

**COUNTY OF CENTRE**  
**Commonwealth of Pennsylvania**

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ORDINANCE NO. 1 of 2000

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AN ORDINANCE

OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF CENTRE, PENNSYLVANIA (THE "COUNTY") AUTHORIZING THE INCURRENCE OF NONELECTORAL DEBT EVIDENCED BY ITS GENERAL OBLIGATION BONDS, SERIES OF 2000 IN THE AGGREGATE PRINCIPAL AMOUNT OF \$5,000,000 (THE "BONDS") FOR THE PURPOSE OF PROVIDING FUNDS TO BE APPLIED FOR AND TOWARD (A) CERTAIN CAPITAL PROJECTS OF THE COUNTY, INCLUDING, BUT NOT LIMITED TO (1) THE PLANNING, DESIGN AND CONSTRUCTION OF A NEW COUNTY CORRECTIONS FACILITY, (2) THE PLANNING, DESIGN, CONSTRUCTION AND RENOVATION OF THE COUNTY'S EXISTING CORRECTIONS FACILITY FOR OTHER USE, AND (3) IMPROVEMENTS AND RENOVATIONS TO THE COUNTY COURTHOUSE AND OTHER COUNTY BUILDINGS AND FACILITIES, (B) PAYMENT OF CAPITALIZED INTEREST ON THE BONDS, AND (C) PAYMENT OF THE COSTS OF ISSUANCE OF THE BONDS; FINDING A PRIVATE SALE BY NEGOTIATION TO BE IN THE BEST INTEREST OF THE COUNTY; ACCEPTING A PROPOSAL FOR THE PURCHASE OF THE BONDS; PROVIDING FOR MATURITIES AND INTEREST RATES WITH RESPECT TO THE BONDS; APPOINTING A PAYING AGENT, REGISTRAR AND SINKING FUND DEPOSITORY; PROVIDING FOR THE TERMS OF THE BONDS INCLUDING DENOMINATIONS, DATE, INTEREST PAYMENT DATES AND RECORD DATES; PROVIDING FOR THE REGISTRATION AND TRANSFER OF THE BONDS; AUTHORIZING THE EXECUTION AND AUTHENTICATION OF THE BONDS; COVENANTING TO PAY DEBT SERVICE AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER FOR THE PAYMENT OF THE BONDS; SETTING FORTH REDEMPTION FEATURES AND PROCEDURES; ESTABLISHING A SINKING FUND; APPROPRIATING PROCEEDS DERIVED FROM THE SALE OF THE BONDS; SPECIFYING THE ESTIMATED USEFUL LIFE OF THE COUNTY'S PROJECT; SETTING FORTH CERTAIN COVENANTS RELATING TO THE NON-ARBITRAGE STATUS OF THE BONDS AND DESIGNATING THE BONDS AS QUALIFIED TAX-EXEMPT OBLIGATIONS PURSUANT TO SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; RATIFYING PRIOR ADVERTISEMENT AND DIRECTING FURTHER ADVERTISEMENT; AUTHORIZING AND DIRECTING THE PREPARATION, EXECUTION AND FILING OF A TRANSCRIPT OF PROCEEDINGS, INCLUDING THE DEBT STATEMENT AND BORROWING BASE CERTIFICATE, WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; AUTHORIZING AND DIRECTING THE OFFICERS AND OFFICIALS OF THE COUNTY TO EXECUTE AND DELIVER DOCUMENTS AND TO TAKE ACTION AS MAY BE NECESSARY RELATING TO THE ISSUANCE OF THE BONDS;

RATIFYING THE PRELIMINARY OFFICIAL STATEMENT AND THE DISTRIBUTION THEREOF AND AUTHORIZING THE APPROVAL AND DISTRIBUTION OF A FINAL OFFICIAL STATEMENT AND THE USE THEREOF IN CONNECTION WITH THE SALE OF THE BONDS; CREATING A CLEARING ACCOUNT AND A PROJECT ACCOUNT; AUTHORIZING THE PAYMENT OF EXPENSES; PROVIDING GUIDELINES FOR PERMITTED INVESTMENTS; AUTHORIZING THE PURCHASE OF A POLICY OF MUNICIPAL BOND INSURANCE; UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE; PROVIDING FOR THE AUTHORIZATION OF OFFICERS; ADOPTING A FORM OF BOND; PROVIDING FOR SEVERABILITY OF PROVISIONS AND REPEALING INCONSISTENT ORDINANCES.

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**Enacted November 14, 2000**

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**WHEREAS**, the County of Centre ("County"), is a county of the fifth class 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.*] (the "Debt Act"); and

**WHEREAS**, the Board of Commissioners of the County desires to undertake to provide funds to be used (A) to pay all or a portion of certain capital projects which include, but not limited to, the following projects: (1) the planning, design, acquisition and construction of a new County corrections facility, (2) the planning, design, construction and renovation of the County's existing corrections facility for other use, and (3) the planning, design, acquisition and construction of improvements and renovations to the County courthouse and other County buildings and facilities, (B) to pay capitalized interest on the Bonds (defined herein), and (C) to pay the costs relating to the issuance of the Bonds (defined herein) (collectively, the "2000 Project"); and

**WHEREAS**, the County has obtained cost estimates for the various components of the 2000 Project either through actual bids or cost estimates prepared by the County based on information received by the County from consultants or other persons qualified by experience; and

**WHEREAS**, the total cost of the 2000 Project is estimated to be approximately \$30,000,000; and

**WHEREAS**, the Board of Commissioners of the County have determined to incur nonelectoral debt in the aggregate principal amount of \$5,000,000 by issuance and sale of its General Obligation Bonds, Series of 2000, to be dated as of December 1, 2000 (the "Bonds"), in accordance with terms and provisions of this Ordinance and the Debt Act, for the purpose of providing funds to be used, together with interest estimated to be earned thereon, for and toward payment of certain initial costs and expenses of the 2000 Project and issuance of the Bonds; and

**WHEREAS**, the Board of Commissioners of the County desire that the financing of certain initial costs and expenses of the 2000 Project including capitalized interest on the

Bonds, to the extent required, shall be accomplished by the issuance of the proposed Bonds which are to be sold at private sale pursuant to the Debt Act; and

**WHEREAS**, PNC Capital Markets, Inc., Pittsburgh, Pennsylvania, (the "Purchaser") has presented to the County a proposal (the "Proposal") for the purchase of the Bonds; and

**WHEREAS**, the County desires to approve and authorize the 2000 Project, issuance of the Bonds, acceptance of the Purchaser's Proposal, the form of the Bonds, and to authorize such further action by its officers consistent with this Ordinance, the Debt Act, and all other applicable law.

**NOW, THEREFORE, BE AND IT HEREBY IS RESOLVED** by the Board of Commissioners of the County of Centre that:

**SECTION 1. The Project.**

The County hereby undertakes as a project the 2000 Project. The Recitals to this Ordinance, including the description of the 2000 Project therein, are hereby incorporated into this Section by reference as if set out at length. The County estimates that the 2000 Project will be completed on or before January 1, 2004.

**SECTION 2. Incurrence of Indebtedness.**

For the purpose of providing funds for and toward the payment of certain initial costs, as such term is used in the Debt Act, of the 2000 Project, the incurring of nonelectoral debt by the County in the amount of \$5,000,000 is hereby authorized. Such debt shall be evidenced by an issue of general obligation bonds of the County in the aggregate principal amount of \$5,000,000 designated "County of Centre, Commonwealth of Pennsylvania, General Obligation Bonds, Series of 2000" (the "Bonds").

**SECTION 3. Approval of Private Sale By Negotiation.**

After considering the advantages and disadvantages of a public sale of the Bonds and of current market conditions, the Board of Commissioners hereby determines that a private sale by negotiation is in the best financial interest of the County.

**SECTION 4. Acceptance of Proposal.**

The Proposal presented to this meeting by the Purchaser is hereby accepted. The Bonds are hereby awarded and sold to the Purchaser at a negotiated sale at the price stated on Schedule A which is attached hereto and incorporated herein by reference as if set out here at length. The proper officers of the County are authorized and directed to execute and deliver an acceptance of the Proposal to the Purchaser. One counterpart of the Proposal shall be filed with the records of the County.

**SECTION 5. Maturity, Interest Rates and Original Issue Discount.**

The Bonds shall bear interest, shall mature and shall be sold with Original Issue Discount as set out on Schedule A attached hereto and incorporated herein.

**SECTION 6. Appointment of Paying Agent, Registrar and Sinking Fund Depository.**

Omega Bank, N.A. is hereby appointed Paying Agent ("Paying Agent") and Registrar ("Registrar") for the Bonds and Sinking Fund Depository ("Sinking Fund Depository") for the Series of 2000 Bonds Sinking Fund created hereby. The Chairman or the Chief Clerk is hereby authorized and directed to contract with Omega Bank, N.A., having its corporate trust office in

State College, Pennsylvania, for its services as Sinking Fund Depository, Paying Agent and Registrar at such initial and annual charges as shall be appropriate and reasonable for such services. The County may, by resolution, from time to time appoint a successor Paying Agent, Sinking Fund Depository or Registrar to fill a vacancy or for any other reason.

**SECTION 7. Form of Bond, Interest Payment Dates and Record Dates.**

The Bonds shall be issued in fully registered form without coupons and shall be numbered in such manner as may be satisfactory to the County and the Paying Agent. Pursuant to recommendations promulgated by the Committee on Uniform Security Identification Procedures, "CUSIP" numbers may be printed on the Bonds. Each Bond shall be dated as of December 1, 2000. The Bonds shall be issued in denominations of \$5,000 or any whole multiple thereof, and shall bear interest payable initially on September 1, 2001, and on each March 1 and September 1 (each, an "Interest Payment Date") thereafter, from the Interest Payment Date, as the case may be, next preceding the date of registration and authentication of such Bond, unless such Bond is registered and authenticated as of an Interest Payment Date, in which event such Bond shall bear interest from such Interest Payment Date, or unless such Bond is registered and authenticated prior to September 1, 2001, in which event such Bond shall bear interest from December 1, 2000.

If the date for payment of the principal of, premium, if any, or interest on such Bond is not a business day, then the date of such payment shall be the next succeeding day which is a business day, and payment on such subsequent business day shall have the same force and effect as if made on the normal date of payment.

The term "Regular Record Date" with respect to any Interest Payment Date shall mean the February 15 or August 15 immediately preceding such Interest Payment Date. The person in whose name any Bond is registered at the close of business on any Regular Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date notwithstanding the cancellation of such Bond upon any transfer or exchange thereof subsequent to such Regular Record Date and prior to such Interest Payment Date, except if and to the extent that the County defaults in the payment of the interest due on such Interest Payment Date, in which case such defaulted interest shall be paid to the persons in whose names outstanding Bonds are registered at the close of business on a Special Record Date established by the Paying Agent, notice of which shall have been mailed to all registered owners of Bonds not less than ten days prior to such date.

**SECTION 8. Bond Register, Registrations and Transfer.**

The County shall cause to be kept at the designated corporate trust office of the Paying Agent a register ("Bond Register") in which, subject to such reasonable regulations as it may prescribe, the County shall provide for the registration of Bonds and the registration of transfers and exchanges of Bonds. No transfer or exchange of any Bond shall be valid unless made at such office and registered in the Bond Register.

Upon surrender of any Bond at the designated corporate trust office of the Paying Agent for registration of transfer, the County shall execute and the Paying Agent shall authenticate and deliver in the name of the transferee or transferees, a new Bond or Bonds of any authorized denomination, of the same interest rate and maturity, and in the same aggregate principal amount as the Bond so surrendered.

Any Bond shall be exchangeable for other Bonds of the same maturity and interest rate, in any authorized denomination, in an aggregate principal amount equal to the principal amount

of the Bond or Bonds presented for exchange. Upon surrender of any Bond for exchange at the principal corporate trust office of the Paying Agent, the County shall execute and the Paying Agent shall authenticate and deliver in exchange therefor the Bond or Bonds which the owner making the exchange shall be entitled to receive.

All Bonds issued upon any registration of transfer or exchange shall be valid obligations of the County, evidencing the same debt and entitled to the same benefits under this Ordinance as the Bonds surrendered for such registration of transfer or exchange.

Every Bond presented or surrendered for registration of transfer or exchange shall be duly endorsed, or be accompanied by a written instrument of transfer, in form and with guaranty of signature satisfactory to the County and the Registrar, duly executed by the registered owner thereof or his duly authorized agent or legal representative.

No service charge shall be made for any transfer or exchange of any Bond, but the County may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

The County shall not be required to: (a) issue, or register the transfer or exchange of, any Bond during a period of 15 business days before either any Interest Payment Date or any date of selection of Bonds to be redeemed and ending on the close of business on such Interest Payment Date or date on which the applicable notice of redemption is given, respectively; or (b) register the transfer or exchange of any Bond after it has been selected for redemption, in whole or in part.

**SECTION 9. Execution and Authentication.**

The Bonds shall be executed on behalf of the County by the Chairman of the Board of Commissioners, and shall have the corporate seal of the County affixed thereto (or a facsimile thereof), duly attested by the Chief Clerk and said officers are hereby authorized and directed to execute the Bonds. The Bonds shall be authenticated by the manual execution of the Certificate of Authentication by a duly authorized officer of the Paying Agent. No Bond shall be valid until such Certificate of Authentication shall have been duly executed by the Paying Agent and such authentication shall be conclusive and the only proof that any Bond has been issued pursuant to this Ordinance and is entitled to any benefits conferred thereon under the provisions of this Ordinance. To the extent that any one signature on a Bond (including the signature of the officer of the Paying Agent) is manual, all other signatures may be by facsimile. The Chairman of the Board of Commissioners or Chief Clerk or Secretary or any of such officers is hereby authorized and directed to deliver the Bonds to the Purchaser and receive payment therefor on behalf of the County after sale of the same in the manner required by law and this Ordinance.

**SECTION 10. General Obligation Covenant.**

The Bonds are hereby declared to be general obligations of the County. The County hereby covenants with the registered owners from time to time of the Bonds outstanding pursuant to this Ordinance that it will include the amount of the debt service as specified in this Section, subject to appropriate adjustment in the event of the optional redemption of any Bonds prior to maturity, on the Bonds for each fiscal year in which such sums are payable, in its budget for that year, will appropriate such amounts for such payments and will duly and punctually pay or cause to be paid the principal of the Bonds and the interest thereon on the dates, at the places and in the manner stated therein, according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the County does hereby pledge its full faith,

credit and taxing power. The amount of the debt service which the County hereby covenants to pay on the Bonds in each year is shown on Schedule B which is attached hereto and incorporated herein by reference as if set out here at length. As provided in the Debt Act, the foregoing covenants are specifically enforceable.

**SECTION 11. Redemption.**

(a) Optional Redemption. The Bonds are subject to redemption prior to maturity at the option of the County as shown on Schedule C attached hereto and incorporated herein.

(b) Mandatory Redemption. The Bonds are subject to mandatory redemption on the dates (each, a "Mandatory Redemption Date") and in the amounts shown on Schedule C attached hereto and incorporated herein. The County covenants to cause the Bonds to be redeemed on the Mandatory Redemption Dates and in the amounts shown on Schedule C, subject to its right which is reserved in Section 12 hereof, to satisfy that obligation by delivering to the Paying Agent and Sinking Fund Depository no later than 45 days before any Mandatory Redemption Date, for cancellation, Bonds of the maturity which are subject to mandatory redemption on that Mandatory Redemption Date.

(c) Notice. Notice of any redemption shall be given by mailing a notice of redemption by first class mail, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date to the registered owners of Bonds to be redeemed at the addresses which appear in the Bond Register, provided, however, that neither failure to mail such notice nor any defect in the notice so mailed or in the mailing thereof with respect to any one Bond shall affect the validity of the proceedings for the redemption of any other Bond. If the County shall have duly given notice of redemption and shall have deposited with the Paying Agent funds for the payment of the redemption price of the Bonds so called for redemption, with accrued interest thereon to the date fixed for redemption, interest on such Bonds shall cease to accrue after such redemption date.

(d) CUSIP Numbers. Notices of redemption shall contain the applicable CUSIP numbers pertaining to the Bonds called for redemption (if then generally in use), and shall also contain the serial identification numbers printed on the Bonds. The County, however, makes no representation as to the accuracy of such CUSIP numbers either printed on the Bonds or as contained in any redemption notice.

(e) Selection by Lot. If less than all Bonds maturing on any one date are to be redeemed at any time, the Paying Agent shall select by lot the Bonds to be redeemed at such time.

(f) Portions of Bonds. Any portion of any Bond of a denomination larger than \$5,000 may be redeemed, but only in the principal amount of \$5,000 or any integral multiple thereof. Prior to selecting Bonds for redemption, the Paying Agent shall assign numbers to each \$5,000 portion of any Bond of a denomination larger than \$5,000 and shall treat each portion as a separate Bond in the denomination of \$5,000 for purposes of selection for redemption. Upon surrender of any Bond for redemption of a portion thereof, the Paying Agent shall authenticate and deliver to the registered owner thereof a new Bond or Bonds of the same maturity and in any authorized denominations requested by the registered owner in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered.

**SECTION 12. Sinking Fund.**

(a) **Deposit.** There is hereby established a sinking fund to be known as County of Centre, Series of 2000 Bonds Sinking Fund (the "Series of 2000 Bonds Sinking Fund") into which the County covenants to deposit, and into which the Treasurer is hereby authorized and directed to deposit (i) on or before September 1, 2001, and on or before each March 1 and September 1 thereafter to and including September 1, 2018, amounts sufficient to pay the interest due on such dates on the Bonds then outstanding, and (ii) on or before September 1, 2002 and on or before each September 1 thereafter to and including September 1, 2018, amounts sufficient to pay the principal of the Bonds due on each such date at maturity or pursuant to the mandatory redemption requirements hereof. Should the amounts covenanted to be paid into the Series of 2000 Bonds Sinking Fund be, at any time, in excess of the net amounts required at such time for the payment of interest and principal, whether by reason of funds already on deposit in the Series of 2000 Bonds Sinking Fund or by reason of the purchase or redemption of Bonds, or for some similar reason, the amounts covenanted to be paid may be reduced to the extent of the excess.

(b) **Credit for Bonds Delivered.** The County may satisfy any part of its obligations with respect to clause (a) by delivering to the Paying Agent and Sinking Fund Depository, for cancellation, Bonds maturing on the date on which such deposit is required. The County shall receive credit against such deposit for the face amount of the Bonds so delivered, provided that such Bonds are delivered to and received by the Paying Agent and Sinking Fund Depository (i) on or before the maturity date of the Bonds for which credit is requested, in the case of a deposit required for the payment of Bonds at maturity, or (ii) in the case of a deposit required to be made on a Mandatory Redemption Date, no later than 45 days prior to the Mandatory Redemption Date for which credit is requested.

(c) **Application of Funds.** All sums in the Series of 2000 Bonds Sinking Fund shall be applied exclusively to the payment of principal and interest covenanted to be paid by Section 10 hereof as the same from time to time become due and payable and the balance of said moneys over and above the sum so required shall remain in the Series of 2000 Bonds Sinking Fund, to be applied to the reduction of future required deposits; subject, however, to investment or deposit at interest as authorized by law and as permitted by Section 22 hereof. The Series of 2000 Bonds Sinking Fund shall be kept as a separate account at the designated corporate trust office of the Sinking Fund Depository. The Sinking Fund Depository, without further authorization other than as herein contained, shall pay from the moneys in the Series of 2000 Bonds Sinking Fund, the interest on the Bonds as and when due to the registered owners on the appropriate Record Date and principal of the Bonds, as and when the same shall become due, to the registered owners thereof.

(d) **Optional Deposits.** Notwithstanding the foregoing, in the case of optional redemption of any or all of the Bonds as permitted by Section 11 hereof, the Treasurer is hereby authorized and directed to deposit from time to time before the appropriate optional redemption date funds which shall be sufficient when they, either alone or together with the interest to be earned thereon, if any, will equal the principal of the Bonds so called for redemption and the premium, if any and the interest thereon to the date fixed for redemption.

**SECTION 13. Disposition of Proceeds.**

All moneys derived from the sale of the Bonds shall be deposited in the Clearing Account created pursuant to Section 20 hereof and shall be and hereby are appropriated substantially to payment of the cost of the 2000 Project, including but not limited to payment of

the costs and expenses of preparing, issuing and marketing the Bonds, and the payment of interest on the Bonds from December 1, 2000 to the date of delivery and shall not be used for any other purposes, except as to any insubstantial amounts of money which may remain after fulfilling the purposes set forth herein, which minor amounts of remaining moneys shall promptly upon their determination be deposited in the Series of 2000 Bonds Sinking Fund and used for the payment of interest on the Bonds. All Bond proceeds remaining, after payment of costs of issuance of the Bonds, shall be transferred to the Project Account created pursuant to Section 20 of this Ordinance.

**SECTION 14. Cost and Realistic Useful Life.**

Reasonable cost estimates have been obtained for the 2000 Project with the assistance of architects, engineers, financial advisors and other persons, including County employees, qualified by experience. The cost of the 2000 Project is in excess of \$5,000,000. The useful life of the 2000 Project being funded with a portion of the proceeds of the Bonds is at least forty (40) years. Therefore, the maturities of the Bonds are in accordance with Section 8142(a)(2) of the Debt Act. In addition, in accordance with Section 8142(b)(2) of the Debt Act, the maturities of the Bonds have been fixed so that the principal of the Bonds will be amortized on at least an approximately level annual debt service plan.

**SECTION 15. Internal Revenue Code Covenants.**

(a) General. The County hereby covenants with the registered owners, from time to time, of the Bonds that no part of the proceeds of the Bonds will be used, at any time, directly or indirectly, in a manner which, if such use had been reasonably expected on the date of issuance of the Bonds, would have caused the Bonds to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended ("Code") and the Regulations thereunder proposed or in effect at the time of such use and applicable to the Bonds, and that it will comply with the requirements of that section and the Regulations throughout the term of the Bonds.

(b) Rebate. If the gross proceeds of the Bonds are invested at a yield greater than the yield on the Bonds and are not expended within six months from the date of issuance, the County covenants that it will rebate to the U.S. Treasury, at the times and in the manner required by the Code, all investment income derived from investing the proceeds of the Bonds in an amount which exceeds the amount which would have been derived from the investment of the proceeds of the Bonds at a yield not in excess of the yield on the Bonds.

(c) Qualified Tax-Exempt Obligation Designation. The County hereby designates the Bonds as Qualified Tax-Exempt Obligations pursuant to Section 265(b)(3) of the Code and represents and expects that the total amount of its obligations so designated and to be designated during the 2000 calendar year does not and will not exceed \$10,000,000.

(d) Filing. The County will file IRS Form 8038-G and any other forms or information required by the Code to be filed in order to permit the interest on the Bonds to be excluded from gross income for federal income tax purposes.

**SECTION 16. Advertising.**

The action of the officers of the County in advertising a summary of this Ordinance, as required by law, is ratified and confirmed. The officers of the County or any of them, are authorized and directed to advertise a notice of enactment of this Ordinance in a newspaper of general circulation in the County within 15 days after final enactment. The Chief Clerk is hereby

directed to make a copy of this Ordinance available for inspection by any citizen during normal office hours.

**SECTION 17. Filing with Department of Community and Economic Development.**

The Chairman of the Board of Commissioners and the Chief Clerk are hereby authorized and directed to prepare, verify and file with the Department of Community and Economic Development, in accordance with the Debt Act, a transcript of the proceedings relating to the issuance of the Bonds including the Debt Statement and Borrowing Base Certificate required by Section 8110 of the Debt Act, and to take other necessary action, and to prepare and file all necessary documents with the Department of Community and Economic Development including, if necessary or desirable, any statements required to exclude any portion of the debt evidenced by the Bonds from the appropriate debt limit as self-liquidating or subsidized debt.

**SECTION 18. General Authorization.**

The officers and officials of the County are hereby authorized and directed to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to effect the execution, issuance, sale and delivery of the Bonds, all in accordance with this Ordinance.

**SECTION 19. Official Statements.**

The Preliminary Official Statement prepared with respect to the Bonds is hereby approved. The Chairman of the Board of Commissioners is hereby authorized to execute and approve a final Official Statement relating to the Bonds provided that the final Official Statement shall have been approved by the County's Solicitor. The distribution of the Preliminary Official Statement is hereby ratified and the Purchaser is hereby authorized to use the Preliminary and the final Official Statements in connection with the sale of the Bonds. The Board of Commissioners deems the Preliminary Official Statement to be final for the purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), except for certain information which has been omitted in accordance with such Rule and which will be supplied with the final Official Statement.

**SECTION 20. Clearing Account and Project Account.**

(a) Clearing Account. The County hereby creates with the Paying Agent a special fund to be known as the County of Centre 2000 Clearing Account (the "Clearing Account") which shall be held as a trust fund for the benefit of the County until disbursed in accordance with the provisions hereof. The County shall deliver the net proceeds (including accrued interest, if any) derived from the sale of the Bonds to the Paying Agent for deposit to the Clearing Account. Upon written directions from the County signed by the Chairman of the Board of Commissioners and the Chief Clerk, the Paying Agent shall pay, out of the Clearing Account, the costs and expenses of the issuance of the Bonds, shall transfer the amount of accrued interest, if any, to the Series of 2000 Bonds Sinking Fund, and shall transfer and deposit the remaining proceeds to the Project Account described in (b) below. The written direction from the County shall state the names of the respective payees, the purpose for which the expenditure has been incurred, or the purpose of the transfer, whichever is applicable, and shall contain a certification that each item of expense for which payment has been requested has been properly incurred and is then unpaid, and that each transfer which is requested is in accordance with the provisions of this Ordinance.

(b) Project Account. The County hereby creates a special account to be known as the County of Centre 2000 Project Account (the "Project Account") to be established in the

name of the County with one or more banks designated by the Board of Commissioners as depositories (the "Project Account Depository"), subject to clearance or collection, moneys, checks, drafts, notes, bills of exchange, acceptances, or other orders for the payment of moneys which may at any time come into its possession, with or without endorsement thereof by the County, payment thereof being hereby guaranteed. The Paying Agent Depository is authorized and directed to honor and pay, and to charge to the account of the County, all checks, drafts, bills of exchange, acceptances, notes or orders for the payment of money when drawn on or addressed to said Project Account Depository and signed and countersigned on behalf of the County by the two following officers of the County: (i) Chairman or Vice Chairman of the Board of Commissioners; and (ii) Chief Clerk or Assistant Chief Clerk, whether the same be payable to the order of, or in favor of the officer or person signing or countersigning them, or to any of said officers in his individual capacity, or otherwise; and whether the same be deposited to the individual credit of the officer or person signing or countersigning or to the individual credit of any other officer or person or otherwise. The signatures of any or all of the foregoing officers shall be manual.

**SECTION 21. Payment of Expenses.**

All expenses incurred in connection with issuance of the Bonds shall be paid out of the proceeds derived from the issuance of the Bonds and deposited in the Clearing Account and the proper officers and officials are authorized to sign and deliver requests for payment of such expenses.

**SECTION 22. Investment.**

Any moneys in the Project Account may be invested or deposited as permitted by applicable law for funds of the County or as permitted under the Debt Act. As to the Project Account, authorized officers of the County shall designate such investments in such combination as to provide safety of principal, liquidity to any construction draws and maximum investment income.

Any moneys in the Series of 2000 Bonds Sinking Fund not required for prompt expenditure may, at the direction of the County, be invested in bonds or obligations which are direct obligations of, or are fully guaranteed as to principal and interest by, the United States of America or may be deposited at interest in time accounts or certificates of deposit or other interest bearing accounts of any bank or bank and trust company, savings and loan association or building and loan association. To the extent that such deposits are insured by the Federal Deposit Insurance Corporation or similar Federal agency, they need not be secured. Otherwise, such deposits shall be secured as public deposits or as trust funds in accordance with the Debt Act. Any such investments or deposits shall mature or be subject to redemption at the option of the holder, or be subject to withdrawal at the option of the depositor, not later than the date upon which such moneys are required to be paid to the registered owners of the Bonds.

**SECTION 23. Purchase of Insurance.**

The County hereby agrees to purchase and hereby accepts the commitment of Financial Guaranty Insurance Company, New York, New York (the "Bond Insurer") to issue a Municipal Bond Insurance Policy insuring the Bonds and directs that the appropriate premium be promptly paid at the settlement of the sale of the Bonds. A legend indicating the existence of such a policy shall be printed on the Bonds in the form required by the Bond Insurer. In order to have accrued interest, if any, paid by the Purchaser excluded from the calculation of the premium, the County agrees to cause any amount paid as accrued interest to be invested, to the extent required by the Bond Insurer, in direct obligations of the United States of America and maintained in the Series of 2000 Bonds Sinking Fund until applied to the first interest payment

on the Bonds. All terms and conditions required to be contained in this Ordinance by the terms of the commitment are incorporated herein by reference with the same effect as if set out at length.

**SECTION 24. Authorization of Officers.**

Any authorization granted to, power conferred on, or direction given to the Chairman or Chief Clerk, shall be deemed to run to the Vice Chairman or Assistant Chief Clerk, respectively, as if such latter titles had been expressly included in the text hereof which grants such authorization, confers such power or gives such direction.

**SECTION 25. Bond Form.**

The form of the Bonds shall be substantially as follows:

UNITED STATES OF AMERICA  
COMMONWEALTH OF PENNSYLVANIA

COUNTY OF CENTRE

GENERAL OBLIGATION BOND, SERIES OF 2000

No. \_\_\_\_\_ \$ \_\_\_\_\_

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Issue</u>	<u>CUSIP</u>
		December 1, 2000	

The County of Centre, Commonwealth of Pennsylvania (the "County"), for value received, and intending to be legally bound, promises to pay to the Registered Owner named below (the "Registered Owner") the principal amount of \_\_\_\_\_ Dollars on the maturity date stated above upon presentation and surrender of this Bond at the corporate trust office of Omega Bank, N.A. the "Paying Agent") in State College, Pennsylvania and to pay interest thereon at the rate stated above from the most recent March 1 or September 1 to which interest has been paid or provided for 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 registered and authenticated after a Record Date (hereinafter defined) and before the succeeding Interest Payment Date, in which event this Bond shall bear interest from such Succeeding Interest Payment Date, on or prior to September 1, 2001 in which event this Bond shall bear interest from December 1, 2000, payable initially on September 1, 2001 and thereafter semiannually on each March 1 and September 1 (each an "Interest Payment Date") until payment of said principal sum has been made or provided for.

The principal of, and premium, if any, and interest on this Bond are payable in such coin or currency of the United States of America as at the time and place of payment is legal tender for payment of public and private debts, at the principal corporate trust office of the Paying Agent; provided that, interest will be paid by check drawn upon the Paying Agent and mailed to the person who is the Registered Owner on the appropriate record date at his address as it appears on the Bond Register described below, unless written demand is made by such person for payment in legal tender at such office.

This Bond shall not be valid or become obligatory for any purpose unless the certificate of authentication hereon shall have been signed by the manual signature of an officer of the Paying Agent.

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

This Bond has been determined to be a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Bond shall not be entitled to any benefit under the Ordinance and shall not be valid or obligatory for any purpose until this Bond shall have been authenticated by the Certificate of Authentication endorsed hereon duly signed by or in behalf of the Paying Agent.

The owner of this Bond, by acceptance hereof, shall be deemed to have assented to all terms and conditions of the Ordinance.

IN WITNESS WHEREOF, the County has caused this Bond to be duly executed in its name and on its behalf by the facsimile signature of a majority of its Board of Commissioners, and a facsimile seal to be imprinted hereon and attested by the facsimile signature of its Chief Clerk.

ATTEST:

COUNTY OF CENTRE  
COMMONWEALTH OF PENNSYLVANIA

\_\_\_\_\_  
Chief Clerk

\_\_\_\_\_  
Chairman, Board of Commissioners

(SEAL)

\_\_\_\_\_  
Member, Board of Commissioners

\_\_\_\_\_  
Member, Board of Commissioners

[REVERSE SIDE OF BOND]

This Bond is one of a duly authorized issue of \$5,000,000, principal amount, General Obligation Bonds, Series of 2000 (the "Bonds") of the County which have been issued in accordance with the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, [53 Pa.C.S. §8001 *et seq.*] (the "Act"), without the assent of the electors, pursuant to an ordinance (the "Ordinance") of the Board of Commissioners of the County enacted on November 14, 2000. The Bonds have been issued for the purpose of obtaining funds to undertake the refunding of certain County obligations and pay the costs of issuance of the Bonds.

Interest payable on any Interest Payment Date will be paid to the person in whose name this Bond is registered at the close of business on the fifteenth (15th) calendar day (whether or not a business day) of the month immediately preceding the relevant Interest Payment Date (the "Record Date"). Any such interest which is not deposited with the Paying Agent on or before any such Interest Payment Date for payment to the Registered Owner on the Record Date shall forthwith cease to be payable to the Registered Owner on the Record Date, and shall be paid to the person in whose name this Bond is registered on a special Record Date for the payment of such defaulted interest to be fixed by the Paying Agent, notice of which shall be given to all Registered Owners not less than 10 days prior to such special record date (the "Special Record Date").

If the date for payment of the principal of, premium, if any, or interest on this Bond is not a business day, then the date of such payment shall be the next succeeding day which is a business day, and payment on such subsequent business day shall have the same force and effect as if made on the nominal date of payment.

The Bonds maturing on and after September 1, 2006 are subject to redemption prior to maturity, at the option of the County, as a whole or in part, on March 1, 2006 or on any date thereafter, in either case, upon payment of the redemption price of 100% of the principal amount plus accrued interest to the date fixed for redemption.

If less than all Bonds are to be redeemed at any time, the Bonds shall be redeemed in such order of maturity as the County shall select. In the event that less than all Bonds of any maturity are to be redeemed, the Bonds of such maturity to be redeemed shall be drawn by lot by the Paying Agent.

The Bonds stated to mature on September 1, 2011 are subject to mandatory redemption, in part, as drawn by lot by the Paying Agent, prior to the stated maturity date, by application of money available for such purposes in the Sinking Fund established under the Ordinance, upon payment of the principal amount thereof, together with accrued interest, to the date fixed for redemption or upon maturity, as applicable, on September 1 of the following years and in the following principal amounts:

Bonds Stated to Mature on September 1, 2011

<u>Year</u>	<u>Amount</u>
2002	\$ 5,000
2003	5,000
2004	5,000
2005	5,000
2006	5,000
2007	5,000
2008	5,000
2009	5,000
2010	5,000
2011*	5,000

\*Final Maturity.

The Bonds stated to mature on September 1, 2018 are subject to mandatory redemption, in part, as drawn by lot by the Paying Agent, prior to the stated maturity date, by application of money available for such purposes in the Sinking Fund established under the Ordinance, upon payment of the principal amount thereof, together with accrued interest, to the date fixed for redemption or upon maturity, as applicable, on September 1 of the following years and in the following principal amounts:

Bonds Stated to Mature on September 1, 2018

<u>Year</u>	<u>Amount</u>
2017	\$ 775,000
2018*	820,000

\*Final Maturity.

Notice of redemption of any Bond shall be given to the Registered Owner of such Bond by first class mail, not less than 30 nor more than 60 days prior to the redemption date, in the manner and upon the terms and conditions set forth in the Ordinance. A portion of a Bond of a denomination larger than \$5,000 may be redeemed, and in such case, upon the surrender of such Bond, there shall be issued to the Registered Owner thereof, without charge therefor, a Bond or Bonds for the unredeemed balance of the principal amount of such Bond, all as more fully set forth in the Ordinance. If notice of redemption shall have been duly given, the Bonds or portions thereof specified in that notice shall become due and payable at the applicable redemption price on the redemption date designated in that notice, and if, on that redemption date, moneys are held by the Sinking Fund Depository for the payment of the redemption price of the Bonds to be redeemed, then from and after the redemption date, interest on such Bonds shall cease to accrue.

The County, pursuant to recommendations made by the Committee on Uniform Security Identification Procedures ("CUSIP"), has caused CUSIP numbers to be printed on the Bonds, and has directed the Paying Agent to use such numbers in notices of redemption and other notices, if any, as a convenience to the Registered Owners of the Bonds. No representation is made by the County as to the accuracy of such numbers either as printed on the Bonds or as contained in any notice and reliance may be placed only on the identification number printed hereon.

This Bond may be transferred or exchanged only on the Bond Register (the "Bond Register") maintained by the County at the applicable corporate trust office of the Paying Agent upon surrender hereof by the Registered Owner at such office duly endorsed by, or accompanied by a written instrument of transfer duly executed by, the Registered Owner or his duly authorized agent or legal representative, in each case, in form and with a guaranty of signature satisfactory to the County and the Paying Agent.

No service charge shall be made for any transfer or exchange of any Bond, but the County may require payment of any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

The County shall not be required to register the transfer or exchange of any Bond: (a) during the period of 15 business days before either any Interest Payment Date or any date of selection of Bonds to be redeemed and ending on the close of business on such Interest Payment Date or any date of selection of Bonds to be redeemed on which the applicable notice of redemption is given, respectively; or (b) after such Bond has been selected for redemption, in whole or in part.

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

No recourse shall be had for the payment of the principal of and interest on this Bond, or for any claim based hereon or on the Ordinance against any member, officer or employee, 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 by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Bond.

It is hereby certified that the approval of the Department of Community and Economic Development of the Commonwealth of Pennsylvania for the County to issue and deliver this Bond has been duly given pursuant to the Act; that all acts, conditions and things required by the laws of the Commonwealth of Pennsylvania to exist, to have happened or to have been performed, precedent to or in the issuance of this Bond or in the creation of the debt of which this Bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this Bond, together with all other indebtedness of the County is within every debt and other limit prescribed by the Constitution and the statutes of the Commonwealth of Pennsylvania and applicable to the County; and that the County has established with the Paying Agent as Sinking Fund Depository a sinking fund for the Bonds and has agreed to deposit therein amounts sufficient to pay the principal of and interest on the Bonds as the same shall become due and payable.

This Bond is hereby declared to be a general obligation of the County. The County, in the Ordinance authorizing the issuance of the Bonds, has covenanted with the Registered Owners, from time to time, of the Bonds that the County will include the amount of the debt service charges on the Bonds for each fiscal year in which such sums are payable, in its budget for that year, that it will appropriate such amounts to the payment of such debt service, and will duly and punctually pay or cause to be paid the principal of every Bond, and the interest thereon, on the dates and 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 has pledged its full faith, credit and taxing power. This covenant is specifically enforceable.

[FORM OF PAYING AGENT'S AUTHENTICATION CERTIFICATE]

Paying Agent's Authentication Certificate

This Bond is one of the County of Centre, General Obligation Bonds, Series of 2000, described in the within-mentioned Ordinance. The text of opinion printed hereon is the text of the opinion of Eckert Seamans Cherin & Mellott, LLC, of Harrisburg, Pennsylvania, Bond Counsel, an executed counterpart of which, dated and delivered on the date of original delivery

of and payment for said Bonds, is on file with the undersigned. The Statement of Insurance printed on this Bond is a summary of an original policy of insurance from Financial Guaranty Insurance Company.

OMEGA BANK, N.A., Paying Agent

By: \_\_\_\_\_  
Authorized Officer

Date of Authentication: \_\_\_\_\_

\* \* \* \* \*

[STATEMENT OF INSURANCE]

\* \* \* \* \*

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common  
TEN ENT - as tenants by the  
entireties  
JT TEN - as joint tenants with  
right of survivorship and  
not as tenants in common

UNIF GIFT MIN ACT-  
\_\_\_\_\_  
(Cust)  
\_\_\_\_\_  
(Minor)  
under Uniform Gifts to Minors Act  
\_\_\_\_\_  
(State)

Additional abbreviations may also be used though not in the list above.

ASSIGNMENT AND TRANSFER

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

Please insert Social Security  
or other identifying number  
of assignee

\_\_\_\_\_  
(Please print or typewrite name and address including postal zip code of transferee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints\_\_\_\_\_

\_\_\_\_\_  
As Agent  
to transfer the within Bond on the books kept for registration thereof, with full power of  
substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
NOTICE: Signature(s) must be  
guaranteed by a member of a signature  
medallion program.

\_\_\_\_\_  
NOTICE: The signature to this assignment  
must correspond with the name as written  
upon the face of the Bond, in every  
particular, without alteration or enlargement,  
or any change whatever.

\*\*\*\*\*

[TEXT OF THE OPINION OF ECKERT SEAMANS  
CHERIN & MELLOTT, HARRISBURG, PENNSYLVANIA]

\*\*\*\*\*

[END OF FORM OF BOND]

## **SECTION 26. Disclosure Covenants.**

In accordance with Rule 15c2-12 (the "Rule") promulgated under the Securities Exchange Act of 1934, as amended, the County hereby covenants, with and for the benefit of the holders and beneficial owners (which shall include any person or entity that has a pecuniary interest in any of the Bonds) from time to time of the Bonds, to provide to each nationally recognized municipal securities information repository (within the meaning of the Rule) (herein a "NRMSIR") and to the appropriate state information depository (within the meaning of the Rule) in Pennsylvania, if any (herein a "SID"), on an annual basis, its annual General Purpose Financial Statements presented in conformity with generally accepted accounting principles (the "Financial Statements"), together with updates of the tabular information appearing in the Final Official Statement with respect to the Bonds (to the extent not included in the Financial Statements), commencing with the Financial Statements and tabular information for the fiscal year ending in 2000. The Financial Statements and tabular information shall be provided within 275 days after the end of each fiscal year. If the Financial Statements are not independently audited, the County shall also provide independently audited Financial Statements when and if available. The County hereby also covenants, with and for the benefit of the holders and beneficial owners from time to time of the Bonds, to provide to each NRMSIR, or to the Municipal Securities Rulemaking Board (the "MSRB"), and to the SID (A) prompt notice of a failure to provide the Financial Statements, the tabular information or any audited Financial Statements in a timely manner and (B) prompt notice of any of the following events with respect to the Bonds, if such event is material within the meaning of the Rule: (i) principal and interest payment delinquencies; (ii) non-payment related defaults; (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers or their failure to perform; (vi) adverse tax opinions or events affecting the tax-exempt status of the Bonds; (vii) modifications to rights of the holders of the Bonds; (viii) bond redemptions (other than mandatory sinking fund redemptions); (ix) defeasance of the Bonds or any portion thereof; (x) release, substitution or sale of property securing payment of the Bonds; or (xi) any change in the ratings on the Bonds.

The County's covenants in the immediately preceding paragraph shall terminate upon legal defeasance, or other arrangement whereby the County is released from any further obligations with respect to the Bonds, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the County shall give prompt notice of such termination to each NRMSIR, or to the MSRB, and to the SID.

The proper officer or officers of the County are hereby authorized in the name and on behalf of the County to amend or terminate, in whole or in part, any of the foregoing covenants in this Section, without the consent of the holders or beneficial owners of the Bonds, provided that (A) the amendment requires the County to provide more information than was required by this Section prior to the amendment, without diminishing in any way the obligations of the County to provide information hereunder as required by this Section prior to the amendment, or (B) the following conditions are satisfied: (i) the amendment or termination is in connection with a change in circumstances that arises from a change in or clarification of legal requirements, change of law, or change in the identity, nature or status of an obligated person (within the meaning of the Rule) with respect to the Bonds, or the type of business conducted; (ii) such covenants, as amended, would, in the opinion of the independent nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (iii) the amendment or termination either (a) is approved by the holders of the Bonds in the same manner as provided in the Debt Act for modifications of

this Resolution with the consent of such holders or (b) does not, in the opinion of independent nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds. The County shall give prompt notice of any such amendment or termination to each NRMSIR, to the MSRB and to the SID. In addition, the County shall describe such amendment in the next submission of Financial Statements and shall include, as applicable, a narrative explanation of the reason for the amendment and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being provided by the County. If the amendment relates to the accounting principles to be followed in preparing the Financial Statements, (A) the County shall give prompt notice of such change to each NRMSIR, or the MSRB, and to the SID and (B) the Financial Statements for the year in which the change is made shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the Financial Statements as prepared on the basis of the new accounting principles and the Financial Statements prepared on the basis of the former accounting principles.

The sole remedy for a breach by the County of any of the covenants in this Section shall be an action to compel performance of such covenant. Under no circumstances may monetary damages be assessed or recovered or payment of the Bonds be accelerated, nor shall any such breach constitute a default under the Bonds. Nothing in this Section is intended as or shall be deemed a "provision of the Bonds" for purposes of the Debt Act.

**SECTION 27. Severability.**

In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of this County that such remainder shall be and shall remain in full force and effect.

**SECTION 28. Repealer.**

Any resolutions or parts thereof not in accordance with this Ordinance are hereby repealed insofar as they conflict with this Ordinance.

**ENACTED** by the Board of Commissioners of the County of Centre, in lawful session assembled, this 14<sup>th</sup> day of November 2000.

**ATTEST:**

**COUNTY OF CENTRE**

  
\_\_\_\_\_  
Chief Clerk

  
\_\_\_\_\_  
Chairman, Board of Commissioners

[SEAL]

  
\_\_\_\_\_  
Member, Board of Commissioners

  
\_\_\_\_\_  
Member, Board of Commissioners

SCHEDULE A

County of Centre  
Commonwealth of Pennsylvania  
General Obligation Bonds, Series of 2000  
\$5,000,000

Interest accrues from: December 1, 2000

Due: September 1, as shown below

<u>Amount</u>	<u>Year of Maturity</u>	<u>Rate of Interest</u>	<u>Price or Yield</u>
\$ 50,000	2011	4.90%	100%
610,000	2012	5.00%	100%
635,000	2013	5.05%	5.100%
670,000	2014	5.15%	5.200%
700,000	2015	5.20%	5.250%
740,000	2016	5.30%	5.350%
1,595,000	2018	5.40%	5.488%

Purchase Price is \$4,935,150.90 (98.703%%), plus accrued interest to the date of delivery and payment for the Bonds. The Purchase Price represents an Underwriter's Discount of \$35,000 and Original Issue Discount ("O.I.D.") of \$29,849.10, as follows:

Par	Year	Price	O.I.D.
\$ 635,000	2013	99.528%	\$ 2,997.20
670,000	2014	99.505%	3,316.50
700,000	2015	99.483%	3,619.00
740,000	2016	99.464%	3,966.40
1,595,000	2018	99.000%	<u>15,950.00</u>
			\$ 29,849.10

SCHEDULE B

County of Centre  
Commonwealth of Pennsylvania  
General Obligation Bonds, Series of 2000  
\$5,000,000

**DEBT SERVICE SCHEDULE**

County of Centre  
Series of 2000

Debt Service Schedule

Payment Date	Par Amount	Coupon Rate (%)	Yield (%)	Price as of % of Par	Proceeds	Interest	Debt Service	Capitalized Interest	Gross Annual Debt Service	Existing Annual Debt Service	Combined Annual Debt Service	
01-Sep-2001	0.00	4.900%	4.900%	100.000%	0.00	195,954.38	195,954.38	(195,954.38)	0.00	2,589,882.50	2,589,882.50	
01-Mar-2002						130,636.25	130,636.25	0.00				
01-Sep-2002	5,000.00	4.900%	4.900%	100.000%	5,000.00	130,636.25	135,636.25	0.00	266,272.50	2,592,135.00	2,858,407.50	
01-Mar-2003						130,513.75	130,513.75	0.00				
01-Sep-2003	5,000.00	4.900%	4.900%	100.000%	5,000.00	130,513.75	135,513.75	0.00	266,027.50	2,623,407.50	2,889,435.00	
01-Mar-2004						130,391.25	130,391.25	0.00				
01-Sep-2004	5,000.00	4.900%	4.900%	100.000%	5,000.00	130,391.25	135,391.25	0.00	265,782.50	2,624,220.00	2,890,002.50	
01-Mar-2005						130,268.75	130,268.75	0.00				
01-Sep-2005	5,000.00	4.900%	4.900%	100.000%	5,000.00	130,268.75	135,268.75	0.00	265,537.50	2,619,280.00	2,884,817.50	
01-Mar-2006						130,146.25	130,146.25	0.00				
01-Sep-2006	5,000.00	4.900%	4.900%	100.000%	5,000.00	130,146.25	135,146.25	0.00	265,292.50	1,988,417.50	2,253,710.00	
01-Mar-2007						130,023.75	130,023.75	0.00				
01-Sep-2007	5,000.00	4.900%	4.900%	100.000%	5,000.00	130,023.75	135,023.75	0.00	265,047.50	1,991,450.00	2,256,497.50	
01-Mar-2008						129,901.25	129,901.25	0.00				
01-Sep-2008	5,000.00	4.900%	4.900%	100.000%	5,000.00	129,901.25	134,901.25	0.00	264,802.50	1,984,495.00	2,249,297.50	
01-Mar-2009						129,778.75	129,778.75	0.00				
01-Sep-2009	5,000.00	4.900%	4.900%	100.000%	5,000.00	129,778.75	134,778.75	0.00	264,557.50	1,988,420.00	2,252,977.50	
01-Mar-2010						129,656.25	129,656.25	0.00				
01-Sep-2010	5,000.00	4.900%	4.900%	100.000%	5,000.00	129,656.25	134,656.25	0.00	264,312.50	1,987,362.50	2,251,675.00	
01-Mar-2011						129,533.75	129,533.75	0.00				
01-Sep-2011	5,000.00	4.900%	4.900%	100.000%	5,000.00	129,533.75	134,533.75	0.00	264,067.50	1,636,232.50	1,900,300.00	
01-Mar-2012						129,411.25	129,411.25	0.00				
01-Sep-2012	610,000.00	5.000%	5.000%	100.000%	610,000.00	129,411.25	739,411.25	0.00	868,822.50	667,990.00	1,536,812.50	
01-Mar-2013						114,161.25	114,161.25	0.00				
01-Sep-2013	635,000.00	5.050%	5.100%	99.528%	632,002.80	114,161.25	749,161.25	0.00	863,322.50	668,345.00	1,531,667.50	
01-Mar-2014						98,127.50	98,127.50	0.00				
01-Sep-2014	670,000.00	5.150%	5.200%	99.505%	666,683.50	98,127.50	768,127.50	0.00	866,255.00	667,375.00	1,533,630.00	
01-Mar-2015						80,875.00	80,875.00	0.00				
01-Sep-2015	700,000.00	5.200%	5.250%	99.483%	696,381.00	80,875.00	780,875.00	0.00	861,750.00	670,080.00	1,531,830.00	
01-Mar-2016						62,675.00	62,675.00	0.00				
01-Sep-2016	740,000.00	5.300%	5.350%	99.464%	736,033.60	62,675.00	802,675.00	0.00	865,350.00	671,195.00	1,536,545.00	
01-Mar-2017						43,065.00	43,065.00	0.00				
01-Sep-2017	775,000.00	5.400%	5.488%	99.000%	767,250.00	43,065.00	818,065.00	0.00	861,130.00	670,720.00	1,531,850.00	
01-Mar-2018						22,140.00	22,140.00	0.00				
01-Sep-2018	820,000.00	5.400%	5.488%	99.000%	811,800.00	22,140.00	842,140.00	0.00	864,280.00	668,655.00	1,532,935.00	
01-Mar-2019						0.00	0.00	0.00				
01-Sep-2019	0.00	0.000%	0.000%	100.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
01-Mar-2020						0.00	0.00	0.00				
01-Sep-2020	0.00	0.000%	0.000%	100.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
01-Mar-2021						0.00	0.00	0.00				
01-Sep-2021	0.00	0.000%	0.000%	100.000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Totals</b>	<b>\$5,000,000.00</b>					<b>\$4,970,150.90</b>	<b>\$3,898,564.38</b>	<b>\$8,898,564.38</b>	<b>(\$195,954.38)</b>	<b>\$8,702,610.00</b>	<b>\$29,309,662.50</b>	<b>\$38,012,272.50</b>
<b>Term Bonds</b>	<b>50,000.00</b>	<b>2011</b>		<b>1,595,000.00</b>	<b>2018</b>							

SCHEDULE C

County of Centre  
Commonwealth of Pennsylvania  
General Obligation Bonds, Series of 2000  
\$5,000,000

1. Optional Redemption.

The Bonds maturing on and after September 1, 2006 are subject to redemption prior to maturity, at the option of the County, as a whole or in part, on March 1, 2006 or on any date thereafter, in either case, upon payment of the redemption price of 100% of the principal amount plus accrued interest to the date fixed for redemption.

If less than all Bonds are to be redeemed at any time, the Bonds shall be redeemed in such order of maturity as the County shall select. In the event that less than all Bonds of any maturity are to be redeemed, the Bonds of such maturity to be redeemed shall be drawn by lot by the Paying Agent.

2. Mandatory Redemption.

The Bonds stated to mature on September 1, 2011 are subject to mandatory redemption, in part, as drawn by lot by the Paying Agent, prior to the stated maturity date, by application of money available for such purposes in the Sinking Fund established under the Ordinance, upon payment of the principal amount thereof, together with accrued interest, to the date fixed for redemption or upon maturity, as applicable, on September 1 of the following years and in the following principal amounts:

Bonds Stated to Mature on September 1, 2011

<u>Year</u>	<u>Amount</u>
2002	\$ 5,000
2003	5,000
2004	5,000
2005	5,000
2006	5,000
2007	5,000
2008	5,000
2009	5,000
2010	5,000
2011*	5,000

\*Final Maturity

The Bonds stated to mature on September 1, 2018 are subject to mandatory redemption, in part, as drawn by lot by the Paying Agent, prior to the stated maturity date, by application of money available for such purposes in the Sinking Fund established under the Ordinance, upon payment of the principal amount thereof, together with accrued interest, to the date fixed for redemption or upon maturity, as applicable, on September 1 of the following years and in the following principal amounts:

Bonds Stated to Mature on September 1, 2018

<u>Year</u>	<u>Amount</u>
2017	\$ 775,000
2018*	820,000

\*Final Maturity.

**CERTIFICATE**

I, the undersigned, Chief Clerk the County of Centre, Commonwealth of Pennsylvania ("County"), hereby certify that: (a) attached to this Certificate is a true, correct and complete copy of an ordinance (the "Ordinance") which was duly enacted at a meeting of the Board of Commissioners of the County on November 14, 2000, at which a quorum was present and acting throughout, and which was at all times open to the public; (b) the Ordinance was duly recorded in the County's Ordinance Book, and a summary of the Ordinance was published as required by law in a newspaper of general circulation in the County; (c) the County met the advance notice requirements of Act No. 1986-84 by advertising the date of the meeting and posting a notice of the meeting at the public meeting place of the Board of Commissioners; (d) the total number of members of the Board of Commissioners is three; and (e) the vote upon the Ordinance was called and duly recorded upon the minutes and that the members voted in the following manner:

	Yes	No	Abstain	Absent
H. Scott Conklin	<u>  /  </u>	<u>      </u>	<u>      </u>	<u>      </u>
Keith Bierly	<u>  /  </u>	<u>      </u>	<u>      </u>	<u>      </u>
Connie E. Lucas	<u>  /  </u>	<u>      </u>	<u>      </u>	<u>      </u>

WITNESS my hand and the seal of the County this 14<sup>th</sup> day of November 2000.

  
\_\_\_\_\_  
Chief Clerk

[SEAL]