register maintained by the Paying Agent, as bond registrar, at the close of business on a special record date (the "Special Record Date"), established by the Paying Agent, notice of which shall be mailed by the Paying Agent to the registered owner hereof not less than 15 days preceding the Special Record Date. Such notice shall be mailed to the registered owner shown on the aforesaid bond register maintained by the Paying Agent at the close of business on the fifth business day preceding the date of mailing.

This Bond is one of a series of bonds of the County, known generally as "General Obligation Bonds, Series of 1995" all of like tenor, except as to dates of maturity, denominations, rates of interest and provisions for redemption, in the aggregate principal amount of \$43,055,000 (the "Bonds").

The Bonds are issued in accordance with provisions of the Act of the General Assembly of the Commonwealth, approved April 28, 1978, Act No. 52, as amended and supplemented, known as the Local Government Unit Debt Act (the "Act"), and by virtue of an Ordinance enacted on March 29, 1995 (the "Ordinance") by the Board of County Commissioners (the "Commissioners") of the County. The Act, as such shall have been in effect when the Bonds were authorized, and the Ordinance shall constitute a contract between the County and the registered owners, from time to time, of the Bonds.

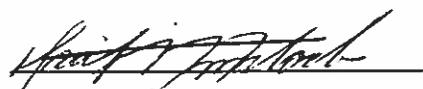
THE TERMS AND PROVISIONS OF THIS BOND ARE CONTINUED ON THE REVERSE SIDE HEREOF AND SUCH CONTINUED TERMS AND PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH AT THIS PLACE.

This Bond shall not be valid or enforceable until this Bond shall have been duly authenticated by the Certificate of Authentication endorsed hereon signed by a duly authorized officer of the Paying Agent.

IN WITNESS WHEREOF, the County of Bucks, Commonwealth of Pennsylvania, as provided by the Act and in the Ordinance, has caused this Bond to be executed in its name and in its behalf by the facsimile signatures of the Members of the Board of County Commissioners of the County of Bucks, and a facsimile of the official seal of the County of Bucks to be affixed hereunto and the facsimile signature of the Chief Clerk of the Board of County Commissioners to be affixed hereunto in attestation thereof, all as of the 29th day of March, 1995.

ATTEST:

COUNTY OF BUCKS


Chief Clerk

BY: 
County Commissioner

BY: 
County Commissioner

BY: 
County Commissioner

[SEAL]

[FORM OF CERTIFICATE OF AUTHENTICATION]

CERTIFICATE OF AUTHENTICATION AND
CERTIFICATE AS TO OPINION

This Bond is one of the General Obligation Bonds, Series of 1995 described in the Ordinance referred to in this Bond and the Opinion of Silverman Coopersmith Hillman & Frimmer, P.C., Philadelphia, Pennsylvania, printed on the reverse side hereof, is a true and correct copy of an original Opinion which was signed and dated as of the date of initial delivery hereof and is on file at the corporate trust office of the Paying Agent in Philadelphia, Pennsylvania, where the same may be inspected.

MELLON BANK, N.A.,
Paying Agent

By: _____
Authorized Signatory

Date of Authentication:

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[BACK OF FORM OF BOND]

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF BUCKS

GENERAL OBLIGATION BONDS, SERIES OF 1995

Optional Redemption

The Bonds maturing on and after May 1, 2006 are subject to redemption prior to maturity at the option of the County, as a whole or from time to time in part in any order of maturity determined by the County and within a maturity by lot, on May 1, 2005 or on any date thereafter, at a redemption price equal to 100% of principal amount plus interest accrued to the redemption date.

Mandatory Redemption of Term Bonds

The Bonds stated to mature on May 1, 2013, May 1, 2015 and May 1, 2017 (collectively, the "Term Bonds") are also subject to redemption prior to maturity on May 1 of the years indicated in the following schedule from moneys to be deposited in the sinking fund provided for in the Ordinance at a redemption price equal to 100% of the principal amount thereof together with interest accrued to the date fixed for redemption. The Paying Agent is required by the Ordinance to redeem each of such Term Bonds by lot at said price and from said moneys (to the extent that such Bonds shall not have been previously purchased from said moneys as provided in the Ordinance) on May 1 of the years, from the maturity and in the annual principal amounts set forth in the following schedule, or such lesser amounts as shall at the time represent all of each of such Term Bonds then outstanding:

<u>Year</u> <u>(May 1)</u>	<u>Principal Amount</u> <u>to be Redeemed</u>
2010	\$1,430,000
2011	1,520,000
2012	1,605,000
2013 (maturity)	1,700,000
2014	1,795,000
2015 (maturity)	1,905,000
2016	1,600,000
2017 (maturity)	1,695,000

For the purpose of selecting Bonds for redemption, any Bond of a denomination greater than \$5,000 shall be treated as representing such number of separate Bonds, each of the denomination of \$5,000, as is obtained by dividing the actual principal amount of such Bond by \$5,000. Any Bond which is to be redeemed only in part shall be surrendered at the principal corporate trust office of the Paying Agent, and the owner of such Bond shall receive, without service charge, a new Bond or Bonds, of any authorized denomination as requested by such owner in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Each such redemption shall be made as provided in the Ordinance upon not more than sixty (60) days nor less than thirty (30) days' written notice to the Registered Owner of each Bond called for redemption. Notice having been so given and provision having been made for redemption from funds on deposit with the Paying Agent, all interest on Bonds or portions thereof called for redemption accruing after the date fixed for redemption shall cease. The County has caused CUSIP numbers to be printed on the Bonds and has directed the Paying Agent to use CUSIP numbers in notices of redemption as a convenience to Registered Owners. No representation is made as to the accuracy of such numbers either as printed on the Bonds or as contained in any notice of redemption and reliance may be placed only on the identification number printed hereon.

With respect to any optional redemption of Bonds, if at the time of mailing such notice of redemption, the County shall not have deposited with the Paying Agent moneys sufficient to redeem all the Bonds called for redemption, such notice may state that it is conditional, that is, subject to the deposit of the redemption moneys with the Paying Agent not later than the opening of business on the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

The Bonds are transferrable by the owners thereof, subject to payment of any required tax, fee or other governmental charge, upon presentation and surrender at the principal corporate trust office of the Paying Agent, together with a duly executed instrument of transfer in form satisfactory to the Paying Agent, and thereupon one or more new registered Bonds, of authorized denominations and for the same aggregate principal amount, series designation, maturity and interest rate, will be issued to the designated transferee or transferees. The Bonds are exchangeable by the owners thereof, subject to the payment of any required tax, fee or other governmental charge, upon presentation and surrender at the principal corporate trust office of the Paying Agent, for a like aggregate principal amount of Bonds of the same series designation, maturity and interest rate of any authorized denomination, as requested by the owner surrendering the same.

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The Paying Agent shall not be required to transfer or exchange any Bond selected for redemption in whole or in part.

No recourse shall be had for the payment of the principal of or the interest on this Bond or for any claim based hereon or on the Ordinance, against any past, present or future official, officer, employee or agent, as such, of the County, either directly or through the County or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being by the acceptance hereof and, as a material part of the consideration for the issue hereof, expressly waived and released.

The County and the Paying Agent may treat the Registered Owner of this Bond as the absolute owner of this Bond for all purposes whether or not this Bond be overdue, and neither the County nor the Paying Agent shall be affected by any notice to the contrary.

It hereby is certified that: (i) all acts, conditions and things required to be done, to happen or to be performed as conditions precedent to and in issuance of this Bond or in creation of the debt of which this Bond is evidence have been done, have happened or have been performed in due and regular form and manner, as required by law; and (ii) the debt represented by this Bond, together with any other indebtedness of the County, is not in excess of any limitation imposed by the Act upon the incurring of debt by the County. The County, in the Ordinance, has established a sinking fund with the Paying Agent, as the sinking fund depository, into which funds for the payment of the principal of and the interest on the Bonds shall be deposited not later than the date fixed for disbursement thereof in immediately available funds sufficient to pay the principal of and interest on the Bonds as the same shall become due and payable. The County has covenanted in the Ordinance to make payments out of such sinking fund or out of any other of its revenues or funds, at such times and in such amounts as shall be sufficient for prompt and full payment of all obligations of this Bond and that for such purpose the full faith, credit and taxing power of the County is hereby irrevocably pledged.

[FORM OF INSTRUMENT OF TRANSFER]

ASSIGNMENT AND TRANSFER

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

Please Insert Social Security or Tax
Identification Number of Assignee(s)

the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____ Attorney, to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this Assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration, enlargement or any change whatsoever.

Section 2.02. Finding As To Private Negotiated Sale and Sale of the Bonds to the Purchaser. As required by Section 701 of the Act, the Commissioners hereby find, determine and declare that it is in the best financial interests of the County to sell the Bonds at private negotiated sale.

The Bonds are hereby awarded and sold at private negotiated sale to the Purchasers at an aggregate price of \$43,788,937.36, which is equal to the aggregate principal amount of the Bonds (\$43,055,000), less Purchasers' discount (\$365,967.50, or 0.85% of the principal amount), plus accrued interest to the date of delivery of the Bonds (\$278,373.06), plus reoffering premium on the Bonds maturing May 1, 2005 (\$923,132.70), less aggregate original issue discount (\$101,600.90); a "true interest cost" of 5.6533%, assuming a settlement date of April 26, 1995; and in accordance with the other terms and conditions contained in the Bond Purchase Agreement presented to this meeting, which is hereby accepted. A copy of said Bond Purchase Agreement shall be attached to this Ordinance and lodged with the official minutes of this meeting and is hereby incorporated herein by reference.

Authorized Officers of the County are authorized and directed to execute the Bond Purchase Agreement. The Preliminary Official Statement dated March 15, 1995 in the form presented is hereby approved, distribution thereof is hereby ratified, and the preparation and distribution of a final Official Statement is hereby authorized and approved.

Section 2.03. Maturities and Other Terms of the Bonds. The Bonds shall be in denominations of \$5,000 or any integral multiple thereof, shall be dated as of March 15, 1995, and shall be subject to purchase or redemption prior to maturity in the manner and subject to the conditions therein stated. The Bonds shall bear interest at the annual rates and shall mature as follows:

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<u>Principal Amount of Interest</u>	<u>Coupon Rate</u>	<u>Maturity Date May 1</u>
\$ 155,000	4.40%	1996
\$ 160,000	4.55%	1997
\$ 780,000	4.65%	1998
\$1,635,000	4.75%	1999
\$1,960,000	4.85%	2000
\$2,120,000	4.95%	2001
\$2,285,000	5.05%	2002
\$2,450,000	5.10%	2003
\$5,960,000	5.15%	2004
\$7,290,000	7.00%	2005
\$1,155,000	5.375%	2006
\$1,215,000	5.50%	2007
\$1,285,000	5.60%	2008
\$1,355,000	5.65%	2009
\$6,255,000	5.875%	2013
\$3,700,000	5.95%	2015
\$3,295,000	5.875%	2017

The County covenants that the Bonds maturing on May 1 in the years 2013, 2015 and 2017 will be purchased by the Paying Agent or called for redemption and redeemed by the Paying Agent prior to maturity out of moneys to be set aside in the Sinking Fund upon the dates, at the price, in the principal amounts and in the manner and subject to the provisions set forth in Section 4.02 and Exhibit B hereto.

The Bonds shall be subject to redemption prior to maturity at the option of the County in accordance with the terms set forth in the applicable form of Bond contained in Section 2.01 hereof.

Section 2.04. Authentication and Delivery of the Bonds. The County shall execute and deliver to the Paying Agent for authentication the Bonds described in Sections 2.01 and 2.03, and thereupon, the Paying Agent shall authenticate said Bonds and deliver them to or upon the order of the County, but only upon receipt of the proceeds of sale of the Bonds and of the following:

- (a) A certified copy of this Ordinance;
- (b) A certificate of the Pennsylvania Department of Community Affairs issued pursuant to the Act approving the incurrence of the debt of the County evidenced by the Bonds; and
- (c) An opinion of bond counsel approving the validity of the Bonds.

Section 2.05. Disbursement of Proceeds of the Bonds. The County shall also furnish to the Paying Agent at the time the Bonds are authenticated an Officer's Certificate signed by an Authorized Officer setting forth: (i) the amount of proceeds to be received by the County from the sale of the Bonds (other than any sum representing accrued interest on the Bonds); and (ii) the amounts presently payable or to be reserved for the costs and expenses of the financing.

The proceeds of the sale of the Bonds shall be paid over to the Paying Agent and shall be deposited by it in a settlement fund, from which the Paying Agent shall make the payments and deposits and set aside the reserves, if any, set forth in the Officer's Certificate.

Any reserves which shall be set up in the settlement fund shall be disbursed from time to time by the Paying Agent pursuant to further written directions of an Authorized Officer of the County.

All proceeds of sale of the Bonds received by the County for the Projects shown on Schedule 3 attached to and made a part of this Ordinance and associated with the portions of the Bonds deemed to be Electoral Debt shall be held in separate accounts established by the County for each such Project and shall be invested in Permitted Investments and used solely for the Cost of the respective Project (which may include the retirement of notes, if any, previously issued for such Project). All income received on investment of moneys in each such separate accounts shall be deposited therein and used for the Costs of the Project to which such account relates. If all of the proceeds received with respect to any such Project are not expended for Costs of that Project within five years of the delivery date of the Bonds, such unexpended proceeds shall remain invested in Permitted Investments and, along with the investment income, used for the retirement at maturity, or at earlier optional redemption, of Bonds issued with respect to such Project, unless the County shall have purchased Bonds in the open market or upon tenders at prices not exceeding the principal amount thereof plus accrued and unpaid interest to the date of purchase. The provisions of Section 5.05 and 5.06 of this Ordinance shall apply to this paragraph.

Section 2.06. Place, Manner and Source of Payment of Bonds. The principal of and interest on the Bonds issued and to be issued hereunder, and the redemption premium, if any, payable thereon in case of redemption, shall be payable as provided on the form of Bond set forth in this Ordinance, in lawful money of the United States of America. The principal of and interest on the Bonds and the redemption premium, if any, payable

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thereon in case of redemption, shall be payable out of moneys, if any, held by the Paying Agent hereunder, to the extent and as provided in this Ordinance or any Supplemental Ordinance, and, from the general tax and other revenues of the County.

Section 2.07. Execution of Bonds. All Bonds issued hereunder shall be executed in the name of the County by the manual or facsimile signature of the Commissioners, and the County Seal or a facsimile thereof shall be there unto affixed and attested by the manual or facsimile signature of the Chief Clerk. Whether or not any one or more of said officers who shall have signed or attested said Bonds shall have ceased to be such officer or officers at the time of the delivery of said Bonds, said Bonds shall be valid and binding obligations of the County.

Section 2.08. Authentication of Bonds. No Bonds shall become valid or obligatory for any purpose until such Bonds shall have been authenticated by the Paying Agent, and such authentication by the Paying Agent upon any Bond shall be conclusive evidence and the only evidence that the Bond so authenticated has been duly authenticated and delivered hereunder and that the holder or registered owner thereof is entitled to the benefit of the Ordinance.

Section 2.09. Registration and Transfer of Bonds.

A. The County shall keep, at the principal corporate trust office of the Paying Agent, books for the registration and transfer of Bonds and hereby appoints the Paying Agent to act as transfer agent to keep such books and make such registrations and transfers under such reasonable regulations as the County may prescribe.

B. The Bonds shall be exchangeable for Bonds of the same maturity of other authorized denominations in the same aggregate principal amount. The bondholder desiring to exchange Bonds shall surrender such Bonds at the principal corporate trust office of the Paying Agent, together with a written request for exchange, setting forth the denominations of the Bonds to be issued. Thereupon, the Paying Agent shall authenticate and deliver to the bondholder a new Bond or new Bonds in authorized denominations aggregating the principal amount of the Bond or Bonds surrendered. All Bonds issued in exchange for, or upon registration of transfer of Bonds shall be dated the date of authentication thereof.

C. All Bonds presented for transfer, registration, exchange, redemption or payment shall be accompanied by a written of signature satisfactory to the County and the Paying Agent, instrument or instruments or transfer, in form and with guaranty duly executed by the bondholder or by his duly authorized attorney.

D. All Bonds delivered upon any registration of transfer or exchange shall be valid obligations of the County, evidencing the same debt as the Bonds surrendered, shall be secured by the Ordinance and shall be entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.

Section 2.10. Mutilated, Destroyed, Stolen or Lost Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the County may, in its discretion, issue and thereupon the Paying Agent shall authenticate and deliver a new Bond, of like tenor, amount and maturity as the Bond so mutilated, destroyed, stolen or lost, (a) in exchange and in substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or (b) in place of and in substitution for the Bond destroyed, stolen or lost, (i) upon the holder's filing with the Paying Agent evidence satisfactory to the County and to the Paying Agent that such Bond has been destroyed, stolen or lost and of his ownership thereof, and (ii) upon the holder's furnishing the County and the Paying Agent with indemnity satisfactory to them and complying with such other reasonable regulations as the County and the Paying Agent may require. The County may, for each new Bond authenticated and delivered under the provisions of this Section 2.10, require the payment of a sum sufficient to pay printing expenses and any additional expenses, including counsel fees, which may be incurred by the County and the Paying Agent. All Bonds so surrendered to the Paying Agent shall be cancelled and destroyed by the Paying Agent and a cancellation and destruction certificate shall be filed with the County by the Paying Agent.

All duplicate Bonds issued pursuant to this Section 2.10 shall constitute original additional contractual obligations on the part of the County, whether or not the lost, stolen or destroyed Bonds be at any time found by anyone, and such duplicate Bonds shall be entitled to equal and proportional benefits with all other Bonds issued under this Ordinance.

Section 2.11. Temporary Bonds. Pending preparation of definitive Bonds of any series, or by agreement with the purchasers of all Bonds, the County may issue and, upon its request, the Paying Agent shall authenticate in lieu of definitive Bonds one or more temporary printed or typewritten Bonds in denominations of \$5,000 and multiples thereof of substantially the tenor recited above. Upon request of the County, the Paying Agent shall authenticate definitive Bonds in exchange for and upon surrender of an equal principal amount of temporary Bonds. Until so exchanged, temporary Bonds shall have the same rights, remedies and security hereunder as definitive Bonds.

Section 2.12. Cancellation and Destruction of Surrendered Bonds. Bonds surrendered for payment, redemption or exchange and Bonds purchased from any fund or account established under this Ordinance shall be cancelled by the Paying Agent. Unless the County shall have previously specified another disposition thereof, the Paying Agent shall destroy cancelled Bonds and deliver a certificate of destruction to the County.

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Section 2.13 Book-Entry Bonds.

(a) For all purposes of this Ordinance, the owner of a Book-Entry Bond shall be the Securities Depository therefor and neither the County nor the Paying Agent shall have responsibility or any obligation to the beneficial owner of such Bond or to any direct or indirect participant in such Securities Depository. Without limiting the generality of the foregoing, neither the County nor the Paying Agent shall have any responsibility or obligation to any such participant or to the beneficial owner of a Book-Entry Bond with respect to (i) the accuracy of the records of the Securities Depository or any participant with respect to any beneficial ownership interest in such Bond, (ii) the delivery to any participant of the Securities Depository, the beneficial owner of such Bond or any other person, other than the Securities Depository, of any notice with respect to such Bond, including any notice of the redemption thereof, or (iii) the payment to any participant of the Securities Depository, the beneficial owner of such Bond or any other person, other than the Securities Depository, of any amount with respect to the principal or redemption price of, or interest on, such Bond. The County and the Paying Agent may treat the Securities Depository therefor as the absolute owner of a Book-Entry Bond for the purpose of (a) payment of the principal or redemption price of, and interest on, such Bond, (b) giving notices of redemption and of other matters with respect to such Bond, (c) registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal or redemption price of, as applicable, and interest on, such Bond only to or upon the order of the Securities Depository, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to such principal or redemption price and interest to the extent of the sum or sums so paid. If a Bond is a Book-Entry Bond, no person other than the Securities Depository shall receive a Bond or other instrument evidencing the County's obligation to make payments of the principal or redemption price thereof, and interest thereon.

(b) Subject to the provisions of any agreement between the County, the Paying Agent and the Securities Depository, the County, in its sole discretion and without the consent of the Paying Agent, the beneficial owner of a Book-Entry Bond or any other person, may at any time terminate the services of the Securities Depository with respect to a Book-Entry Bond. The County shall terminate the services of the Securities Depository upon receipt by the County and the Paying Agent of written notice from the Securities Depository that it has received written requests that such Securities Depository be removed from its participants having beneficial interests, as shown in the records of the Securities Depository, in an aggregate amount of more than fifty percent (50%) in principal amount of the then Outstanding Bonds for which the Securities Depository is serving as Securities Depository.

(c) Upon the termination of the services of a Securities Depository with respect to a Book-Entry Bond, or the resignation of a Securities Depository with respect to a Book-Entry Bond, and the failure of the County to find a substitute securities depository willing to undertake the functions of such Securities Depository upon reasonable and customary terms on or before the effective date of such termination or resignation, such Bonds shall no longer be registered on the registration books kept by the Registrar in the name of a Securities Depository, but may be registered in the name or names the Owners transferring or exchanging such Bonds shall designate, in accordance with the provisions of this Article II.

ARTICLE III

SINKING FUND

Section 3.01. Creation of Sinking Fund. The County covenants that there shall be and there is hereby established and that it shall hereafter maintain a sinking fund for the Bonds, designated as "County of Bucks General Obligation Bonds, Series of 1995 Sinking Fund" (the "Sinking Fund"), to be held by the Paying Agent (or such substitute or successor Paying Agent which shall hereafter be appointed in accordance with the provisions of the Act) in the name of the County, but subject to withdrawal only in accordance with the provisions of this Ordinance. The Sinking Fund shall be held and maintained for the equal and proportionate benefit and security of the holders of Outstanding Bonds.

The moneys and investments from time to time on deposit in the Sinking Fund shall, without further action or filing, be subject to a perfected security interest, lien and charge in favor of the holders and registered owners of the Bonds until disbursed as hereinafter provided.

Section 3.02. Deposits to Sinking Fund - Payment of Bonds. The County covenants and agrees to deposit in the Sinking Fund not later than the day prior to each payment date for the Bonds Outstanding hereunder, the amount, in immediately available funds, necessary to provide sufficient funds in the Sinking Fund to make all payments of the principal of and interest on all such Bonds as and when the same become due and payable. The Paying Agent, without further action of the County, is hereby authorized and directed to pay from the Sinking Fund, the principal of and interest on the Bonds, and the County hereby covenants that such moneys, to the extent required, will be applied to such purpose, as and when the same shall become due and payable.

The Sinking Fund deposits required to meet the principal and interest payments on the Bonds shall be those set forth in Exhibit B attached hereto and made a part hereof, or such other amount as shall be necessary to pay such principal and interest on the payment dates.

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At the time of issuance of the Bonds, the County shall make an initial deposit to the Sinking Fund of such sum, if any, representing the accrued interest on the Bonds.

If any series of Bonds shall include provisions for the mandatory redemption of Bonds from the Sinking Fund in any year, in lieu of serial maturities, the Paying Agent shall take all action necessary to effect such redemptions in accordance with the terms of each such series of Bonds. The dates and amounts of such mandatory redemptions applicable to the Bonds, if any, shall be as set forth in Exhibit B hereto.

During the years in which Bonds are to be mandatorily redeemed and prior to the date that notice of such redemption is required to be given by the Paying Agent, the County or Paying Agent on its behalf, shall be authorized to accept firm commitments for tenders for the purchase of such Bonds of the maturity currently designated for redemption out of moneys on deposit in the Sinking Fund, at prices not exceeding 100% of principal amount and interest accrued to the date of purchase. The principal amount of said Bonds required to be redeemed in any year shall be reduced by the amount of said Bonds so purchased.

If the County shall determine to include in any notice of mandatory redemption given by the Paying Agent the optional redemption of Bonds out of other available funds, and shall give the Paying Agent written notice of such determination in time for the Paying Agent to include such Bonds in its drawing by lot, then the Bonds to be redeemed shall be included in the drawing by lot and in the redemption notice.

Section 3.03. Surplus Moneys. Moneys in the Sinking Fund which are not required for the payment of any past or current Debt Service Requirements of the Bonds may be used as a credit against future Sinking Fund deposits or for any lawful purpose and, to the extent not used as a credit, may be transferred to the general funds of the County at the written request of the County. Nothing herein shall prevent the County from applying surplus moneys in the Sinking Fund to the redemption or purchase of Bonds.

Section 3.04. Investment of Sinking Fund. Pending application to the purposes for which the Sinking Fund is established, any Authorized Officer is authorized and directed to cause or to instruct the Sinking Fund depository in writing to cause the moneys in such fund to be invested in Permitted Investments or deposited and insured or secured as may be permitted by the Act and other applicable law. All income received on deposits or investments of moneys in the Sinking Fund shall be deposited therein and shall be credited against the deposits next required to be made into such Fund under Section 3.02 or otherwise applied as set forth in Section 3.03.

The County covenants that it will not invest or authorize the Paying Agent to invest any of the proceeds of the Bonds or any other funds in any investments which would have caused such Bonds to be "arbitrage bonds" as such term is defined in Section 103(b)(2) and Section 148 of the Code and the regulations issued thereunder and the County further covenants to comply and to cause the Paying Agent to comply with said Sections 103 and 148 and applicable regulations throughout the term of all Bonds.

Section 3.05. Retirement of All Bonds. In the event that the County shall desire to redeem and pay all outstanding Bonds, and the moneys in the Sinking Fund, together with other available funds, are sufficient to effect such redemption or payment, including in addition to principal and interest, redemption premium, cost of redemption and proper charges and expenses of the Paying Agent, the Sinking Fund may be discontinued and the money therein applied toward such redemption or payment.

ARTICLE IV

REDEMPTION OF BONDS

Section 4.01. Redemption of Bonds. The Bonds issued or to be issued under this Ordinance shall be subject to redemption at such time or times and from time to time, in such order, at such redemption prices, upon such notice, and upon such terms and conditions as may be expressed in the particular Bond, or, as the case may be, in this Ordinance. If less than all the Bonds are to be redeemed, the particular maturity or maturities of the Bonds to be called for redemption shall be selected by the County and within a maturity by lot as chosen by the Paying Agent.

Section 4.02. Notice of Redemption - Partial Redemption. Whenever the County shall, by Certified Resolution of the Commissioners, determine to redeem Outstanding Bonds in accordance with the right reserved to do so, the County shall give the Paying Agent at least ten (10) days notice to prepare a notice of redemption with respect to such Bonds. Notice of any redemption shall be given by the Paying Agent in the name of the County no more than sixty (60) and no less than thirty (30) days prior to the redemption date and shall state the redemption date, the redemption price and identify the Bonds by reference to their designation, numbers of CUSIP numbers. The notice shall further state that on such redemption date the redemption price, together with accrued interest, shall be payable at the principal corporate trust office of the Paying Agent and that from such date interest thereon shall cease to accrue. Such notice shall be given by first class mail, postage prepaid, to the holders of the Bonds to be redeemed.

In addition, the Paying Agent shall, at the expense of the County, cause copies of such notice of redemption to be sent by registered mail, certified mail, overnight delivery service or telecopy (or other similarly secure service acceptable to the Paying Agent) (i) to all holders of Bonds who provide satisfactory evidence to the Paying Agent

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of ownership of at least \$1,000,000 in principal amount of the Bonds and who request in writing; (ii) to all registered securities depositories; and (iii) to two or more national information services that disseminate redemption information, one of which shall be The Bond Buyer unless it is no longer published. The notices to registered securities depositories shall be sent at least two (2) business days in advance of the date notices addressed to registered owners and national information services are deposited in the United States mail. The current names and addresses of all registered securities depositories are as follows: The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530; Midwest Securities Trust Company, Capital Structures-Call Notification, 440 South LaSalle Street, Chicago, Illinois 60605; and Philadelphia Depository Trust Company, Reorganization Division, 1900 Market Street, Philadelphia, Pennsylvania 19103, Attn: Bond Department. Certain national information services include: Kenny Information Systems, Inc., Called Bond Service, 55 Broad Street, New York, New York 10004; Moody's Investors Service, Inc., Municipal and Government, 99 Church Street, New York, New York 10007; Standard & Poor's Ratings Group, Called Bond Records, 25 Broadway, New York, New York 10004; and The Bond Buyer, One State Street Plaza, New York, New York 10004. The Paying Agent shall not be required to advertise said notice of redemption.

Any defect in or failure to give any notices provided in this Section 4.02 shall not affect the validity of the redemption of any Bonds.

If only a portion of such a Bond is selected for redemption, then at such time as said Bond is presented to the Paying Agent for payment of that portion of the Bond which was selected for redemption, the Paying Agent shall pay such portion. The Paying Agent promptly thereafter shall issue and authenticate a new Bond or Bonds of any authorized denomination as requested by the owner for the remaining aggregate outstanding principal amount of the Bond which was not called for redemption. The newly issued and authenticated Bond or Bonds shall be delivered to the bondholder at the address appearing on the books of the Paying Agent.

Section 4.03. Payment of Redemption Price. If notice of redemption has been duly mailed to the owners of all Bonds called for redemption, then the Bonds called for redemption shall be payable on the redemption date at the applicable redemption price as set forth in the particular Bonds, plus interest accrued to the redemption date. Payment of the redemption price together with accrued interest shall be made by the Paying Agent to or upon the order of the owner of the Bonds called for redemption upon surrender of such Bonds, provided that if a redemption date is on an Interest Payment Date, interest shall be paid in the usual manner.

If at the time of mailing a notice of an optional redemption of Bonds there shall not have been deposited with the Paying Agent in the Sinking Fund moneys sufficient to redeem all Bonds being called for optional redemption, the notice of redemption shall state that the redemption is conditioned on the deposit with the Paying Agent in the Sinking Fund on or prior to the redemption date of moneys sufficient to pay the redemption price plus accrued interest to the date of redemption.

Section 4.04. Effect of Redemption. Whenever Bonds are to be redeemed, all redemption costs, including the amount necessary to pay all costs of any required mailing and any other costs incidental to the redemption and to pay the principal and all interest accrued and to accrue to the date fixed for redemption, shall be set aside and held separate and apart by the Paying Agent exclusively for such purposes. Notice by mailing having been given in the manner herein before provided or written waivers of notice having been filed with the Paying Agent, and the redemption costs having been set aside by the Paying Agent prior to the date set for redemption, the Bonds so called for redemption shall become due and payable on the redemption date so designated, and interest on such Bonds shall cease from such redemption date, whether such Bonds be presented for redemption or not, and the owners of the Bonds called for redemption shall have no further right except to receive payment of the redemption price.

ARTICLE V

PARTICULAR COVENANTS OF THE COUNTY

Section 5.01. Payment of Bonds. The County covenants that it will promptly pay the principal of and interest on every Bond issued and to be issued hereunder and secured hereby at the place and on the dates and in the manner specified herein and in said Bonds according to the true intent and meaning thereof.

Section 5.02. Further Action. The County covenants that it will, from time to time, execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the purpose of this Ordinance.

Section 5.03. Covenant To Budget, Appropriate and Pay. The County hereby covenants with the registered owners or holders from time to time of the Bonds:

(a) that the County will include in its budget for each year commencing with the Fiscal Year ending December 31, 1996, the amount, if any, of the debt service on the Bonds which will be payable in each such Fiscal Year so long as the Bonds shall remain outstanding; and

(b) that the County shall appropriate such amounts to the payment of such debt service, and shall duly and punctually pay or cause to be paid from the Sinking Fund the

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principal of the Bonds and the interest thereon on the dates and at the place and in the manner stated in the Bonds according to the true intent and meaning thereof, and for such budgeting, appropriation and payment the County hereby pledges its full faith, credit and taxing power. The covenant contained herein shall be specifically enforceable.

Section 5.04. Accounts and Audits. The County shall at all times maintain an accurate system of accounts and keep proper books of record and account relating to the revenues and expenses of the County. The County shall cause such accounts and records to be audited annually by an Accountant, and not later than one hundred eighty (180) days after the close of each Fiscal Year, shall furnish copies of such reports to the Paying Agent and, upon written request, to any bondholder. The Accountant shall report among other things upon the maintenance of the Sinking Fund as required by Article IV, and the investment and securing of moneys as required by Section 1004 of the Act.

Section 5.05. Tax Covenant. The County covenants with the registered owners of the Bonds that (i) no part of the proceeds of the Bonds shall at any time be used directly or indirectly to acquire securities, obligations, or other investment type property, the acquisition of which would cause the Bonds to be "arbitrage bonds" as defined in Section 103(b)(2) and Section 148 of the Code, or any similar statutory provision or any rule or regulation promulgated thereunder, such that the interest on the Bonds would no longer exempt from Federal income tax and (ii) it will comply with each applicable requirement of the Code to the extent required to maintain the exemption from Federal income taxation of the interest payable on the Bonds under Section 103(a) of the Code, including without intending to limit the generality of the foregoing, compliance with its obligations, if any, to rebate arbitrage profits applicable to the Bonds, if any, under Section 148(f) of the Code. The County is authorized to comply with such procedures as may be recommended by its duly appointed bond counsel in complying with the provisions of such Section 148(f).

Section 5.06. Record Keeping and Rebate Covenant. In furtherance of the County's covenant set forth in Section 5.05 hereof, the County shall, unless advised by bond counsel to the contrary,

(a) keep, or cause to be kept, accurate records of each investment it makes in "investment property", if any, acquired directly or indirectly with "gross proceeds" of the Bonds and each "expenditure" it makes with the "gross proceeds" of the Bonds. Such records shall include the purchase date or allocation date, purchase price (including any "constructive payments"), nominal interest rate, dated date, maturity date, type of property, frequency of periodic payments, period of compounding, yield to maturity, amount actually or constructively received on disposition (including any "disposition receipt" or "installment date receipt", disposition date and evidence of the fair market value of such property on the purchase date or disposition date) for each item of such "investment property".

(b) compute, or cause to be computed (using such consultants as it deems necessary), within thirty (30) days of the last day of the fifth and each succeeding fifth "bond year" and within thirty (30) days of the date the last Bond is discharged the "rebateable arbitrage" as of the "installment computation date" or "final computation date" attributable to any investment in "investment property" made by the County.

(c) pay to the Internal Revenue Service (A) within sixty (60) days of the last day of the fifth and each succeeding fifth "bond year" an amount of money equal to 90% of the "rebateable arbitrage" and (B) within sixty (60) days after the last Bond is discharged, the balance of the "rebateable arbitrage" together with interest as required by Section 148(f) of the Code; provided, however, that computations and payments may be made on other bases, at other times, and in other amounts, or omitted altogether, to the extent a nationally recognized bond counsel opines that such action will not adversely affect the exemption of interest on the Bonds from Federal income tax.

(d) retain records of the determinations of the amounts paid to the United States until six (6) years after the date the last Bond is discharged.

For purposes of this Section 5.06, quoted terms shall have the meanings given to such terms by Section 148 of the Code, including particularly Treasury Regulations 1.148-1 through 1.148-11 and 1.150-1, as supplemented or amended, to the extent applicable to the Bonds, and any successor legislation or regulations applicable to the Bonds.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Default. If the County shall fail to pay the principal of or interest on any Bond when due under the Bonds, the registered owners of the Bonds shall be entitled to all of the rights and remedies provided by the Act in the event of such default.

Section 6.02. Amendments. The County may, from time to time and at any time, adopt a Supplemental Ordinance (a) to cure any ambiguity, or formal defect or omission in the Ordinance or in any Supplemental Ordinance, or (b) to grant to and confer upon the bondholders any additional rights, remedies, powers, authority or security that may be lawfully granted to or conferred upon the bondholders. The Ordinance may also be amended or modified from time to time for any other purpose, except with respect to the

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principal and interest payable upon the Bonds, or with respect to the dates of maturity or redemption provision of the Bonds, or with respect to this Section 6.02 by a Supplemental Ordinance adopted by the County, a certified copy of which shall be filed with the Paying Agent, with the written approval of the owners or holders of not less than 67% in principal amount of the Bonds outstanding, other than Bonds provision for the payment or redemption of which shall have been made on or before the effective date of such Supplemental Ordinance. Within the meaning of this Section 6.02, provision for the redemption of Bonds shall have been made if the Bonds are no longer deemed to be outstanding under Section 1110(b) of the Act.

Section 6.03. Execution of the Bonds; Other Action. The Commissioners are hereby authorized to execute the Bonds, to deliver the Bonds to the Purchasers upon receipt of the purchase price thereof and the proper officers of the County are authorized to take such other action as may be necessary or proper to effect the issuance of said Bonds or otherwise to comply with the Act or the Ordinance.

Section 6.04. Deposit of Funds for Payment of Bonds. When the principal of, premium, if any, and interest on the Bonds secured hereby shall have been fully paid or retired by redemption or otherwise, or if and when provision for such payment or retirement shall have been duly made (a) by deposit with the Paying Agent of (i) cash in an amount sufficient to pay in full the principal of, and interest on the Bonds, and all other sums payable hereunder by the County, (ii) noncallable Government Obligations, or time deposits or certificates of deposit, with a firm rate of interest or stated minimum rate of interest issued by a bank or trust company and insured or adequately secured as required by the Act the principal of and interest on such securities, when due, being sufficient to provide without reinvestment moneys to pay in full the principal of and interest on the Bonds, as well as any other sums payable hereunder by the County, (iii) any combination of the foregoing; and (b) in the case of retirement of Bonds by redemption, by filing with the Paying Agent (i) a Certified Resolution calling such Bonds for redemption and fixing the date for redemption, and (ii) either (x) proof of mailing of the required redemption notice, or (y) irrevocable instructions to the Paying Agent to give such notice accompanied by funds sufficient to pay all expenses of notice; then and in that case all liability of the County with respect to such Bonds shall cease, except as hereinafter provided. Thereafter the holders of such Bonds shall be restricted exclusively to the funds so deposited for any claim of whatsoever nature with respect to such Bonds and the Paying Agent shall hold such funds in trust for such holders.

Moneys so deposited with the Paying Agent which remain unclaimed five years after the date payment thereof becomes due shall, upon request of the County, if the County is not at the time to the knowledge of the Paying Agent in default with respect to any covenant in the Ordinance or the Bonds contained, be paid to the County; and the holders of the Bonds for which the deposit was made shall thereafter be limited to a claim against the County; provided, however, that the Paying Agent, before making payment to the County, may, at the expense of the County, cause a notice to be published once in a newspaper or newspapers of general circulation in Bucks County stating that the moneys remaining unclaimed will be returned to the County after a specified date, and shall mail a copy of the notice to the owner of the Bonds at the address set forth for such owner on the registration books.

Section 6.05. Other County Financings. Nothing in this Ordinance shall limit the power of the County to issue other bonds or notes under other ordinances, resolutions or indentures for the purpose of financing other projects or from pledging the revenues of such other projects for the payment of the bonds or notes issued to finance such other projects. Without limiting the generality of the preceding sentence, the County expressly reserves the right to issue bonds or notes payable out of, and secured by, assessments payable by property owners specially benefitted by the project or facility financed from the proceeds of such bonds or notes.

Section 6.06. No Personal Recourse. No recourse shall be had for any claim based on the Ordinance or the Bonds against any official, officer, employee or agent, past, present or future, of the County or of any successor body as such, either directly or through the County or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise.

Section 6.07. Appointment of Paying Agent. Mellon Bank, N.A. is hereby appointed Paying Agent and registrar for the Bonds and Sinking Fund Depository for the purposes of this Ordinance and the Act. The Commissioners hereby authorize an Authorized Officer to enter into a contract with the Paying Agent in connection with the performance of its duties as paying agent and sinking fund depository on usual and customary terms, including an agreement on the part of the Paying Agent to observe and comply with the provisions of this Ordinance and of the Act, and an agreement on the part of the County to pay the fees and charges of the Paying Agent. The Paying Agent may appoint any subagent only with the express written consent of the County.

Section 6.08. Notices to Paying Agent and County. Any notice to or demand upon the Paying Agent may be served, presented or made at the principal corporate trust office of the Paying Agent. Any notice to or demand upon the County shall be deemed to have been sufficiently given or served by the Paying Agent for all purposes by being sent by registered United States mail to the County at County Courthouse, Doylestown, Pennsylvania 18901, or such other address as may be filed in writing by the County with the Paying Agent.

Ordinance 91

Section 6.09. Secondary Market Disclosure by County. The County shall, in addition to and notwithstanding anything to the contrary in this Ordinance, provide:

(a) at the same time that similar information is required under this Ordinance to be provided to all Bondholders, but no later than thirty (30) days after the County obtains actual knowledge, to each Nationally Recognized Municipal Securities Information Repository (or to the Municipal Securities Rulemaking Board), and to the appropriate state information depository, if any, notice of any of the following with respect to any Bonds:

- (1) Any Event of Default under Section 6.01 hereof;
- (2) Any optional redemption of Bonds pursuant to the terms thereof;
- (3) Any provision for the payment of Bonds pursuant to Section 6.04 hereof.

(b) promptly upon receipt thereof by the County, to each Nationally Recognized Municipal Securities Information Repository (or to the Municipal Securities Rulemaking Board), and to the appropriate state information depository, if any, copies of the audited financial statements of the County described under the provisions of Section 5.04 of this Ordinance.

(c) promptly after the occurrence thereof, to each Nationally Recognized Municipal Securities Information Repository (or to the Municipal Securities Rulemaking Board), and to the appropriate state information depository, if any, notice of a failure of the County to comply with Section 5.04 of this Ordinance.

It is the intention of the County to comply fully with the provisions of Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities and Exchange Act of 1934 ("Rule 15c2-12"). All capitalized terms used in this Section 6.09 shall have the meanings given to those terms in Rule 15c2-12, as modified from time to time. The provisions of this Section 6.09 may be amended without the consent of Bondholders upon the receipt by the County of an opinion of nationally recognized bond counsel in order to reflect the application of Rule 15c2-12 to the Bonds, as such Rule 15c2-12 may be modified from time to time.

Section 6.10. Further Action. The officers of the County are hereby authorized and directed to take all such action, execute, deliver, file and/or record all such documents, publish all notices and otherwise comply with the provisions of the Ordinance and the Act insofar as the same relate to the Bonds or the Projects, on such terms and conditions as are acceptable to the County, in the name and on behalf of the County.

Section 6.11. Severability. In case any one or more of the provisions contained in the Ordinance or in the Bonds issued pursuant thereto shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of the Ordinance or of said Bonds, and the Ordinance or said Bonds shall be construed and enforced as if such invalid, illegal or unenforceable provision had never been contained herein.

Section 6.12. Scope of Ordinance. Nothing in the Ordinance, expressed or implied, is intended or shall be construed to confer upon, or to give any person, firm or corporation other than the Paying Agent and the holders of the Bonds, any right, remedy or claim under or by reason of the Ordinance or any covenant, condition or stipulation thereof; and the covenants, stipulations and agreements in the Ordinance are and shall be for the sole and exclusive benefit of the Paying Agent and the holders of the Bonds.

Section 6.13. Repealer. All resolutions and parts of resolutions heretofore adopted, to the extent that the same are inconsistent in any manner herewith, are hereby repealed.

Section 6.14. Effectiveness. This Ordinance shall become effective in accordance with Section 103 of the Act.

EXHIBIT A

COUNTY OF BUCKS

GENERAL OBLIGATION BONDS
SERIES OF 1995
SOURCES AND USES OF FUNDS

Sources of Funds:

Series of 1995 Bonds	
Par Amount	\$43,055,000.00
Premium	923,132.70
Original Issue Discount	(101,600.90)
Accrued Interest	278,373.06
Estimated Investment Earnings on Funds during construction of Project	<u>2,881,633.56</u>
Total Sources	<u>\$47,036,538.42</u>

Uses of Funds:

Ordinance 91

Costs of Projects	\$42,605,000.00	
Interest during Construction Period		3,661,397.86
Cost of Issuing Bonds		491,767.50
Accrued Interest	<u>278,373.06</u>	
Total Uses		<u>\$47,036,538.42</u>

EXHIBIT B

COUNTY OF BUCKS
GENERAL OBLIGATION BONDS
SERIES OF 1995

SINKING FUND SCHEDULE

TERM BONDS MATURING MAY 1, 2013

Mandatory Redemption Date (May 1)	Principal Amount of Term Bonds to be Redeemed
2010	\$1,430,000
2011	1,520,000
2012	1,605,000
2013 (maturity date)	1,700,000

TERM BONDS MATURING MAY 1, 2015

Mandatory Redemption Date (May 1)	Principal Amount of Term Bonds to be Redeemed
2014	\$1,795,000
2015 (maturity date)	1,905,000

TERM BONDS MATURING MAY 1, 2017

Mandatory Redemption Date (May 1)	Principal Amount of Term Bonds to be Redeemed
2016	\$1,600,000
2017 (maturity date)	1,695,000

SCHEDULE 1

COUNTY OF BUCKS

GENERAL OBLIGATION BONDS
SERIES OF 1995

ELECTORAL AND NONELECTORAL
DEBT ALLOCATION

Maturity Nonelectoral Date	Principal Amount	Electoral Debt	Debt
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SCHEDULE 2

COUNTY OF BUCKS

GENERAL OBLIGATION BONDS
SERIES OF 1995

ALLOCATION OF NONELECTORAL BONDS
AMONG PROJECTS

Maturity Date	Principal Amount	Juvenile Detention Project	Neshaminy Manor Project	Other Projects
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SCHEDULE 3

COUNTY OF BUCKS

GENERAL OBLIGATION BONDS

Ordinance 91

SERIES OF 1995
PRINCIPAL AMOUNT OF BONDS
ALLOCATED TO PROJECTS
APPROVED BY VOTERS

<u>Project</u>	<u>Principal of Bonds</u>
Emergency Dispatch System Modernization	\$
Emergency Services Training Center	
Library Materials	
Oxford Valley Pool Renovations	
Frosty Hollow Recreation Plan	
Lake Towhee Road Reconstruction	
Peace Valley Nature Center Renovation	
Parkland Acquisition	
Farmland Preservation	

SCHEDULE 4

COUNTY OF BUCKS

GENERAL OBLIGATION BONDS
SERIES OF 1995

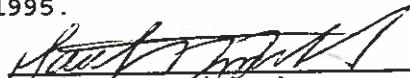
CERTIFICATE

I, the undersigned, Chief Clerk of the Board of County Commissioners (the "Commissioners") of Bucks County, Pennsylvania (the "County"), certify: that the foregoing is a true and correct copy of an Ordinance which duly was enacted by affirmative vote of a majority of all the Commissioners of the County at a meeting duly held on March 29, 1995; that said Ordinance duly has been recorded in the minute book of the County; that said Ordinance has been assigned Ordinance No. 91, that said Ordinance has been published, in summary form, as required by law on March 24, 1995 in the Intelligencer/Record, a newspaper of general circulation published or circulating in the County and notice of enactment of said Ordinance, setting forth matters required by law, was advertised, as required by law, in the Intelligencer/Record on April 2, 1995, a newspaper of general circulation published or circulating in the County; and that said Ordinance remains in effect, unaltered and unamended, as of the date of this Certificate.

I further certify that the total number of Commissioners of the County is three (3); that the vote of the Commissioners of the County upon said Ordinance duly was called and recorded upon the minutes of said meeting; and that the Commissioners of the County voted upon said Ordinance in the following manner:

Andrew L. Warren	<u>Yes</u>
Michael G. Fitzpatrick	<u>Yes</u>
Sandra A. Miller	<u>Yes</u>

IN WITNESS WHEREOF, I set my hand and affix the official seal of the County this 3rd day of April, 1995.



David G. Steinbach
County Administrator/Chief Clerk

(SEAL)