

TOWNSHIP OF MOUNT JOY
Adams County, Pennsylvania

RESOLUTION
NO. 14 of 2008

A RESOLUTION
OF THE BOARD OF SUPERVISORS OF THE TOWNSHIP OF MOUNT
JOY, ADAMS COUNTY, PENNSYLVANIA, AUTHORIZING AND
APPROVING AN AMENDMENT TO THAT CERTAIN BANK LOAN
PROPOSAL BY AMENDING A CERTAIN SECTION THEREOF;
AUTHORIZING CERTAIN OTHER MATTERS RELATING TO SUCH
BANK LOAN PROPOSAL; PROVIDING FOR AN EFFECTIVE DATE
AND A GENERAL REPEALER.

ADOPTED JANUARY 17, 2008

WHEREAS, The Township of Mount Joy, Adams County, Pennsylvania (the "Township") is a township of the second class existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth"); and

WHEREAS, The Township received from Community Banks, with an office in Gettysburg, Pennsylvania, now, pursuant to a bank merger, Susquehanna Bank (the "Purchaser"), a proposal, dated August 12, 2005, for a loan in the principal amount of \$2,000,000 (the "Loan"), which proposal was subsequently amended and restated by a proposal, dated September 15, 2005 (the "Loan Proposal"); and

WHEREAS, The Loan Proposal was thereafter amended, in writing, by an addendum thereto regarding, *inter alia*, interest rate options, dated November 28, 2005 (the "Loan Proposal Addendum" and collectively, the "Note Purchase Proposal"); and

WHEREAS, Proceeds of the Loan were to be applied to pay the costs of the second phase of the Township's Agricultural Preservation Project (the "2006 Capital Project"); and

WHEREAS, By enactment of Ordinance 2005-13 on December 15, 2005 (the "Ordinance"), the Township authorized and approved, *inter alia*, issuance of the Township's General Obligation Note, Series of 2006 in the principal amount of \$2,000,000 (the "2006 Note") and acceptance of the Purchaser's Note Purchase Proposal; and

WHEREAS, The Township issued the 2006 Note to the Purchaser on January 25, 2006 with the following terms: an interest-only period of twenty-four (24) months during which period principal of the 2006 Note may be drawn down by the Township, a term of twenty (20) years with a maturity date of January 25, 2026 and with a principal amortization period beginning January 25, 2008; and

WHEREAS, The Township and the Purchaser have agreed to extend the draw down period for an additional period of twelve (12) months, ending January 25, 2009 by amending Section (ii) of the Loan Proposal Addendum; and

WHEREAS, The Purchaser has presented to the Township an addendum to the Note Purchase Proposal, dated January 15, 2008 (the "Second Loan Proposal Addendum"); and

WHEREAS, The Township desires to approve and accept the Second Loan Proposal Addendum.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the Township of Mount Joy, Adams County, Pennsylvania, that:

1. The Township approves and accepts the Second Loan Proposal Addendum presented to the Board of Supervisors. Proper officers of the Township are authorized and directed to execute and attest, and affix the Seal of the Township thereto.

2. The Secretary of the Township is hereby authorized and directed to deliver a copy of this Resolution to Purchaser.

3. A draw on the Loan in the principal amount of \$50,001.00 is authorized and approved. Proper officers of the Township are authorized and directed to executed, attest and seal Requisition Number 1 for the approved amount. The Secretary of the Township is hereby authorized and directed to deliver a copy of Requisition Number 1 to Purchaser together with appropriate instructions with respect to the deposit of the proceeds.

4. This Resolution shall become effective immediately upon its adoption. Any resolutions to the extent inconsistent herewith are hereby repealed.

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DULY RESOLVED AND ADOPTED by the Board of Supervisors of the Township of Mount Joy, Adams County, Pennsylvania, in lawful session assembled, this 17th day of January 2008.

TOWNSHIP OF MOUNT JOY

Chairman, Board of Supervisors

ATTEST:

Secretary

[SEAL]