ORDINANCE NO. 2012-1

AN ORDINANCE OF THE BOROUGH OF DILLSBURG, YORK COUNTY, PENNSYLVANIA REGULATING THE FEEDING OF FREE ROAMING CATS AND DECLARING SUCH TO BE A NUISANCE AND PRESCRIBING PENALTIES FOR VIOLATIONS THEREOF

WHEREAS, Dillsburg Borough Council finds there exists a potentially serious problem within the Borough with free-roaming cats which may result in a public health safety threat, as well as a threat to other native wildlife.

BEING ENACTED and ordained by the Council of Dillsburg Borough, York County, Pennsylvania, as follow. This Ordinance shall be known as the Free roaming Cat Ordinance.

Section 1. Definitions.

A. The definition of free roaming cat shall be:

i. a cat born in the wild or that is the offspring of an owned or free roaming cat that runs free without supervision, or

ii. a formerly owned cat that has been abandoned and runs free without supervision.

B. As used in this Ordinance, an owner shall be the individual responsible for the animal, for both its wellbeing and any destruction or damage which the animal may cause to any other person or property.

Section 2. Text.

Free roaming cats shall be considered a nuisance and it shall, therefore, be unlawful for any person to cause or permit feeding of any free roaming cat within Dillsburg Borough. Feeding of a cat not owned by the individual, or not having knowledge of the specific owner by the individual, taking action to feed shall be assumed to be the intention of the individual as to feed a free roaming cat in violation of this Ordinance. The exception to the ordinance is the placing of food within a trap for the purpose of trapping a free roaming cat for removal or other disposition in accordance with this ordinance.

Anyone found in violation of any provisions of this Ordinance shall, upon conviction at a District Justice, be ordered to pay a penalty in an amount not less than Five Hundred Dollars ($500.00) for each separate act of feeding in violation of any provision of this Ordinance shall constitute a separate violation and be separate and distinct penalties.

Borough Council, in its discretion, may choose to trap and remove any free roaming cat which the Borough determines, in its sole discretion, to constitute a nuisance or threat to the health, safety or welfare of a citizen or citizens of Dillsburg Borough.

Section 3. Severability.

The provisions of this Ordinance are severable. Should any part of the Ordinance be declared by final court order with jurisdiction to be illegal or otherwise invalid, the balance of the Ordinance shall be unaffected by such declaration.

Section 4. Effective Date.

This Ordinance shall become effective June 18, 2012.

ADOPTED AND ORDAINED this 12th day of June, 2012.

ATTEST:

Debbie L Beitzel
Borough Secretary

Jeffrey Griffin
Jeffrey Griffin, Council President

Mayor Henry "Hank" Snyder
Henry Snyder, Mayor

BOROUGH OF DILLSBURG,
York County, Pennsylvania

ORDINANCE NO.
2012-2

AN ORDINANCE

OF THIS BOROUGH INCURRING NONELECTORAL DEBT TO BE EVIDENCED BY A GENERAL OBLIGATION NOTE, SERIES OF 2012, IN THE MAXIMUM PRINCIPAL AMOUNT OF TWO HUNDRED SIXTY THOUSAND DOLLARS ($260,000), TO PROVIDE FUNDS FOR AND TOWARD A PROJECT CONSISTING OF ACQUIRING AND/OR IMPROVING PROPERTY FOR PARK AND RECREATIONAL PURPOSES, INCLUDING THE PURCHASE AND ACQUISITION OF EQUIPMENT RELATED THERETO, AND PAYING RELATED COSTS, FEES AND EXPENSES, INCLUDING COSTS, FEES AND EXPENSES OF FINANCING; SETTING FORTH THE FINDING THAT IT IS IN THE BEST FINANCIAL INTEREST OF THIS BOROUGH TO SELL THE NOTE AT PRIVATE SALE BY NEGOTIATION; CONFIRMING ACCEPTANCE OF A CERTAIN PROPOSAL FOR PURCHASE OF SUCH NOTE; SETTING FORTH THE TERMS AND SUBSTANTIAL FORM OF SUCH NOTE AND AUTHORIZING EXECUTION AND AUTHENTICATION THEREOF; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THIS BOROUGH IN SUPPORT OF SUCH NOTE; APPOINTING A PAYING AGENT AND A SINKING FUND DEPOSITARY; SETTING FORTH CERTAIN COVENANTS AND REPRESENTATIONS RELATING TO THE FEDERAL INCOME TAX STATUS OF THE INTEREST TO BE PAID ON SUCH NOTE; AUTHORIZING APPROPRIATE OFFICERS OF THIS BOROUGH TO TAKE CERTAIN ACTIONS AND TO EXECUTE CERTAIN DOCUMENTS IN CONNECTION WITH ISSUANCE OF SUCH NOTE; AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INSOFAR AS THE SAME SHALL BE INCONSISTENT HEREWITH.

WHEREAS, The Borough of Dillsburg, York County, Pennsylvania (the "Borough"), is a municipal corporation (a Borough) of the Commonwealth of Pennsylvania (the "Commonwealth") and is governed by its Council; and

WHEREAS, The Council of the Borough, in contemplation of sale and of issuance of a general obligation note in the maximum principal amount of Two Hundred Sixty Thousand Dollars ($260,000) to provide funds for and toward the Project (hereinafter defined), heretofore determined that such general obligation note: (a) should be offered for sale at private sale by negotiation; and (b) should be offered for sale at a price of not less than 100% of principal amount thereof; and

WHEREAS, The Council of the Borough, in accordance with the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "Act"), of the Commonwealth, has obtained realistic cost estimates for the Project (hereinafter defined) through actual bids, option agreements or professional estimates, and has determined that the costs, as defined in the Act, of the Project will be at least $260,000; and

WHEREAS, A proper written and sealed private bid or proposal for purchase of such general obligation note has been requested from and has been received from PNC Bank, National Association (the "Bank"), York, Pennsylvania; and

WHEREAS, The Council of the Borough duly has opened, read and considered such bid or proposal; and

WHEREAS, The Council of the Borough desires to accept such bid or proposal of the Bank, to award the Note (hereinafter defined) to the Bank at private sale by negotiation, and to incur nonelectoral debt in connection with the Project (hereinafter defined) pursuant to provisions of the Act.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED, by the Council of the Borough, as follows:

Section 1. The Council of the Borough, pursuant to this Ordinance and in accordance with the Act, does authorize and direct the issuance of a general obligation note of the Borough in the maximum principal amount of $260,000 to be designated generally as the "General Obligation Note, Series of 2012" (the "Note"), to provide funds for and toward a project consisting of acquiring and/or improving property for park and recreational purposes, including the purchase and acquisition of equipment related thereto, and payment of related costs, fees and expenses (the "Project"); provided, however, that the purposes for issuance of the Note may be changed as provided in the Act, subject to the limitation imposed under the following paragraph of this Section.

The Borough covenants that the proceeds of the Note received by the Borough from the Bank shall be applied solely to payment, or reimbursement of, "costs," as "costs" is defined in the Act, of the Project, as that term is defined in this Ordinance; and the purposes for which such proceeds may be applied shall not be changed without the prior written consent of the Bank.

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

Section 3. A brief description of the Project is set forth in Section 1, and the estimated useful life of the Project is at least 30 years.

Section 4. The Council of the Borough does hereby ratify and confirm the acceptance of the bid or proposal of the Bank dated January 18, 2012, for purchase of the Note (the "Proposal") under the terms and conditions therein, and the Note shall be and is awarded to the Bank in accordance with such terms and conditions of the Proposal, the original of which is on file with the Secretary of the Borough, at private sale, at a dollar price of $260,000 (100% of principal amount), the Bank having submitted the Proposal in accordance with provisions of the Act.

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

Section 6. The Note shall be numbered 1, shall be in the denomination of $260,000, shall be dated as of the date of delivery thereof to the Bank, and shall be payable as to principal and interest as set forth in Section 7. The first payment of principal of the Note shall be made not later than two (2) years after the date of issuance and delivery ofthe Note or, if later, not more than one year after estimated completion of construction of the Project, in accordance with the Act.

Section 7. The Note shall bear interest at the rate per annum and shall be payable as to principal and interest in installments, all as set forth in the accepted Proposal and in the Note, the form of which shall be as approved in Section 11 of this Ordinance.

'fhe purchase price for the Note shall be paid by the Bank to the Borough against issuance, execution and delivery of the Note to the Bank, and interest shall accrue on the outstanding principal amount of the Note from the date of issuance and delivery thereof to the Bank at the aforesaid interest rate or rates.

Interest on the Note shall be calculated on a daily basis on the unpaid principal balance of the Note, for the number of days that the principal balance shall be outstanding, using a factor that assumes a 30-day month and 360-day year.

Section 8. The Borough hereby appoints the Bank as the paying agent for the Note and directs that the principal of and interest on the Note shall be payable at the principal office of the Bank in York, Pennsylvania, in lawful money of the United States of America.

Section 9. The Borough hereby appoints the Bank to act as registrar with respect to the Note. The Bank, by acceptance of the Note, agrees to establish and maintain on behalf of the Borough a book or other record into which the Bank shall enter the name and address of the registered owner, from time to time, of the Note and shall register any transfer of ownership of the Note. Such book or other record shall be open to inspection by the Borough or its duly authorized agents during normal banking business hours of the Bank.

The Borough and the Bank, acting as registrar and paying agent for the Note, may deem and treat the person in whose name the Note shall be registered as the absolute owner thereof for all

purposes, and payment of the principal of, premium, if any, and interest on the Note shall be made only to or upon the order of the registered owner or the legal representative of such registered owner, but registration of a transfer of ownership may be made as herein provided. All payments made to or upon the order of the registered owner of the Note shall be valid and effectual to satisfy and discharge liability upon the Note, to the extent of the sum or sums so paid, and neither the Borough nor the Bank, as paying agent, shall be affected by any notice to the contrary.

Registration of the transfer of ownership of the Note shall be made only upon surrender of the Note to the Bank, acting as note registrar, at its principal office in York, Pennsylvania, accompanied by a written assignment and instructions in form satisfactory to the Bank, as note registrar, duly executed by the registered owner of the Note or the attorney-in-fact or legal representative of such registered owner. The Bank, as note registrar, shall record the transfer of ownership of the Note upon the registration book or record maintained by the Bank on behalf of the Borough for such purpose, shall enter the name of the transferee as registered owner of the Note upon the Note in the space provided for such purpose, and shall deliver the Note to the transferee.

Section 10. The Note shall be subject to redemption prior to maturity as described in the form of the Note in **Exhibit A.**

Section 11. The form of the Note, including the form of Redemption Record, the form of Registration Record, the form of Delivery Endorsement and the form of Assignment of ownership, shall be substantially as set forth in **Exhibit A**, which is attached hereto and made part hereof.

Section 12. The Note shall be executed in the name of and on behalf of the Borough by the manual signature of the President or Vice President of the Council, and the official seal of the Borough and the manual signature of the Secretary or Assistant Secretary of the Borough shall be affixed thereto in attestation thereof; and said officers are authorized to execute and to attest, as applicable, the Note, as aforesaid.

Section 13. The Borough covenants to and with the registered owner, from time to time, of the Note that the Borough: (i) shall include the amount of the debt service on the Note, for each fiscal year of the Borough in which such sums are payable, in its budget for that year, (ii) shall appropriate such amounts from its general revenues for the payment of such debt service, and (iii) shall duly and punctually pay or cause to be paid from the Sinking Fund (hereinafter defined) or any other of its revenues or funds the principal of and the interest on the Note at the dates and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the Borough shall and does pledge, irrevocably, its full faith, credit and taxing power. As provided in the Act, the foregoing covenant of the Borough shall be enforceable specifically.

Section 14. There is created, pursuant to the Act, a sinking fund for the Note, to be known as "Sinking Fund - General Obligation Note, Series of 2012" (the "Sinking Fund"), which sinking fund shall be administered in accordance with applicable provisions of the Act.

Section 15. The Borough appoints the Bank to act as the sinking fund depositary with respect to the Sinking Fund.

Section 16. The Borough covenants to make payments out of the Sinking Fund or out of any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of the Note when due.

Section 17. The President or Vice President of the Council and the Secretary or Assistant Secretary, respectively, of the Borough are authorized and directed: (a) to prepare, to certify and to file the debt statement required by the Act; (b) to prepare and to file the application with the Pennsylvania Department of Community and Economic Development (the "Department"), together with a complete and accurate transcript of the proceedings relating to the incurring of the debt to be evidenced by the Note upon issuance thereof, as required by the Act; (c) to prepare and to file, if applicable, any statements required by the Act that are necessary to qualify all or any portion of nonelectoral and/or lease rental debt of the Borough that is subject to exclusion as self-liquidating or subsidized debt for exclusion from the appropriate debt limit as self-liquidating or subsidized debt; (d) to pay or to cause to be paid to the Department all proper filing fees required by the Act in connection with the foregoing; and (e) to take other required, necessary and/or appropriate action.

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

Section 18. The Note has been sold, as set forth in this Ordinance, at private sale by negotiation, as permitted by the Act.

Section 19. The President or Vice President of Council and the Secretary or Assistant Secretary, respectively, of the Borough are authorized and directed to contract with the Bank for its services as sinking fund depositary in connection with the Sinking Fund and as paying agent and registrar in connection with the Note.

Section 20. It is declared that the debt to be incurred hereby, together with any other indebtedness of the Borough, is not in excess of any applicable limitation imposed by the Act upon the incurring of debt by the Borough.

Section 21. The Secretary or Assistant Secretary of the Borough is authorized and directed to deliver the Note, after execution and attestation thereof as provided for herein, to the Bank, as provided in the Proposal for purchase of the Note, but only after the Department has certified its approval pursuant to the Act or such approval shall be presumed to have been given, as provided in the Act. The Secretary or Assistant Secretary of the Borough is further authorized and

directed to certify the date of initial delivery of the Note to the Bank by completion of the Delivery Endorsement appearing upon the Note.

Section 22. The Borough covenants to and with the Bank and subsequent owners of the Note, as follows: (1) the Borough shall annually submit to the Bank a copy of the Borough's current annual budget and a copy of the Borough's audited annual financial report, within 180 days following the close of each of the Borough's fiscal years, until the Note is fully paid, and (2) the Borough shall maintain an operating account with the Bank as long as the Note remains outstanding.

Section 23. The Borough covenants to and with the Bank and subsequent owners of the Note that it will make no use of the proceeds of the Note, or of any other obligations deemed to be part of the same issue as the Note under applicable federal tax regulations, that will cause the Note to be or become an "arbitrage bond" (or note) within the meaning of Section 103(b)(2) and Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations implementing said Sections that duly have been published in the Federal Register or with any other regulations implementing said Sections, and the Borough further covenants to comply with all other requirements of the Code if and to the extent applicable to maintain continuously the Federal income tax exemption of interest on the Note and to take no action which would adversely affect the tax-exempt status of the interest paid or payable on the Note.

Any of the President or Vice President of the Council or the Secretary or Assistant Secretary of the Borough is authorized to execute and deliver on behalf of the Borough upon issuance and delivery of the Note a tax compliance certificate or agreement which, among other things, confirms that the Borough reasonably expects **(1)** to allocate at least 85% of the proceeds of the loan evidenced by the Note to expenditures for the Project by the end of the 3-year period following issuance of the Note, (2) to incur within 6 months following the issuance of the Note a binding obligation to a third party to expend at least 5% of the face amount of the Note on the Project (or, if applicable, the Borough has already incurred such an obligation); and (3) to complete the Project and use the proceeds of the Note to pay costs of the Project with due diligence.

The Borough covenants with the Bank and subsequent registered owners of the Note that it will not make, nor shall it permit, any use of the proceeds of the Note or of the property or facilities financed or refinanced with proceeds of the Note that will cause the Note to be or become a "private activity bond," within the meaning of Section 141 of the Code.

The Borough determines that it has not issued, and does not reasonably expect to issue, tax-exempt obligations that, together with all tax-exempt obligations issued and reasonably expected to be issued by all entities which issue obligations on behalf of the Borough and all "subordinate entities" (within the meaning of Section 265(b)(3)(E) of the Code), of the Borough, in the aggregate, exceed or will exceed Ten Million Dollars ($10,000,000) during the 2012 calendar year and, accordingly, the Borough hereby designates the Note as a "qualified tax-exempt obligation", as defined in Section 265(b)(3)(B) of the Code, for the purposes and effect contemplated by Section 265 of the Code.

Section 24. Any reference in this Ordinance to an officer or member of the Council or other officer of this Borough shall be deemed to refer also to his or her duly qualified successor in office, as applicable.

Section 25. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of the Borough that such remainder shall be and shall remain in full force and effect.

Section 26. All ordinances or parts of ordinances, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.

Section 27. This Ordinance shall be effective in accordance with the Act.

DULY ENACTED AND ORDAINED, by the Council of the Borough of Dillsburg, York County, Pennsylvania, in lawful session duly assembled, this 13th day of March, 2012.

BOROUGH OF DILLSBURG, York County, Pennsylvania

By: _____
(Vice) President of the Council

ATTEST:

_____
(Assistant) Secretary of the Borough

(SEAL)

EXAMINED AND APPROVED this 13 day of MARCH, 2012.

_____
Mayor of the Borough of Dillsburg, York County, Pennsylvania

CERTIFICATE

I, the undersigned, (Assistant) Secretary of the Borough of Dillsburg, York County, Pennsylvania (the "Borough"), certify that attached hereto and made part hereof is a true and correct copy of the bid or proposal, the acceptance of which was confirmed by the Council of the Borough, at a meeting duly called and held in accordance with law on March 13, 2012, with respect to the sale by the Borough and the purchase by PNC Bank, National Association, of a proposed general obligation note of the Borough, in the maximum stated principal amount of Two Hundred Sixty Thousand Dollars ($260,000), at private sale by negotiation.

IN WITNESS WHEREOF, I set my hand and affix the official seal of the Borough, as the (Assistant) Secretary of the Borough, this 13th day of March, 2012.

Nellie R Bertnel
(Assistant) Secretary of the Borough

(SEAL)

EXHIBIT A

(FORM OF NOTE)

BOROUGH OF DILLSBURG,
York County, Pennsylvania

GENERAL OBLIGATION NOTE, SERIES OF 2012

NO.1

$260,000.00

Date: _____, 2012

The BOROUGH OF DILLSBURG, York County, Pennsylvania (the "Borough"), a municipal corporation (a Borough) of the Commonwealth of Pennsylvania (the "Commonwealth"), promises to pay to the order of PNC BANK, NATIONAL ASSOCIATION (the "Bank"), York, Pennsylvania, or registered assigns (the Bank or such other person in whose name ownership of this Note is registered on the books of the Borough kept for such purpose by the Bank, as registrar, is hereinafter referred to as the "Registered Owner"), the principal sum of TWO HUNDRED SIXTY THOUSAND DOLLARS ($260,000), together with interest on the principal amount hereof that, from time to time, shall be outstanding and shall remain unpaid, at the fixed rate of Two and Thirty-five Hundredths percent (2.35%) per annum (the "Tax-exempt Rate"), such principal and interest to be payable in installments as hereinafter provided. On June 30 and December 30 of each year, beginning on June 30, 2012, the principal of, and interest on, this Note shall be payable in semiannual installments, each such installment to be in such amount as will, when applied first to payment of interest accrued on the outstanding principal balance hereof at the interest rate specified above and then to principal, repay the outstanding principal balance hereof, with interest thereon at such rate, in substantially equal semiannual installments, with the last such installment to be due and payable on June 30, 2019; provided, however, that any provision of this Note to the contrary notwithstanding, the entire balance of the principal amount hereof and all accrued and unpaid interest hereon, if not sooner paid, shall be due and payable on June 30,2019.

The principal and interest with respect to this Note shall be payable, when due, at the principal office of the Bank in York, Pennsylvania, in lawful money of the United States of America. Whenever any payment to be made on this Note is stated to be due on a day that is a Saturday, a Sunday, a legal holiday, a day on which the Bank is closed, or a day on which banking institutions in the Commonwealth of Pennsylvania are authorized or required by law or executive order to remain closed, then the date for payment of the amount then due and payable on this Note shall be the next succeeding day that is not a Saturday, a Sunday, a legal holiday, a day on which

the Bank is closed, or a day on which banking institutions in the Commonwealth of Pennsylvania are authorized or required by law or executive order to remain closed, and such extension of the time for payment shall in such case be included in the computation of the payment of interest then due, but excluded from the next period for which interest is computed.

This Note is subject to redemption prior to maturity as a whole or, from time to time, in part, on any date, at the option of the Borough; provided, however, that in the event of such prepayment, the Note may be subject to the Cost of Prepayment, calculated an amount equal to the present value, if positive of the product of (a) the difference between (i) the yield, on the beginning date of the applicable interest period, of a U.S. Treasury obligation with maturity similar to the applicable interest period, minus (ii) the yield on the prepayment date, of a U.S. Treasury obligation with a maturity date similar to the remaining maturity of the applicable interest rate period, and (b) the scheduled average remaining principal balance from the date of prepayment to the end of the applicable interest rate period, and (c) the number of years, including factional years, from the prepayment date to the end of the applicable interest period. For purposes of determining Cost of Prepayment, the yield on any Treasury obligation shall be determined by reference to the Federal Reserve Statistical Release H.15 (519) "Selected Interest Rates", and for purposes of making present value calculations, the yield to maturity of a similar maturity U.S. Treasury obligation the prepayment date shall be deemed the discount rate. The Borough further agrees to indemnify the Bank, to the extent permitted by law, against any liabilities, losses or expenses (including, without limitation, loss of margin, any loss or expense sustained or incurred in liquidating or employing deposits from third parties, and any loss or expense incurred in connection with funds acquired to effect, fund or maintain any advance (or any part thereof) of the principal of this Note (an "Advance") bearing interest at the Tax-exempt Rate) which the Bank sustains or incurs as a consequence of either (i) the Borough's failure to make a payment required to be made by the terms of this Note on the due date thereof, (ii) the Borough's revocation (expressly, by later inconsistent notices or otherwise) in whole or in part of any notice given to Bank to request, convert, renew or prepay any Advance bearing interest at the Tax-exempt Rate, or (iii) the Borough's prepayment or payment (whether voluntary, after acceleration of the maturity of this Note or otherwise) or conversion of any Advance bearing interest at the Tax-exempt Rate on a day other than the regularly scheduled due date therefore. A written notice as to any amounts payable pursuant to this paragraph given to the Borough by the Bank shall, in the absence of manifest error, be conclusive and shall be payable upon demand. The Borough's indemnification obligations hereunder shall survive the payment in full of the Advances and all other amounts payable hereunder.

Payment of the redemption price of this Note shall be made to the Registered Owner, but only upon presentation of this Note to the Bank, acting as paying agent, at its principal office in York, Pennsylvania, for notation hereon of the amount of principal redeemed at the place provided on this Note for such purpose.

Any partial redemption of the outstanding principal amount of this Note shall be applied to such installment(s) of principal due on this Note and in such amount(s) as the Borough may

designate in writing to the registered owner of this Note at the time of redemption or, if no such designation is made, shall be applied to the last installment(s) of principal due on this Note.

Any redemption, as hereinbefore authorized, shall be upon written notice deposited, postage prepaid, in the United States mail not less than five (5) days prior to the date selected for redemption and addressed to the person in whose name ownership of this Note is registered on the business day next preceding the date of mailing of the notice on the registration book of the Borough kept by the Bank, acting as note registrar on behalf of the Borough, at the address of such owner as shown on such registration book; provided, however, that if the registered owner of this Note is the Bank or the registered owner shall file written waiver of notice with the Borough, this Note may be redeemed on the redemption date without necessity of such notice by mail. On the date designated for redemption, money for payment of the principal and accrued interest due on this Note or the portion hereof so called for redemption, as applicable, being held by the Bank, acting as paying agent, and notice of redemption having been given or waived as aforesaid, interest on this Note or the portion hereof so called for redemption, as applicable, shall cease to accrue and, if this Note shall have been called for redemption in full, it shall cease to be entitled to any benefit or security under the Ordinance (hereinafter defined), and the registered owner or any other holder hereof shall have no further rights with respect to this Note, except to receive payment of the principal of and accrued interest hereon to the redemption date, together with any sums necessary to compensate the Bank for actual loss or expense sustained as a result of such redemption prior to maturity of the Note as provided above.

This Note is issued in accordance with provisions of the Pennsylvania Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "Act"), and by virtue of a duly enacted Ordinance (the "Ordinance") of the Council of the Borough. The Act, as such shall have been in effect when this Note was authorized, and the Ordinance shall constitute a contract between the Borough and the Registered Owner, from time to time, of this Note.

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 Note or in creation of the debt of which this Note are 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 Note, together with any other indebtedness of the Borough, is not in excess of any applicable limitation imposed by the Act upon the incurring of the debt of the Borough which is evidenced by this Note.

The Borough has covenanted, in the Ordinance, to and with registered owners, from time to time, of this Note that the Borough: (i) shall include the amount of the debt service for this Note, for each fiscal year of the Borough in which such sums are payable, in its budget for that year, (ii) shall appropriate such amounts from its general revenues for the payment of such debt service, and (iii) shall duly and punctually pay or cause to be paid from the sinking fund established under the Ordinance or any other of its revenues or funds the principal of and interest on this Note at the dates and place and in the manner stated herein, according to the true intent and meaning hereof; and, for such budgeting, appropriation and payment, the Borough has pledged and does pledge, irrevocably,

its full faith, credit and taxing power. The Act provides that the foregoing covenant of the Borough shall be enforceable specifically.

The Borough, in the Ordinance, has established a sinking fund with the Bank, as the sinking fund depositary, into which funds for the payment of the principal of and the interest on this Note shall be deposited not later than the date fixed for the disbursement thereof The Borough 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 in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of this Note.

This Note has been designated by the Borough as a "qualified tax-exempt obligation", as defined in Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the "Code"), for purposes and effect contemplated by Section *265 of the Code (relating to expenses and interest relating to tax-exempt income of certain financial institutions).*

Ownership of this Note is transferable by the Bank, or by any subsequent registered owner in person or by his attorney duly authorized, in writing, at the principal office of the Bank, but only upon notation of such transfer of ownership hereon and on the records of the Borough to be kept for that purpose at the principal office of the Bank by a duly authorized representative of the Bank acting as registrar for this Note on behalf of the Borough. The Borough and the Bank, as paying agent for this Note, may deem and treat the person, from time to time, in whose name ownership of this Note shall be registered as the absolute owner hereof for the purpose of receiving payment hereof and of interest due hereon, for the purpose of redemption hereof prior to maturity and for all other purposes.

[Signature Page Follows]

IN WITNESS WHEREOF, the BOROUGH OF DILLSBURG, York County, Pennsylvania, as provided by the Act and in the Ordinance, has caused this Note to be executed in its name and on its behalf by the manual signature of the President or the Vice President of its Council and the official seal of the Borough to be affixed hereto and the manual signature of the Secretary or Assistant Secretary of the Borough to be affixed hereto in attestation thereof, all as of the date first above written.

BOROUGH OF DILLSBURG, York County, Pennsylvania

By: _____
(Vice) President of the Council

ATTEST:

_____
(Assistant) Secretary of the Borough

(SEAL)

DELIVERY ENDORSEMENT

I, the undersigned, certify that this Note was initially delivered to PNC Bank, National Association, this 13th day of March, 2012.

_____
(Assistant) Secretary of the Borough of Dillsburg, York County, Pennsylvania

REDEMPTION RECORD (PRINCIPAL PAID IN ADVANCE OF DUE DATE)

REGISTRATION RECORD

NOTHING TO BE WRITTEN HERE EXCEPT BY A DULY AUTHORIZED REPRESENTATIVE OF PNC BANK, NATIONAL ASSOCIATION, OR ITS SUCCESSOR, ACTING AS REGISTRAR ON BEHALF OF THE BOROUGH OF DILLSBURG, YORK COUNTY, PENNSYLVANIA.

Date of Registry	Name of Registered Owner	Registrar's Authorized Representative
/2012		

CERTIFICATE

I, the undersigned, (Assistant) Secretary of the Borough of Dillsburg, York County, Pennsylvania (the "Borough"), certify that: the foregoing is a true and correct copy of an Ordinance that duly was enacted by affirmative vote of a majority of all members of the Council of the Borough, in accordance with law, at a meeting duly held on March 13, 2012, at which meeting a quorum was present; said Ordinance has been certified and recorded by me, as (Assistant) Secretary of the Borough, in the book provided for the purpose of such recording; said Ordinance, upon enactment, as aforesaid, was assigned Ordinance No. 2012-3; the total number of members of the Council of the Borough is seven (7); the vote of the members of the Council of the Borough, upon enactment of said Ordinance, the yeas and nays having been called, duly was recorded by me, as Secretary, as follows:

Jeffrey Griffin	- Jeffrey Griffin
Holly Kelley	- Holly Kelley
Matt Fawber	- Matt Fawber
Hal Anderson	- Hal Anderson
David Baldwin	- David Baldwin
John Richardson, Jr.	-
Yvonne Laukemann	- Yvonne Laukemann

said Ordinance has been advertised, as required by law, in a newspaper of general circulation in the Borough and a copy thereof was made available for public inspection as required by the Pennsylvania Local Government Unit Debt Act; and said Ordinance has not been amended, altered or repealed, as of the date of this Certificate.

I further certify that the Council of the Borough met the advance notice and public comment requirements of the Sunshine Act, 65 Pa. C.S. Chapter 7, by advertising the time and place of said meeting, by posting prominently a notice of said meeting at the principal office of the Borough or at the public building in which said meeting was held, and by providing a reasonable opportunity for public comment at such meeting prior to enactment of said Ordinance, all in accordance with such Act.

IN WITNESS WHEREOF, I set my hand and affix the official seal of the Borough, this 13TH day of March, 2012.

Debbie L Bertnel
(Assistant) Secretary of the Borough

(SEAL)

ORDINANCE NO. 2012-3
TAX ORDINANCE 2013

AN ORDINANCE OF THE BOROUGH OF DILLSBURG, YORK COUNTY, PENNSYLVANIA, FIXING CERTAIN TAX RATES FOR THE NON-EXEMPT REAL PROPERTY AND OCCUPATIONS FOR THE YEAR 2013

BE IT ENACTED AND ORDAINED by the Council of the Borough of Dillsburg, York County, Pennsylvania, in accordance with the Consolidated Ordinances of the Borough of Dillsburg, and by virtue of the power and authority vested in said Council, as follows:

Section 1: Tax Levy

A. Real Estate: There is hereby imposed and levied on all non-exempt real property located with the Borough of Dillsburg, for the fiscal year 2013, a tax calculated at the rate of 2.37 mills, based upon the assessed valuation as established by the Assessor for the Borough of Dillsburg, or in lieu thereof, as assessed by the York County Assessment Office.
B. Occupational Assessment: There is hereby imposed upon the occupation of all residents of the Borough of Dillsburg, for the fiscal year 2013, a tax collected at the rate of 1200 mills, based upon the assessed valuation as established by the Assessor for the Borough of Dillsburg, or in lieu thereof, as assessed by the York County Assessment Office.

Section 2: Notice and Payment of Tax

On or before the first day of April 2013, the Tax Collector shall send to each person, upon whom tax is imposed in Section 1 hereof, a notice of tax due. Such notice may be consolidated with a notice of any other tax to be collected by the Tax Collector provided, however, that each tax shall be stated separately thereon.

Section 3: Rebated and Penalties

A. Any taxpayer subject to the payment of a tax levied by this Ordinance shall be entitled to a discount of Two Percent (2%) of the amount of such tax upon making payment of the entire amount within two months after the date of the tax notice.
B. A taxpayer subject to payment of a tax levied by this Ordinance who shall fail to make the payment of such tax with four months after the due date of the notice shall be charged a penalty of Ten Percent (10%), which penalty shall be added to the tax by the Tax Collector, and shall be collected by the Tax Collector.
C. Real estate taxes, which remain unpaid by January 10th of the year following the year of imposition, shall be returned to the York County Tax Claim Bureau in accordance with the law.

Section 4: Effective Date

This Ordinance and the taxes imposed thereby shall become effective January 1, 2013

Section 5: Repealer and Severability

Any Ordinance or part thereof, conflicting with this Ordinance shall be, and hereby is, repealed insofar as it conflicts with this Ordinance. Further, the provisions of the Ordinance are severable. If any sentence, clause, or section of the Ordinance is for any reason found to be unconstitutional, illegal, or invalid, such unconstitutionally, illegality, or invalidity shall not affect or impair any of the remaining provisions of the Ordinance. It is hereby declared to be the intent of the Borough Council of the Borough of Dillsburg that this Ordinance would have been adopted had such unconstitutional, illegal or invalid sentence, clause, or section not been included herein.

ENACTED AND ORDAINED this 11th day of December, 2012.

ATTEST:

Debbie L Bertzel
(Secretary)

Jeffrey L Guise
(President)

Harry "Hank" Snyder
(Mayor)