

BOROUGH OF MONROEVILLE  
ORDINANCE NO. 288

AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$95,000 SEWER REVENUE BONDS, SERIES A OF THE BOROUGH FOR THE PAYMENT OF PART OF THE COST OF A CAPITAL IMPROVEMENT CONSISTING OF THE PITCAIRN INTERCEPTOR TO THE BOROUGH OWNED SEWER SYSTEM; PLEDGING OF REVENUES OF THE PITCAIRN INTERCEPTOR FOR THE PAYMENT OF SUCH BONDS; PROVIDING FOR THE ADMINISTRATION OF BOND PROCEEDS AND THE DISPOSITION OF PLEDGED REVENUES AND THE OPERATION AND MAINTENANCE OF THE PITCAIRN INTERCEPTOR AS A PART OF THE SEWER SYSTEM OF THE BOROUGH.

WHEREAS, the Borough of Monroeville owns and operates a Sewer System (herein collectively called the "Sewer System") for the use of the residents, commercial establishments, industries and public and private institutions of the Borough, and

WHEREAS, the Borough is currently undertaking the construction of a capital improvement to the Sewer System consisting of the construction of a trunk line sewer from a point near Stochine Road and Pitcairn Road in the Borough in a southerly direction through the Borough of Pitcairn to a point of connection with the Turtle Creek Interceptor Sewer of the Allegheny County Sanitary Authority (said capital improvement being herein called the "Pitcairn Interceptor"); and

WHEREAS, the Borough has simultaneously with the enactment of this Ordinance enacted an Ordinance imposing rentals and charges upon certain properties and persons served or to be served by the Pitcairn Interceptor which said Ordinance is now in full force and effect; and

WHEREAS, the Borough is given the power by the Act of Assembly, approved April 3rd, 1956, P. L. 1373 to issue Bonds for the purpose of providing funds for construction of the Pitcairn Interceptor, such bonds to be secured solely by a pledge of the receipts and revenues of the Borough derived from the rentals and charges levied and collected for the use of the Pitcairn Interceptor and to be issued pursuant to the Municipal Borrowing Law (Act of June 25, 1941, P. L. 159, as amended); and

WHEREAS the Borough has determined (a) to issue its Sewer Revenue Bonds, Series A, in the total principal amount of Ninety-five Thousand Dollars (\$95,000) for the purpose of paying part of the cost of constructing the Pitcairn Interceptor; and (b) to pledge the receipts and revenues from the Pitcairn Interceptor to the extent herein provided for the payment of the principal of, and the interest and taxes, if any, on the Series A Bonds;

NOW THEREFORE, the Council of the Borough of Monroeville hereby enacts as follows:-

Section 1. Definitions. The terms defined in this Section One shall, for all purposes of this Ordinance and of all ordinances supplemental hereto, have the meanings herein specified, unless the context otherwise requires:

(a) The term "authorized depository" shall mean Pittsburgh National Bank, Miracle Mile Office, Monroeville, Pennsylvania, or any incorporated bank or trust company doing business in the Commonwealth of

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Pennsylvania, which is insured by the Federal Deposit Insurance Corporation or by any other agency of the United States of America performing functions similar to the Federal Deposit Insurance Corporation (provided such an agency shall be in existence), which has a combined capital and surplus of not less than Four Hundred Thousand Dollars (\$400,000.).

(b) The term "bond" or "bonds" shall mean any bond or all the bonds as the case may be, authorized and delivered under this Ordinance.

(c) The term "Borough" shall mean the municipal corporation of the Borough of Monroeville, Pennsylvania.

(d) The term "Consulting Engineer" shall mean a person who is engaged in the engineering profession, who is a registered professional engineer under the laws of the Commonwealth of Pennsylvania, who has a favorable reputation for skill and experience in supervising the construction and operation of sewer systems, who is in fact independent (although such person may be regularly retained by the Borough), and who is appointed by the Borough and not unsatisfactory to the representative of the purchasers of the Series A Bonds. If such person be an individual, such person shall not be an officer or employee of the Borough, or an elected or appointed officer of the Borough. If such person be a co-partnership or corporation, such person shall not have a partner, director, officer or substantial stockholder who is an officer or employee of the Borough or an elected or appointed officer of the Borough.

(e) The term "Council" shall mean the members of Council, respectively, of the Borough as constituting the governing body of said Borough.

(f) The term "fiscal year" shall mean the period of twelve months beginning on January 1 of each year.

(g) The term "holder of bonds" or "bondholder" or any similar term shall mean any bearer of any coupon bond not registered as to principal or the registered owner of any coupon bond which shall at the time be registered as to principal.

(h) The term "paying agent" shall mean any bank or trust company designated by this Ordinance as paying agent and which has its principal office either within or without the Commonwealth of Pennsylvania.

(i) The term "person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization, a municipal corporation or similar body or a government or political subdivision thereof.

(j) The term "purchasers" when used with respect to the bonds shall mean the person whose title to the bonds is acquired directly from the Borough. The term "representative of the purchasers" shall mean Arthurs, Lestrangle & Co., Pittsburgh, Pennsylvania, and their successors and assigns.

(k) The term "receipts and revenues" shall mean all rates, fees,

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rentals and charges established or to be established, levied and collected in connection with, and all other receipts and revenues of whatever kind or character arising from the operation or ownership of the Pitcairn Interceptor.

(1) The term "supplemental ordinance" or "ordinance supplemental hereto" shall mean any ordinance now or hereafter duly enacted by the Borough in accordance with the provisions of this Ordinance.

Except where the context otherwise requires, words importing the singular number shall include the plural number and vice versa.

Section 2. The Borough of Monroeville be and is hereby authorized to complete construction of the Pitcairn Interceptor and all appurtenances necessary thereto, all in accordance with plans and specifications as heretofore adopted by the Borough and incorporated into contract dated April 11, 1961 by and between the Borough and H. J. Schneider, the successful bidder for such construction following proper advertisement and award. \*

Section 3. The maximum principal amount of bonds which may be authorized and issued by the Borough and at any time be outstanding pursuant to this Ordinance shall be limited to Ninety-five Thousand Dollars (\$95,000.)

The Series A Bonds shall constitute the only series of bonds to be authorized and issued under this Ordinance and shall be limited in the maximum principal amount to Ninety-five Thousand Dollars (\$95,000) and shall be forthwith issued hereunder pursuant to the provisions of the Act of June 25, 1941, P. L. 159, and subject to the conditions hereinafter set forth.

Section 4. The Series A Bonds shall be designated "Borough of Monroeville Sewer Revenue Bonds, Series A", shall be dated as of August 1, 1961, shall be of the denomination of One Thousand Dollars (\$1,000) each, numbered A1 to A95, both inclusive, shall bear interest payable February 1 and August 1 at the rate of four and one-half per centum (4½%) per annum and shall mature serially in numerical order on the first day of August of each year as follows:

<u>Number</u>	<u>Amount</u>	<u>Date</u>
A1 -A10	\$10,000	1966
A11 -A25	15,000	1971
A26 -A40	15,000	1976
A41 -A58	18,000	1981
A59 -A80	22,000	1986
A81 -A95	15,000	1991

Upon delivery to the purchaser of the Series A Bonds and in addition to the interest rates shown above, all Series A Bonds shall be accompanied by additional interest coupons as follows:--All shall have additional interest coupons at the rate of 1.395% per annum for the period beginning August 1, 1961 and ending August 1, 1963, payable semi-annually on February 1 and August 1.

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Section 5. The Pittsburgh National Bank, Miracle Mile Office, Monroeville, Pennsylvania, is hereby designated and appointed authorized depository for the purposes of this Ordinance and the principal of and interest on the bonds shall be payable at the office of the authorized depository, without deduction for any taxes (except gift, succession and inheritance taxes) which may be levied or assessed thereon pursuant to any present or future law of the Commonwealth of Pennsylvania, all of which taxes the Borough of Monroeville assumes and agrees to pay, but only from the receipts and revenues of the Pitcairn Interceptor as the same may be from time to time assessed thereon.

Section 6. The Series A Bonds shall be in coupon form and may be registered in the name of the holder but as to principal only. The Borough Treasurer is hereby designated Registrar for the Series A Bonds presented for registration. Said bonds shall be executed in the name and under the corporate seal of the Borough by the Burgess and President of Council, attested by the Borough Secretary and countersigned by the Borough Treasurer and the coupons attached thereto shall be authenticated by the facsimile signature of the Borough Treasurer.

Section 7. The bonds with coupons attached thereto, and the provisions for registration endorsed thereon, shall be in substantially the following form:

\* The period of usefulness of the Pitcairn Interceptor and all appurtenances thereto is estimated to be in excess of thirty (30) years.

UNITED STATES OF AMERICA  
COMMONWEALTH OF PENNSYLVANIA  
COUNTY OF ALLEGHENY  
BOROUGH OF MONROEVILLE

SEWER REVENUE BOND, SERIES A

No.

\$1,000.00

BOROUGH OF MONROEVILLE (hereinafter called the "Borough"), a municipal corporation organized and existing under and by virtue of the laws of the Commonwealth of Pennsylvania, for value received hereby promises to pay, but only out of the receipts and revenues hereinafter mentioned, to bearer, or if registered to the registered owner hereof, on the first day of August, A.D. 1961, unless this bond shall be redeemable and before said date shall have been duly called for redemption and payment of the redemption price made or provided for, at Pittsburgh National Bank, Miracle Mile Office, Monroeville, Pennsylvania, the principal sum of One Thousand Dollars (\$1,000), lawful money of the United States of America, and to pay in like funds, interest on said principal from the first day of August, 1961, out of the said receipts and revenues at the rate of Four and one-half per centum (4 1/2%) per annum, payable semi-annually on the first day of February and August in each year, but only in accordance with the respective coupons hereto attached, and upon presentation and surrender thereof as they severally mature, at said Pittsburgh National Bank, Miracle Mile Office, Monroeville, Pennsylvania.

The Borough also promises to pay, solely from the receipts and revenues hereinafter mentioned, additional interest on the principal amount of this bond as follows: On all bonds at the rate of 1.395% per annum, each for the period of August 1, 1961 to August 1, 1963, payable semi-annually on February 1 and August 1, on surrender at maturity of the appropriate separate interest coupons.

This bond is one of a duly authorized issue of bonds (herein called the "Bonds") of the Borough, issued under and pursuant to an Ordinance of the Borough (which ordinance is herein called the "Ordinance"), enacted the \_\_\_\_\_ day of \_\_\_\_\_, 1961, by the Council of the Borough, and secured by the pledge to the extent provided in the Ordinance of the receipts and revenues of the Borough from its Pitcairn Interceptor as defined in the Ordinance. Reference is made thereto for a description of the receipts and revenues pledged, the nature, extent and manner of enforcement of the security for the bonds and a statement of the rights, duties and obligations of the Borough and the rights of the holders of the bonds, to all the provisions of which Ordinance the holder hereof by the acceptance of this bond assents. This bond is one of the bonds issued under and secured by the Ordinance, such bonds being designated as "Borough of Monroeville Sewer Revenue Bonds, Series A" (herein called the "Series A Bonds"), all of like date, amount and tenor, except as to date of maturity and provisions for redemption, amounting in the aggregate to Ninety-five Thousand Dollars (\$95,000), and numbered consecutively from A1 to A95, both inclusive

It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and laws of the Commonwealth of Pennsylvania and the Ordinance to exist, happen or be performed precedent to and in the issuance of this bond and the enactment of the Ordinance exist, have happened and have been performed as so required. This bond is issued and the Ordinance was enacted under and pursuant to the conditions provided in the Act of June 25, 1941, P.L. 159, as amended (hereinafter called the "Act"). The Ordinance provides for the fixing and charging by the Borough of rentals and charges for service furnished by the Pitcairn Interceptor sufficient to provide funds for paying the principal of and the interest on the bonds as such principal and interest shall become due. The Ordinance further provides that the bonds issued thereunder shall be secured by the lien thereof to the extent therein provided on the receipts and revenues of the Pitcairn Interceptor as in the Ordinance provided, and that the principal of and interest and premium (if any) on such bonds shall be payable only from such receipts and revenues and from such other moneys as may be available for such purposes in accordance with the provisions of the Ordinance. The Ordinance further provides and the Borough covenants therein to pay all costs of operating, maintaining and repairing the Pitcairn Interceptor from any and all other funds of the Borough available for such purpose and the Borough further covenants thereunder to properly operate, maintain and keep the Pitcairn Interceptor in good repair.

This bond does not pledge the credit nor create any debt of the Borough, nor is it a charge against the general revenues of the Borough nor a lien against any property of the Borough. This bond and the bonds of the issue of which it is a part are not general obligations of the

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Borough and no tax shall in any event be levied for the payment of the principal of, the interest on, the premium (if any), or state taxes (if any) on this bond or said bonds, such principal, interest, premium and state taxes being payable solely from the receipts and revenues of the Pitcairn Interceptor.

Both the principal of and interest on this bond are payable without deduction for any tax or taxes except gift, succession or inheritance taxes, now or hereafter levied or assessed under any present or future law of the Commonwealth of Pennsylvania, all of which taxes, except as aforesaid, shall be paid out of and solely from the rentals and charges imposed for the use of the said Pitcairn Interceptor.

In the manner and upon the terms and conditions provided in the Ordinance, the Series A Bonds, of which this bond is one, maturing after August 1, 1966, being bonds numbered A11 to A95, both inclusive, may be redeemed, prior to maturity at the option of the Borough as a whole on August 1, 1966, or at any time thereafter, upon payment of the applicable redemption price as set forth in the following schedule, in each case together with interest accrued to the date fixed for redemption:

<u>If Redeemed During the</u> <u>Following Periods.</u>	<u>Redemption Price</u> <u>(Percentage of Principal Amount.)</u>
August 1, 1966 to July 31, 1971	105
August 1, 1971 to July 31, 1976	102 $\frac{1}{2}$
August 1, 1976 and thereafter	100

Notice of any such redemption shall be given by publication once a week for two consecutive weeks, the first publication to be at least thirty (30) and not more than forty (40) days before the redemption date, in a daily newspaper circulating generally in the Borough of Monroeville, Pennsylvania.

This bond is transferable by delivery unless registered as to principal only in the name of the owner on the books of the Borough to be kept for that purpose by the Borough Treasurer. After such registration no transfer shall be valid unless made by the registered owner in person or by his duly authorized attorney and similarly noted upon said books and hereon. This bond, however, may be discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored, after which this bond may again from time to time be registered or made transferable by delivery as before. Such registration shall not affect the negotiability of the coupons for interest hereto attached, which shall always continue to be payable to bearer and to be transferable by delivery merely, and payment to the bearer thereof shall fully discharge the Borough in respect of the interest therein mentioned, whether or not this bond be registered.

In case an event of default shall occur, the principal of this bond may become or be declared due and payable in the manner, with the effect and subject to the conditions provided in the Act and the Ordinance. The holder of this bond shall have no right to take any action with respect to any such event of default, or to institute, appear in or defend any suit or other proceeding with respect thereto except as provided in the

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said Act and aforementioned Ordinance.

As provided by the Act, this bond shall have all the qualities of a negotiable instrument under the law merchant and the law relating to negotiable instruments in the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the Borough of Monroeville has caused this bond to be properly executed by its Burgess and President of Council and its corporate seal to be hereto affixed, attested by the Borough Secretary and to be countersigned by the Borough Treasurer, and has also caused the coupons hereto attached to be authenticated with the facsimile signature of the Borough Treasurer as of date the first day of August, A.D. 1961.

BOROUGH OF MONROEVILLE

Attest:

S/Anthony J. Martin  
Burgess

S/Arthur H. Curtis  
Borough Secretary

S/A. O. Strathern  
President of Council

Countersigned:

S/  
Borough Treasurer

FORM OF INTEREST COUPON

No.

\$22.50

On the first day of \_\_\_\_\_, 19\_\_\_\_, the Borough of Monroeville, Allegheny County, Pennsylvania, will (unless the bond herein mentioned shall have been duly called for previous redemption and payment thereof duly provided for) pay to the bearer, but only out of the receipts and revenues referred to in the Bond herein mentioned and not otherwise, at Pittsburgh National Bank, Miracle Mile Office, Monroeville, Pennsylvania, upon surrender of this coupon, the amount shown hereon, free of tax, being six months interest on its Sewer Revenue Bond, Series A, dated August 1, 1961 and numbered A\_\_\_\_\_.

S/  
Borough Treasurer

FORM OF ADDITIONAL INTEREST COUPON

No.X

\$6.97  
\$6.98

On the first day of \_\_\_\_\_, 19\_\_\_\_, the Borough of Monroeville, Allegheny County, Pennsylvania, will (unless the bond herein mentioned shall have been duly called for previous redemption and payment thereof duly provided for) pay to the bearer, but only out of the receipts and revenues referred to in the Bond herein mentioned and not otherwise, at Pittsburgh National Bank, Miracle Mile Office, Monroeville, Pennsylvania, upon surrender of this coupon, the amount shown hereon, free of tax,

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being six months additional interest on its Sewer Revenue Bond, Series A, dated August 1, 1961, and numbered A \_\_\_\_\_.

S/  
Borough Treasurer.

BACK OF BOND

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

UNITED STATES OF AMERICA  
COMMONWEALTH OF PENNSYLVANIA  
COUNTY OF ALLEGHENY  
BOROUGH OF MONROEVILLE  
Tax Free  
SEWER REVENUE BOND, SERIES A  
Due August 1, 19\_\_\_\_\_  
Interest Payable  
February first and August first  
Principal and Interest Payable  
at  
PITTSBURGH NATIONAL BANK  
Miracle Mile Office,  
Monroeville, Pennsylvania.

NOTHING TO BE WRITTEN HERE EXCEPT BY THE BOROUGH TREASURER

Date of Registry	In whose Name Registered	Borough Treasurer
_____	_____	_____
_____	_____	_____
_____	_____	_____

Section 8. Subject to the conditions, provisions and limitations of this Ordinance, additional sewer revenue bonds authorized by supplemental ordinance or ordinances, may from time to time be issued by the Borough for such principal amounts as may be necessary for the purpose of refunding outstanding bonds, subject however, to the following restrictions:

(a) Such refunding bonds shall not exceed in the aggregate the amount of bonds so to be refunded;

(b) Such refunding bonds shall bear interest at a rate less than the rate specified in the bonds refunded; and

(c) The final maturity date of such refunding bonds shall not exceed the final maturity date of the bonds being refunded.

The proceeds of all additional sewer revenue bonds issued for the purpose of refunding outstanding bonds shall be deposited by the Borough in a special redemption fund or funds created pursuant to the terms of the supplemental ordinance or ordinances authorizing such refunding



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bonds and shall be applied to the redemption and payment of the bonds being at the time so refunded in the manner prescribed in the supplemental ordinance or ordinances pursuant to which such refunding bonds were authorized and issued. Any moneys in the Sinking Fund established pursuant to Section 15 hereof which are specifically applicable to the payment of the bonds being so refunded shall be transferred by the Borough to the special redemption fund established pursuant to any such supplemental ordinance or ordinances and shall be applied toward the redemption and payment of the bonds being so refunded.

Section 9. The Series A Bonds maturing after August 1, 1966, may be redeemed, prior to maturity at the option of the Borough as a whole, on August 1, 1966, or at any time thereafter, upon payment of the applicable redemption price as set forth in the following schedule, in each case together with interest accrued to the date fixed for redemption:

<u>If Redeemed During the Following Periods.</u>	<u>Redemption Price Percentage of Principal Amount.)</u>
August 1, 1966 to July 31, 1971	105
August 1, 1971 to July 31, 1976	102 $\frac{1}{2}$
August 1, 1976 and thereafter	100

Whenever the Borough shall, by resolution of the Council, determine to redeem all of the bonds in accordance with the right reserved so to do, it shall cause a notice of intention to redeem, signed in the name of the Borough by its Borough Secretary to be published once a week for two consecutive weeks, the first publication to be at least thirty (30) days and not more than forty (40) days before the redemption date, in a daily newspaper circulating generally in the Borough of Monroeville, Pennsylvania. At least thirty (30) days before the redemption date the Borough Secretary shall mail such notice to each registered owner of the bonds to be redeemed at the last address of said registered owner appearing upon the Bond Register of the Borough, but failure to so mail any such notice shall not affect the validity of the proceedings for redemption, the redemption price and the place of payment, and shall further state that, from and after such date, interest thereon will cease to accrue.

Section 10. Notice having been given in the manner hereinbefore provided in Section 9 hereof, and cash equal to the redemption price of said bonds and the interest accrued thereon to the date of redemption having been deposited in a special redemption account prior to the date set for redemption, the bonds shall become due and payable on the redemption date so designated, and interest on such bonds shall cease from such redemption date, whether such bonds be presented for redemption or not, and the coupons representing the interest on any of said bonds thereafter to accrue shall from that date be void and of no effect. The principal amounts of all bonds so called for redemption, together with the premium, if any, and accrued interest thereon, shall be paid upon presentation and surrendered thereof in negotiable form, accompanied by coupons, if any, representing such interest. All coupons maturing subsequent to the date of redemption must accompany each bond so redeemed.

Section 11. All moneys derived from the issuance and sale of the Series A Bonds are hereby appropriated to the purpose of paying the cost of completing the Pitcairn Interceptor described in Section 2 of this

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Ordinance. Immediately upon receipt of the proceeds of said Bonds, the Borough Treasurer shall deposit said proceeds with the authorized depository to the credit of the Construction Fund hereby established by the Borough with the authorized depository. Moneys so deposited to the credit of said Fund shall only be used to pay the cost of completing construction of the Pitcairn Interceptor or to reimburse the Borough for payment made by the Borough from other moneys for the cost of such construction. Payments to the person or persons entitled thereto from the Pitcairn Interceptor Construction Fund shall be made on the Warrant of the Borough, signed by the Borough Treasurer; provided, however, that before any payment is made, there shall be deposited with the Borough Council and filed with the minutes thereof, a certificate of the Consulting Engineer appointed by the Borough certifying that work covered by the payment has been done to his satisfaction or that such payment is due and owing and pursuant to contract. When the construction of the work for which the Series A Bonds are being issued shall have been completed, the balance in the Construction Fund shall be transferred to the Sinking Fund created in Section 15 hereof, and applied as therein provided.

Section 12. The principal of and interest on the bonds and any taxes covenanted to be paid thereon shall be payable only out of the receipts and revenues of the Borough derived from the rentals and charges levied and collected by the Borough for the use of the Pitcairn Interceptor and to the extent provided by this Ordinance, such receipts and revenues are hereby pledged to such payments, and the bonds herein authorized shall constitute a lien against such receipts and revenues so pledged under this Ordinance. Said bonds are not general obligation bonds of the Borough of Monroeville and no property or revenues of said Borough are or shall be pledged to the payment of the principal thereof or the interest thereon, or to any taxes levied thereon, except provided for, and no tax shall in any event be levied for the payment of interest or principal or state taxes on such bonds.

Section 13. The Borough covenants that it has adopted and will charge, maintain and collect, so long as any of the bonds remain outstanding and funds for their payment have not been provided, reasonable sewer rentals and other charges upon properties and persons served by the Pitcairn Interceptor, which said rentals and charges shall be at least equal to the amount required to insure at all times sufficient funds to pay the interest on and principal of all of the bonds as and when the same shall become due and payable.

Section 14. The Borough covenants with the holders of the bonds that the sewer rentals and other charges will be classified in a reasonable way to cover the services so that the sewer rentals and other charges will be uniform in application to all services falling within any reasonable class regardless of the status or connection of any person, firm or corporation served and that it will not hereafter contract with any public body or consumer for the furnishing of sewer services at prices less than their reasonable worth unless so ordered to do by a final decree of a court of competent jurisdiction.

The revenues and receipts derived from the operation of the Pitcairn Interceptor and all moneys and securities held or to be held,

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in respect of the bonds, or to be held by the authorized depository as paying agent under this Ordinance, are hereby pledged to secure the payment of the principal of, redemption premium, if any, and interest on the bonds, and the performance and observance by the Borough of all the covenants and conditions herein contained for the equal and proportionate benefit and security of all and singular the present and future holders of the bonds and interest coupons appertaining thereto, issued and to be issued under this Ordinance, without preference or priority, except as herein otherwise provided, of any one bond over any other bond by reason of priority in the issue, sale or negotiation thereof or otherwise.

The Borough shall diligently enforce and collect all rentals or other charges for the services of the Pitcairn Interceptor, and take all steps, actions and proceedings for the enforcement and collection of such rentals or other charges which shall become delinquent to the full extent permitted or otherwise authorized by the laws of the Commonwealth of Pennsylvania.

The Borough shall not grant, or cause or permit the granting of any franchise, permit or license for the construction, operation or maintenance of any sewer services or facilities which are or will be competitive with the Pitcairn Interceptor provided, however, that this provision shall not affect any rights under any existing franchises, permits, licenses or contracts.

Section 15. There is hereby created and designated a special fund (herein called the "Sinking Fund") which shall be maintained by the Borough with the authorized depository. All receipts and revenues and, except as herein otherwise expressly provided, all sums received by the Borough from any other source for paying the principal and interest on the bonds shall be deposited in the Sinking Fund.

The Borough shall pay out of the Sinking Fund, from time to time, and as the same shall become due and payable, the interest upon the bonds then outstanding, but only upon the presentation and surrender to the authorized depository of the coupons which are attached to such bonds. The Borough shall likewise pay out of the Sinking Fund, from time to time, and as the same shall become due and payable, the principal of the bonds secured hereby and then outstanding, but only upon the presentation and surrender of such bonds to the authorized depository.

Section 16. Any moneys to the credit of the Pitcairn Interceptor Construction Fund and Sinking Fund may, from time to time, be invested by the Borough in direct obligations of the United States of America, which investments for the purpose of determining the amounts from time to time in the above-mentioned Funds shall be valued at the cost thereof. Accrued interest and premiums, if any, paid at the time of the purchase of such investments shall be paid from the available moneys in such Funds. Obligations so purchased as an investment for any of said Funds shall be deemed at all times to be a part of such Fund and the interest accruing thereon and any profit realized from such investment shall be credited to such Fund and any loss resulting from such investment shall be charged to such Fund. Such investments shall be held in trust for the benefit of the holders of the bonds secured hereby and are hereby irrevocably pledged as security for the payment of the same. When and as required the Borough

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shall sell all or any part of the obligations in which the moneys in one or more of such Funds shall be invested, and the proceeds of such sale shall be deposited to the credit of the respective Fund or Funds.

Moneys in the Pitcairn Interceptor Construction Fund and Sinking Fund so available for investment shall only be invested in such direct obligations of the United States of America as shall mature or which shall be subject to redemption by the holder thereof at the option of said holder, not later than one-quarter year after the date of the purchase thereof.

Each of the above-described Funds shall be continuously secured in the manner required by law.

Section 17. The Borough covenants that it will punctually pay the principal of and interest on every bond issued hereunder and secured hereby upon presentation and surrender of the bond, and, in the case of interest, of the coupon, on the dates, at the place, in the manner and as provided herein and in said bonds and in the coupons thereto appertaining according to the true intent and meaning thereof. All bonds paid, redeemed or purchased, and all coupons paid, shall be cancelled. All such bonds and coupons so cancelled shall be cremated and an appropriate certificate shall be prepared and executed by the Borough Treasurer describing the bonds and coupons so cremated and an executed counterpart of each such certificate shall be filed with the minutes of the Borough Council and with the representatives of the purchasers.

Section 18. The Borough covenants that it will not directly or indirectly extend or assent to the extension of the time of payment of any coupon or claim for interest upon any of the bonds by purchasing or funding such coupon or claim or by any other arrangement, and, in case the time for payment of any such coupon or claim for interest shall be extended, such coupon or claim shall not be entitled, in case of any default hereunder, to the benefits of this Ordinance, or to any payment out of the receipts and revenues of the Pitcairn Interceptor, except subject to the prior payment of the principal of all bonds issued and outstanding hereunder, and of such portion of the accrued interest thereon as shall not be represented by such extended coupons or claims.

Section 19. The Borough is duly authorized under all applicable laws to create and issue the bonds and enact this Ordinance and to pledge the receipts and revenues purported to be pledged hereby, and all corporate action on its part to that end has been duly and validly taken; this Ordinance is and will be a legal, binding and enforceable instrument in accordance with its terms except to the extent that the enforcement of the remedies provided for herein may be limited by bankruptcy laws; and the bonds are and will be valid and binding obligations of the Borough entitled to the benefits and security of this Ordinance. The Borough will at all times preserve and protect the security of the bonds and the rights of the bondholders hereunder.

The Borough covenants that it will complete construction and equip the Pitcairn Interceptor with all reasonable dispatch in accordance with the plans and specifications prepared by the Consulting Engineer and it further covenants to keep the proceeds of the Series A Bonds separate from all other funds of the Borough and available solely for the cost and expense of the Pitcairn Interceptor.

Section 20. The Borough covenants that so long as any of the bonds secured hereby are outstanding, none of the receipts and revenues of the Pitcairn Interceptor shall be used for any purpose other than as provided in this Ordinance, and that no contract or contracts will be entered into or any action taken by which the rights of the bondholders might be impaired or diminished.

The Borough will not voluntarily create or permit to be created any debt, lien or charge on a parity with or having priority over the lien of this Ordinance upon any of the receipts and revenues pledged hereby. The Borough will not sell or otherwise dispose of or encumber the Pitcairn Interceptor or any part thereof.

Section 21. The Borough will at all times cause all the property of the Pitcairn Interceptor which is of a character usually insured by persons operating properties of a similar nature to be properly insured and kept insured by a reputable insurance company or companies against loss or damage by fire or other hazards to the extent that such properties are usually insured by persons operating properties of a similar nature in the same or similar localities and to the extent that the Consulting Engineer shall deem adequate.

All such policies shall be for the benefit of the Borough, shall be made payable to the Borough and shall be deposited with the Borough, and the Borough shall have the sole right to receive the proceeds of such policies and to collect and receipt for claims thereunder. The proceeds of all such policies paid to the Borough shall be held by it as additional security hereunder and deposited by it as herein provided.

If the insurance proceeds received by reason of a loss shall not exceed One Thousand Dollars (\$1,000), such proceeds shall be deposited to the credit of the Sinking Fund. If the proceeds received by reason of a loss shall exceed One Thousand Dollars (\$1,000) the same shall be deposited by the Borough in a special fund with the authorized depository and shall be used by the Borough to repair and reconstruct the Pitcairn Interceptor in accordance with the recommendations of the Consulting Engineer. In the event that the Borough fails within a period of six (6) months after the deposit of such insurance proceeds with the authorized depository to undertake the repair and reconstruction of the damaged property the Borough shall transfer such insurance proceeds to the Sinking Fund.

The Borough will maintain public liability and property damage insurance issued by a reputable company or companies, in such amounts and under policies containing such terms and provisions as are usually issued on comparable Sewer Systems.

Section 22. The Borough will employ a Consulting Engineer to perform such duties as are imposed on the Consulting Engineer by the provisions of this Ordinance.

It shall be the duty of the Consulting Engineer, in addition to the other duties prescribed elsewhere in this Ordinance, to prepare and file with the Borough and the representative of the purchasers on or before December 1, 1962, and on or before December 1 of each year thereafter a report setting forth the following:

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(a) His advices and recommendations as to the proper maintenance, repair and operation of the Pitcairn Interceptor during the next fiscal year, and his estimate for said fiscal year of the amounts of money that should be expended for current expenses;

(b) His advices and recommendations as to the improvements to the Pitcairn Interceptor that should be made during the next fiscal year, and his estimate of the amounts of money necessary for such purposes;

(c) His advices and recommendations as to the insurance to be carried under the provisions of Section 21 and a statement setting forth the various policies and the amounts thereof then in force, pursuant to the provisions of said Section; and

(d) His findings whether the properties of the Pitcairn Interceptor have been maintained in good repair, working order and sound operating condition and his estimate of the amount, if any, required to place such properties in such condition and the details of such expenditures and the approximate time required therefor.

Section 23. The Borough will at all times maintain the Pitcairn Interceptor and every part thereof in good repair, working order and sound operating condition, will continuously operate the same and will, from time to time, make all needful and proper repairs, renewals and replacements so that the aggregate efficiency and capacity of the Pitcairn Interceptor shall at no time be unreasonably impaired or reduced.

Section 24. The Borough shall execute and deliver such further instruments and do such further acts as may be necessary or proper to carry out more effectually the purposes of this Ordinance and the transfer to any new authorized depository of the instruments or funds held hereunder and subject to the lien hereof.

Section 25. The Series A Bonds are hereby awarded and sold to Arthurs, Lestrangle & Co. pursuant to their proposal of purchase presented to the Borough under date of June 29, 1961 at a price of par and accrued interest from the date of the Series A Bonds to date of delivery.

Section 26. In the event the Borough shall default in the payment of the principal of, or interest on, any of the bonds issued under this Ordinance after the same shall have become due, and said default shall continue for a period of thirty (30) days, or in the event the Borough shall fail or refuse to comply with any agreement made with the bondholders in this Ordinance, then the principal of, and interest on, the bonds may become or be declared due and payable in the manner, with the effect and subject to the conditions provided in the Act of June 25, 1941, P. L. 159, as amended. The holder of the bond shall have no right to take any action with respect to any action of default, or to institute, appear in or defend any suit or other proceeding with respect thereto except as provided in said Act.

Section 27. The Borough may, from time to time and at any time, enact ordinances supplemental hereto as shall not be inconsistent with the terms and provisions hereof and which shall not adversely effect the rights of the holders of the bonds outstanding hereunder (which supplemental ordinance or ordinances shall thereafter form a part hereof)

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for the following purposes:

(a) to cure any ambiguity, formal defect or omission in this Ordinance or any supplemental ordinance;

(b) to grant or confer upon the bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the bondholders;

(c) to add to the covenants and agreements of the Borough in this Ordinance contained, other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon the Borough.

(d) to make such provision in regard to matters or questions arising under this Ordinance as may be necessary or desirable and not inconsistent with the Ordinance.

Section 28. With the consent of the holders of not less than Sixty-six and two-thirds per cent ( $66 \frac{2}{3}\%$ ) in aggregate principal amount of the bonds then outstanding the Borough may from time to time and at any time enact ordinances supplemental hereto for the purpose of adding any provision to or changing in any manner or eliminating any of the provisions of this Ordinance or of any supplemental ordinance or of modifying in any manner the rights of the holders of the bonds and coupons; provided, however, that no such supplemental ordinance shall (i) extend the fixed maturity date of any bond, or reduce the principal amount thereof, or reduce the rate or extend the time of payment of interest thereon, or reduce the premium payable upon the redemption thereof, without the consent of the holder of each bond so affected, or (ii) permit the creation by the Borough of any lien prior to or on a parity with the lien of this Ordinance upon any part of the receipts and revenues of the Pitcairn Interceptor, or (iii) reduce the aforesaid percentage of bonds, the holders of which are required to consent to any such supplemental ordinance, without the consent of the holders of all bonds then outstanding.

Section 29. Upon the enactment of any supplemental ordinance pursuant to the provisions of Sections 27 and 28, this Ordinance shall be deemed to be modified and amended in accordance therewith and the respective rights, limitations of rights, obligations, duties and immunities under this Ordinance of the Borough, and the holders of bonds and coupons shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such supplemental ordinance shall be and be deemed to be part of the terms and conditions of this Ordinance for any and all purposes.

Section 30. If the Borough, its successors or assigns, shall pay or cause to be paid unto the holders of all bonds and coupons outstanding hereunder the principal and interest to become due thereon and the premium thereon, if any, at the times and in the manner stipulated therein, then the estate and rights hereby established shall cease, determine and be void.

Bonds and coupons for the payment or redemption of which funds in

the full amount required therefor shall have been deposited in the Sinking fund or in a special redemption fund established for such purpose, whether upon or prior to the maturity or the redemption date of such bonds, shall be deemed to be paid within the meaning of this Section 30; provided, however, that if such bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given or provision shall have been made therefor.

If any bond shall not be presented for payment when the principal thereof shall become due, either at maturity or otherwise, or at the date fixed for the redemption thereof, or if any coupon shall not be presented for payment at the due date thereof, and if the Borough shall have deposited in the Sinking Fund or any special redemption fund as the case may be for the purpose, funds sufficient to pay the principal of such bond (and the premium, if any, payable upon the redemption thereof), together with all interest due thereon to the date of maturity thereof or to the date fixed for the redemption thereof, or to pay such coupon, as the case may be, for the benefit of the holder or holders thereof, respectively, all liability of the Borough to the holder of such bond for the payment of the principal thereof and the interest thereon (and all liability of the Borough to the holder of such bond for the premium, if any), or to the holder of said overdue coupon for the payment thereof, as the case may be, shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Borough to hold said fund or funds, without liability for interest thereon, for the benefit of the holder of such bond or coupon, as the case may be, who shall thereafter be restricted exclusively to said fund or funds for any claim of whatsoever nature on his part under this Ordinance or on, or with respect to, said bond or coupon.

Section 31. In consideration of the purchase and acceptance of the bonds authorized to be issued hereunder by those who shall hold the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the Borough and the holders from time to time of the bonds and coupons; and the covenants and agreements herein set forth to be performed on behalf of the Borough shall be for the equal benefit, protection and security of the holders of any and all of the bonds and coupons, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the bonds or coupons over any other thereof except as expressly provided herein.

Section 32. Nothing in this Ordinance, expressed or implied is intended or shall be construed to confer upon, or to give to, any person other than the holders of the bonds and coupons outstanding hereunder, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof; and all the covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the Borough shall be for the sole and exclusive benefit of the holders of the bonds and of the coupons outstanding hereunder.

Section 33. If any one or more of the covenants or agreements provided in this Ordinance on the part of the Borough to be performed should be contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or otherwise contrary to good morals, or against public policy, then such covenant or covenants



or agreement or agreements shall be null and void and shall be deemed separable from the remaining covenants and agreements, and shall in no way affect the validity of this Ordinance.

Section 34. Upon the Series A Bonds ceasing to be outstanding, all provisions of this Ordinance relating to the filing of documents or notices with the representatives of the purchasers of the Series A Bonds shall cease to be applicable.

Section 35. This Ordinance shall be deemed to be and shall be construed as a Pennsylvania contract and wherever enforced shall be construed in accordance with the laws of the Commonwealth of Pennsylvania.

Section 36. No covenant or agreement contained on the bonds or in this Ordinance shall be deemed to be the covenant or agreement of any officer, member, agent or employee of the Borough in his individual capacity and neither the members of the Borough Council nor any official executing the bonds shall be liable personally on the bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 37. In case, by reason of the temporary or permanent suspension of publication of any newspaper, or by reason of any other cause, it shall be impossible to make publication of any notice required hereby in the newspaper or newspapers as herein provided, then such publication in lieu thereof as shall be made with the approval of the representative of the purchasers of the Series A Bonds shall constitute a sufficient publication of such notice. Such publication shall, so far as may be, approximate the terms and conditions of the publication in lieu of which it is made.

Section 38. All covenants, promises and agreements in this Ordinance contained by or on behalf of the Borough shall, to the extent permitted by law, bind and inure to the benefit of its respective successors and assigns, whether so expressed or not.

Section 39. Upon final enactment and approval of this Ordinance, the Borough Secretary is hereby authorized and directed to have it, or a summary of it, published as required by law.

Section 40. All ordinances and resolutions of the Borough inconsistent herewith are hereby repealed.

ORDAINED AND ENACTED into law by the Council of the Borough of Monroeville this 29th day of June, 1961.

S/A. O. Strathern  
President of Council

ATTEST:

S/Arthur H. Curtis  
Borough Secretary.

EXAMINED AND APPROVED this 29th day of June, 1961.

S/Anthony J. Martin  
Burgess

C E R T I F I C A T E

I hereby certify that the foregoing and attached is a true copy of Ordinance No. 289 of 1961, which was duly enacted by a majority of all the members of the Council of said Borough at a special meeting of the Borough Council held the 29th day of June, 1961, at which a quorum was present, which meeting was held after due notice to the members and to the public and which was at all times open to the public; that a Summary of said Ordinance was published in the Times Express a newspaper of general circulation circulating generally in the Borough of Monroeville, there being no such paper published therein; that said Ordinance was duly signed by the President of Council, attested by the Borough Secretary, examined and approved by the Burgess and has been duly recorded in the ordinance book of the Borough. I further certify that the vote upon said Ordinance was called and duly recorded upon the minutes of the Borough Council and that the members thereof voted in manner following;

Vastadore - Aye  
McClintock - Aye  
Harter - Aye  
Duncan - Aye  
Greenaway - Aye  
Strathern - Aye  
Bandi - Aye

WITNESS my hand and the seal of the Borough of Monroeville, this 29th day of June, 1961.

S/Arthur H. Curtis,  
Borough Secretary

(Borough Seal)