ORDINANCE 1612

MUNICIPAL COUNCIL
MUNICIPALITY OF MONROEVILLE

ORDINANCE AUTHORIZING THE INCURRING OF NONELECTORAL DEBT FOR THE PURPOSE OF PROVIDING FUNDS FOR CAPITAL PROJECTS AND THE REFUNDING OF OUTSTANDING DEBT BY THE ISSUANCE OF GENERAL OBLIGATION BONDS, IN THE AGGREGATE PRINCIPAL AMOUNT OF $8,060,000; FINDING A SALE BY NEGOTIATION TO BE IN THE BEST INTEREST OF THE ISSUER; PROVIDING FOR MATURITIES, INTEREST RATES AND REDEMPTION FEATURES; COVENANTING TO PAY DEBT SERVICE; PLEDGING FULL FAITH, CREDIT AND TAXING POWER FOR THE PAYMENT OF THE BONDS; APPOINTING A PAYING AGENT, REGISTRAR AND SINKING FUND DEPOSITARY; ESTABLISHING A SINKING FUND; APPROPRIATING THE BOND PROCEEDS; AUTHORIZING PREPAYMENT OF A NOTE; ACCEPTING A PROPOSAL; RATIFYING PRIOR ADVERTISEMENT AND DIRECTING FURTHER ADVERTISEMENT; AUTHORIZING THE PAYMENT OF EXPENSES; RATIFYING THE PRELIMINARY OFFICIAL STATEMENT; AUTHORIZING APPROVAL OF THE FINAL OFFICIAL STATEMENT; AUTHORIZING THE OPENING OF A CLEARING FUND; ADOPTING A FORM OF BOND; AUTHORIZING THE PURCHASE OF A POLICY OF MUNICIPAL BOND INSURANCE; AND REPEALING INCONSISTENT ORDINANCES.

ENACTED FEBRUARY 22, 1988

WHEREAS, Municipality of Monroeville (the "Issuer") desires to undertake a project ("1988 Capital Project") consisting of the funding of the presently unfunded portion of the Issuer's capital budget which includes the rebuilding and reconstruction of the Municipality's streets and roads, construction and reconstruction of sanitary sewers, storm water management facility, traffic signals, street lighting, bridges, and other Municipal facilities, including parks and recreation facilities and acquisition of Municipal vehicles with useful lives described herein; and

WHEREAS, the Issuer has entered contracts for portions of the cost of the 1988 Capital Project and has received estimates for the costs of other portions; and

WHEREAS, pursuant to an Ordinance enacted on March 31, 1987, the Issuer issued a note entitled "Municipality of Monroeville General Obligation Note of 1987," in the principal amount of $1,750,000 ("Note"), $1,750,000 of which is presently outstanding, to pay the costs of sewer and road repairs and the cost of issuing the Note (the "Prior Project"); and

WHEREAS, the Issuer desires to undertake the refunding of the Note ("1988 Refunding Project") in order to substitute bonds for the Note pursuant to Section 1101(5) of the Local Government Unit Debt Act; and

WHEREAS, the Issuer intends to issue its bonds in accordance with the terms of this Ordinance and the Local Government Unit Debt Act, Act of July 12, 1972, P.L. 781, No. 185, as amended and

reenacted by Act No. 78-52, P.L. 124, as amended by Act No. 81-19, P.L. 54 and by Act No. 1986-34, P.L. ___ (the "Debt Act"), to pay the costs of the 1988 Capital Project and the 1988 Refunding Project; and

WHEREAS, Russell, Rea & Zappala, Inc. ("Purchaser") has presented to the Issuer a proposal ("Proposal") for the purchase of bonds;

NOW, THEREFORE, BE AND IT HEREBY IS ORDAINED AND ENACTED by the Municipal Council of the Municipality of Monroeville that:

SECTION 1. The Project.

The Issuer hereby undertakes as projects the 1988 Capital Project and the 1988 Refunding Project. The descriptions of the 1988 Capital Project and the 1988 Refunding Project contained in the recitals to this Ordinance are hereby incorporated into this Section by reference as if set out at length.

SECTION 2. Incurrence of Indebtedness.

For the purpose of providing funds for and toward the payment of costs, as such term is used in the Debt Act, of the 1988 Capital Project and the 1988 Refunding Project, the incurring of nonelectoral debt by the Issuer in the amount of $8,060,000 is hereby authorized. Such debt shall be evidenced by an issue of general obligation bonds of the Issuer in the aggregate principal amount of $8,060,000 designated "Municipality of Monroeville, General Obligation Bonds, Series of 1988" ("Bonds").

SECTION 3. Approval of Private Sale.

After considering the advantages and disadvantages of a public sale of the Bonds, the Municipal Council hereby determines that a private sale by negotiation is in the best financial interests of the Issuer.

SECTION 4. Acceptance of Proposal.

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

SECTION 5. Maturity and Interest Rates.

The Bonds shall bear interest and mature as set out on Schedule A.

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

Pittsburgh National Bank is hereby appointed Paying Agent ("Paying Agent") and Registrar ("Registrar") for the Bonds and Sinking Fund Depositary ("Sinking Fund Depositary") for the Series of 1988 Bonds Sinking Fund created hereby. The Municipal Manager is hereby authorized and directed to contract with Pittsburgh National Bank, Pittsburgh, Pennsylvania, for its services as Sinking Fund Depositary, Paying Agent and Registrar

at such initial and annual charges as shall be appropriate and reasonable for such services. The Issuer may, by Ordinance, from time to time appoint a successor Paying Agent, Sinking Fund Depositary or Registrar to fill a vacancy or for any other reason.

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

The Bonds shall be issued in fully registered form without coupons and shall be numbered in such manner as may be satisfactory to the Issuer and the Paying Agent. Pursuant to recommendations promulgated by the Committee on Uniform Security Identification Procedures, "CUSIP" numbers may be printed on the Bonds. Each Bond shall be dated as of the date of its authentication. The Bonds shall be issued in denominations of $5,000 or any whole multiple thereof, and shall bear interest payable initially on October 1, 1988, and on each April 1 and October 1 (each, an "Interest Payment Date") thereafter, from the Interest Payment Date, as the case may be, next preceding the date of such Bond to which interest has been paid, unless the date of such Bond is a date to which interest has been so paid, in which case from the date of such Bond, or unless the date of such Bond is prior to October 1, 1988, or if no interest has been paid, from March 1, 1988.

The term "Regular Record Date" with respect to any Interest Payment Date shall mean the March 15 or September 15 immediately preceding such Interest Payment Date. The person in whose name any Bond is registered at the close of business on any Regular

Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date notwithstanding the cancellation of such Bond upon any transfer or exchange thereof subsequent to such Regular Record Date and prior to such Interest Payment Date, except if and to the extent that the Issuer defaults in the payment of the interest due on such Interest Payment Date, in which case such defaulted interest shall be paid to the persons in whose names outstanding Bonds are registered at the close of business on a Special Record Date established by the Paying Agent, notice of which shall have been mailed to all Registered Owners of Bonds not less than fifteen days prior to such date.

SECTION 8. Bond Register, Registrations and Transfer.

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

Upon surrender of any Bond at the principal corporate trust office of the Paying Agent for registration of transfer, the Issuer shall execute and the Paying Agent shall authenticate and deliver in the name of the transferee or transferees, a new Bond or Bonds of any authorized denomination, of the same interest

rate and maturity, and in the same aggregate principal amount as the Bond so surrendered.

Any Bond shall be exchangeable for other Bonds of the same maturity and interest rate, in any authorized denomination, in an aggregate principal amount equal to the principal amount of the Bond or Bonds presented for exchange. Upon surrender of any Bond for exchange at the principal corporate trust office of the Paying Agent, the Issuer shall execute and the Paying Agent shall authenticate and deliver in exchange therefor the Bond or Bonds which the owner making the exchange shall be entitled to receive.

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

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

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

The Issuer shall not be required to: (a) issue, or register the transfer or exchange of, any Bond during a period of fifteen (15) business days before any date of selection of Bonds to be redeemed; or (b) register the transfer or exchange of any Bond after it has been selected for redemption.

SECTION 9. Execution and Authentication.

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

SECTION 10. General Obligation Covenant.

The Bonds are hereby declared to be general obligations of the Issuer. The Issuer hereby covenants with the Registered Owners from time to time of the Bonds outstanding pursuant to this Ordinance that it will include the amount of the debt service as specified in this Section, subject to appropriate adjustment in the event of the optional redemption of any Bonds prior to maturity, on the Bonds for each fiscal year in which such sums are payable, in its budget for that year, will appropriate such amounts for such payments and will duly and punctually pay or cause to be paid the principal of the Bonds and the interest thereon on the dates, at the places and in the manner stated therein, according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the Issuer does hereby pledge its full faith, credit and taxing power. The amount of the debt service which the Issuer hereby covenants to pay on the Bonds in each year is shown on Schedule B which is attached hereto and incorporated herein by reference as if set out here at length.

As provided in the Debt Act, the foregoing covenants are specifically enforceable.

SECTION 11. Redemption.

(a) Optional. The Bonds are subject to redemption prior to maturity at the option of the Issuer as shown on Schedule C.

(b) Mandatory. The Bonds are not subject to mandatory redemption.

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

(d) CUSIP Numbers. Notices of redemption shall contain the applicable CUSIP numbers pertaining to the Bonds called for redemption (if then generally in use), and shall also contain the serial identification numbers printed on the Bonds.

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

(f) Portions of Bonds. Any portion of any Bond of a denomination larger than $5,000 may be redeemed, but only in the principal amount of $5,000 or any integral multiple thereof. Prior to selecting Bonds for redemption, the Paying Agent shall assign

numbers to each $5,000 portion of any Bond of a denomination larger than $5,000 and shall treat each portion as a separate Bond in the denomination of $5,000 for purposes of selection for redemption. Upon surrender of any Bond for redemption of a portion thereof, the Paying Agent shall authenticate and deliver to the Registered Owner thereof a new Bond or Bonds of the same maturity and in any authorized denominations requested by the Registered Owner in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered.

(g) Notice to Financial Journals. The Paying Agent shall mail a copy of any notice of redemption to The Credit Weekly or, if such newspaper shall no longer be published, to such substitute financial journal as shall be acceptable to the Paying Agent; provided, however, that failure to give such note or any defect therein, shall not affect the validity of any proceeding for redemption.

SECTION 12. Sinking Fund.

(a) Deposit. There is hereby established a sinking fund to be known as Municipality of Monroeville Series of 1988 Bonds Sinking Fund ("Series of 1988 Bonds Sinking Fund") into which the Issuer covenants to deposit, and into which the Treasurer is hereby authorized and directed to deposit (i) on or before October 1, 1988, and on or before each Interest Payment Date thereafter to and including April 1, 1999, amounts sufficient to pay the interest due on such dates on the Bonds then outstanding, and (ii) on or before April 1, 1990, and on or before each April

1 thereafter to and including April 1, 1999, amounts sufficient to pay the principal of the Bonds due on each such date. Should the amounts covenanted to be paid into the Series of 1988 Bonds Sinking Fund be, at any time, in excess of the net amounts required at such time for the payment of interest and principal, whether by reason of funds already on deposit in the Series of 1988 Bonds Sinking Fund or by reason of the purchase or redemption of Bonds, or for some similar reason, the amounts covenanted to be paid may be reduced to the extent of the excess.

(b) Credit for Bonds Delivered. The Issuer may satisfy any part of its obligations with respect to clause (a)(ii) by delivering to the Paying Agent and Sinking Fund Depositary, for cancellation, Bonds maturing on the date on which such deposit is required. The Issuer shall receive credit against such deposit for the face amount of the Bonds so delivered, provided that such Bonds are delivered to and received by the Paying Agent and Sinking Fund Depositary on or before the maturity date of the Bonds for which credit is requested.

(c) Application of Funds. All sums in the Series of 1988 Bonds Sinking Fund shall be applied exclusively to the payment of principal and interest covenanted to be paid by Section 10 hereof as the same from time to time become due and payable and the balance of said moneys over and above the sum so required shall remain in the Series of 1988 Bonds Sinking Fund, to be applied to the reduction of future required deposits; subject, however, to

investment or deposit at interest as authorized by law and as permitted by Section 23 hereof. The Series of 1988 Bonds Sinking Fund shall be kept as a separate account at the principal corporate trust office of the Sinking Fund Depositary. The Sinking Fund Depositary, without further authorization other than as herein contained, shall pay from the moneys in the Series of 1988 Bonds Sinking Fund, the interest on the Bonds as and when due to the Registered Owners on the appropriate Record Date and principal of the Bonds, as and when the same shall become due, to the Registered Owners thereof.

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

SECTION 13. Disposition of Proceeds.

All moneys derived from the sale of the Bonds shall be deposited in the Clearing Account created pursuant to Section 21 hereof and shall be and hereby are appropriated substantially to payment of the cost of the 1988 Capital Project and the 1988 Refunding Project, including but not limited to payment of the costs and expenses of preparing, issuing and marketing the Bonds,

and the payment of interest on the Bonds from March 1, 1988, to the date of delivery and shall not be used for any other purposes, except as to any insubstantial amounts of money which may remain after fulfilling the purposes set forth herein, which minor amounts of remaining moneys shall promptly upon their determination be deposited in the Series of 1988 Bonds Sinking Fund and used for the payment of interest on the Bonds. Promptly on the deposit of the proceeds of the Bonds, the Issuer shall cause the transfers to be made to the 1988 Project Fund and to the payment of the Note.

SECTION 14. Cost and Realistic Useful Life.

Reasonable cost estimates have been obtained for the Projects by taking bids and with the assistance of architects, engineers, financial advisors and other persons qualified by experience. The cost of the portion of the 1988 Capital Project allocable to Municipal Vehicle Replacement is $630,000 and the useful life of that portion is at least five (5) years from April 1, 1988. Bonds in the principal amount of $630,000, maturing on or before April 1, 1993, are hereby allocated to the portion of the 1988 Capital Project consisting of Municipal Vehicle Replacement. The cost of the remaining portion of the 1988 Capital Project is at least $5,610,000 and its useful life is at least thirty (30) years from April 1, 1988. Bonds in the principal amount of $5,610,000 maturing on or before April 1, 1999, are hereby allocated to the remaining portion of the 1988 Capital Project. The cost of the 1988 Refunding Project is

$1,820,000 and the useful life of the Prior Project was determined by the Ordinance which authorized the issuance of the Note to be at least thirty (30) years from March 31, 1987. Bonds in the principal amount of $1,820,000 maturing on or before April 1, 1999, are hereby allocated to the 1988 Refunding Project.

Therefore, the maturities of the Bonds are in accordance with Section 602(a)(2) and 1103 of the Debt Act. In addition, in accordance with Section 602(b)(2) of the Debt Act, the maturities of the Bonds have been fixed so that debt service on outstanding debt will be brought more nearly into an over-all level annual debt service plan.

SECTION 15. Internal Revenue Code Covenants.

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

(b) Rebate. If the principal amount of the Bonds plus the aggregate principal amount of all other tax exempt obligations

issued and to be issued by the Issuer during the current year exceeds $5,000,000, and if the gross proceeds of the Bonds are invested at a yield greater than the yield on the Bonds and are not expended within six months from the date of issuance, the Issuer covenants that it will rebate to the U.S. Treasury, at the times and in the manner required by the Code, all investment income derived from investing the proceeds of the Bonds in an amount which exceeds the amount which would have been derived from the investment of the proceeds of the Bonds at a yield not in excess of the yield on the Bonds.

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

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

SECTION 16. Advertising.

The action of the officers of the Issuer in advertising a summary of this Ordinance, as required by law, is ratified and confirmed. The officers of the Issuer or any of them, are authorized and directed to advertise a notice of enactment of this Ordinance in a newspaper of general circulation in the

Issuer within fifteen (15) days after final enactment. The Municipal Manager is hereby directed to make a copy of this Ordinance available for inspection by any citizen during normal office hours.

SECTION 17. Appointment of Professionals.

The Issuer hereby appoints Messrs. Eckert Seamans Cherin & Mellott and Messrs. Rosenzweig and Rosenzweig, as Co-Bond Counsel, for the purpose of rendering any and all necessary opinions with respect to the Bonds.

SECTION 18. Filing With Department of Community Affairs.

The Mayor and the Municipal Manager are hereby authorized and directed to prepare, verify and file with the Department of Community Affairs, in accordance with the Debt Act, a transcript of the proceedings relating to the issuance of the Bonds including the Debt Statement and Borrowing Base Certificate required by Section 410 of the Debt Act, and to take other necessary action, and to prepare and file all necessary documents with the Department of Community Affairs including, if necessary or desirable, any statements required to exclude any portion of the debt evidenced by the Bonds from the appropriate debt limit as self-liquidating or subsidized debt.

SECTION 19. General Authorization.

The officers and officials of the Issuer are hereby authorized and directed to execute and deliver such other documents and to take such other action as may be necessary or appropriate

in order to effect the execution, issuance, sale and delivery of the Bonds, all in accordance with this Ordinance.

SECTION 20. Official Statements.

The Preliminary Official Statement prepared with respect to the Bonds is hereby approved. The President of the Municipal Council is hereby authorized to execute and approve a Final Official Statement relating to the Bonds provided that the Final Official Statement shall have been approved by the Issuer's Solicitor. The distribution of the Preliminary Official Statement is hereby ratified and the Purchaser is hereby authorized to use the Preliminary and the Final Official Statements in connection with the sale of the Bonds.

SECTION 21. Clearing Account and Project Account.

(a) The Issuer hereby creates with the Paying Agent a special fund to be known as the Municipality of Monroeville 1988 Clearing Account ("Clearing Account") which shall be held as a trust fund for the benefit of the Issuer until disbursed in accordance with the provisions hereof. The Issuer shall deliver the net proceeds (including accrued interest) derived from the sale of the Bonds to the Paying Agent for deposit to the Clearing Account. Upon written directions from the Issuer signed by the Mayor and the Municipal Manager, the Paying Agent shall pay, out of the Clearing Fund, the costs and expenses of the issuance of the Bonds, shall transfer the amount of accrued interest to the Series of 1988 Sinking Fund, shall pay the Note and shall make the transfer to the Project Account described in (b) below. The

written direction from the Issuer shall state the names of the respective payees, the purpose for which the expenditure has been incurred, or the purpose of the transfer, whichever is applicable, and shall contain a certification that each item of expense for which payment has been requested has been properly incurred and is then unpaid, and that each transfer which is requested is in accordance with the provisions of this Ordinance.

(b) Pittsburgh National Bank is hereby designated as a depositary for the funds of the Issuer and is authorized to accept for deposit in an account to be known as the Municipality of Monroeville, 1988 Project Account ("Project Account") in the name of the Issuer, subject to clearance or collection, moneys, checks, drafts, notes, bills of exchange, acceptances, or other orders for the payment of moneys which may at any time come into its possession, with or without endorsement thereof by the Issuer, payment thereof to the depositary being hereby guaranteed. The depositary hereinabove designated is authorized and directed to honor and pay, and to charge to the account of the Issuer, all checks, drafts, bills of exchange, acceptances, notes or orders for the payment of money when drawn on or addressed to said depositary and signed and countersigned on behalf of the Issuer by the two following officers of the Issuer:

Mayor Municipal Manager

whether the same be payable to the order of, or in favor of the officer or person signing or countersigning them, or to any of said officers in his individual capacity, or otherwise; and

whether the same be deposited to the individual credit of the officer or person signing or countersigning or to the individual credit of any other officer or person or otherwise. The Municipal Manager is authorized and directed to deliver a certified copy of this Ordinance to the depositary for the Project Account. The depositary shall be entitled to rely on such certified copy until written notice of revocation shall have been received by it. The signatures of any or all of the foregoing officers may be manual or facsimile.

SECTION 22. Payment of Expenses.

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

SECTION 23. Investment.

Any moneys in the Project Account may be invested or deposited as permitted by applicable law for funds of the Issuer. Any moneys in the Series of 1988 Bonds Sinking Fund not required for prompt expenditure may, at the direction of the Issuer, be invested in bonds or obligations which are direct obligations of, or are fully guaranteed as to principal and interest by, the United States of America or may be deposited at interest in time accounts or certificates of deposit or other interest bearing accounts of any bank or bank and trust company, savings and loan association or building and loan association.

To the extent that such deposits are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or similar Federal agency, they need not be secured. Otherwise, such deposits shall be secured as public deposits or as trust funds. Any such investments or deposits shall mature or be subject to redemption at the option of the holder, or be subject to withdrawal at the option of the depositor, not later than the date upon which such moneys are required to be paid to the Registered Owners.

SECTION 24. Payment and Redemption of Note.

The Issuer hereby irrevocably directs payment of all principal of and interest on the Note on the date of issuance of the Bonds.

SECTION 25. Purchase of Insurance.

The Issuer hereby agrees to purchase and hereby accepts the commitment of Municipal Bond Investors Assurance Corporation (the "Bond Insurer") to issue a Municipal Bond Insurance Policy insuring the Bonds and directs that the appropriate premium be promptly paid at the settlement of the sale of the Bonds. A legend indicating the existence of such a policy shall be printed on the Bonds in the form required by the Bond Insurer. In order to have accrued interest paid by the Purchaser excluded from the calculation of the premium, the Issuer agrees to cause the amount paid as accrued interest to be invested, to the extent required by the Bond Insurer, in direct obligations of the United States of America and maintained in the Series of 1988 Bonds Sinking

Fund until applied to the first interest payment on the Bonds. All terms, covenants and conditions contained in the Commitment which are required to be contained in this Ordinance are incorporated herein by reference with the same effect as if they had been set out in full.

SECTION 26. Authorization of Officers.

Any authorization granted to, power conferred on, or direction given to the Mayor, Municipal Manager or Treasurer, shall be deemed to run to the Deputy Mayor, Assistant or Acting Municipal Manager or Assistant Treasurer, respectively, as if such latter titles had been expressly included in the text hereof which grants such authorization, confers such power or gives such direction.

SECTION 27. Paying Agent's Responsibilities.

The obligations and duties of the Paying Agent, Sinking Fund Depositary and Registrar are described in this Ordinance and the Paying Agent, Sinking Fund Depositary and Registrar have undertaken only those obligations and duties which are expressly set out in this Ordinance or the Debt Act. The Municipality will indemnify and hold the Paying Agent, Sinking Fund Depositary and Registrar harmless for any and all claims arising out of the actions of the Paying Agent, Sinking Fund Depositary or Registrar except for those claims which may arise out of the willful neglect or gross negligence of the Paying Agent, Sinking Fund Depositary or Registrar.

SECTION 28. Bond Form.

The form of the Bonds shall be substantially as follows:

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
MUNICIPALITY OF MONROEVILLE

GENERAL OBLIGATION BOND, SERIES OF 1988

No. $

Municipality of Monroeville, County of Allegheny, Commonwealth of Pennsylvania (the "Issuer"), for value received and intending to be legally bound, promises to pay to the Registered Owner named below (the "Registered Owner") the principal amount of Dollars on the maturity date stated above upon presentation and surrender of this Bond at the principal corporate trust office of Pittsburgh National Bank (the "Paying Agent") in the City of Pittsburgh, Pennsylvania and to pay interest thereon at the rate stated above from the most recent April 1 or October 1 to which interest has been paid or provided for (or from March 1, 1988, if the date of this Bond is prior to October 1, 1988) semi-annually on October 1, 1988, and on each April 1 and October 1 after the date hereof until payment of said principal sum has been made or provided for.

The principal of, and premium, if any, and interest on this Bond are payable in such coin or currency of the United States of America as at the time and place of payment is legal tender for payment of public and private debts, at the principal corporate trust office of the Paying Agent; provided that, interest will be

paid by check mailed to the person who is the Registered Owner on the appropriate record date at his address as it appears on the Bond Register described below, unless written demand is made by such person for payment in legal tender at such office.

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

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

IN WITNESS WHEREOF, the Issuer has caused this Bond to be duly executed and dated as of the date of its authentication.

ATTEST: MUNICIPALITY OF MONROEVILLE

By _____

_____ Municipal Manager

_____ Mayor

[SEAL]

[REVERSE SIDE OF BOND]

This Bond is one of a duly authorized issue of $8,060,000, principal amount, General Obligation Bonds, Series of 1988 (the "Bonds") of the Issuer which have been issued in accordance with the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, as amended (the "Act"), without the assent of the electors, pursuant to an Ordinance ("Ordinance") of the Municipal Council of the Issuer enacted on February 22, 1988. The Bonds have been issued for the purpose of obtaining funds to pay the costs of a capital project and to refund outstanding debt.

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

The Bonds maturing on or after April 1, 1994, are subject to redemption at the option of the Issuer prior to their stated maturity dates, as a whole on April 1, 1993, or on any date

thereafter, or in part from time to time, in the inverse order of their maturities and by lot within a maturity, on April 1, 1993, or on any interest payment date thereafter at par plus interest accrued to the date fixed for redemption.

If less than all Bonds maturing on any one date are to be redeemed at any time, the Bonds to be called for redemption at such time shall be chosen by the Paying Agent, by lot.

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

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

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

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

The Issuer shall not be required to register the transfer or exchange of any Bond: (a) during the period of 15 business days before any date of selection of Bonds to be redeemed; or (b) after such Bond has been selected for redemption.

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

No recourse shall be had for the payment of the principal of or interest on this Bond, or for any claim based hereon or on the Ordinance against any member, officer or employee, past, present or future, of the Issuer or of any successor body, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Bond.

It is hereby certified that the approval of the Department of Community Affairs of the Commonwealth of Pennsylvania for the Issuer to issue and deliver this Bond has been duly given pursuant to the Act; that all acts, conditions and things required by the laws of the Commonwealth of Pennsylvania to exist, to have happened or to have been performed, precedent to or in the issuance of this Bond or in the creation of the debt of which this Bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this Bond, together with all other indebtedness of the

Issuer is within every debt and other limit prescribed by the Constitution and the statutes of the Commonwealth of Pennsylvania and applicable to the Issuer; and that the Issuer has established with the Paying Agent as Sinking Fund Depositary a sinking fund for the Bonds and has agreed to deposit therein amounts sufficient to pay the principal of and interest on the Bonds as the same shall become due and payable.

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

[FORM OF PAYING AGENT'S AUTHENTICATION CERTIFICATE]

Paying Agent's Authentication Certificate

This Bond is one of the Municipality of Monroeville, General Obligation Bonds, Series of 1988, described in the within-

mentioned Ordinance. The text of opinion printed hereon is the text of the opinion of Eckert Seamans Cherin & Mellott and Rosenzweig & Rosenzweig, Co-Bond Counsel, of Pittsburgh, Pennsylvania, an executed counterpart of which, dated and delivered on the date of original delivery of and payment for said Bonds, is on file with the undersigned.

PITTSBURGH NATIONAL BANK,
Paying Agent

By _____
Authorized Officer

Dated:

* * * * * * * * *

[STATEMENT OF INSURANCE]

* * * * * * * * *

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

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

UNIF GIFT MIN ACT-
_____ Custodian _____
(Cust) (Minor)
under Uniform Gifts to Minors

Act _____
(State)

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

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers to

Please insert Social Security
or other identifying number
of assignee

_____ _____

_____

Please print or typewrite name and address
including postal zip code of transferee

_____

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

Agent

_____

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

Dated _____

Signature Guaranteed:

_____

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

_____

_____

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

[TEXT OF THE OPINION OF MESSRS. ECKERT SEAMANS CHERIN & MELLOTT AND ROSENZWEIG & ROSENZWEIG OF PITTSBURGH, PENNSYLVANIA]

SECTION 29. All ordinances and resolutions or parts thereof, not in accordance with this Ordinance are hereby repealed insofar as they conflict with this Ordinance.

ENACTED by the Municipal Council of the Municipality of Monroeville, in lawful session assembled, on February 22, 1988.

ATTEST:

Municipal Manager

[SEAL]

MUNICIPALITY OF MONROEVILLE

By

Mayor

SCHEDULE A

Municipality of Monroeville
Allegheny County, Pennsylvania
General Obligation Bonds, Series of 1988
$8,060,000

Interest Accrues from:
March 1, 1988

Due: April 1
as shown below

Amount	Year of Maturity	Rate of Interest	Price
$ 170,000	1990	5.10	100
180,000	1991	5.30	100
185,000	1992	5.60	100
205,000	1993	5.80	100
215,000	1994	6.00	100
1,155,000	1995	6.10	98.876
1,580,000	1996	6.30	99.377
1,685,000	1997	6.40	99.322
1,855,000	1998	6.50	99.272
830,000	1999	6.65	99.228

Purchase Price $7,905,765 (principal amount net of an underwriting discount of $100,073 and an original issue discount of $54,162), plus accrued interest to the date of delivery and payment for the Bonds.

Payment Date	Principal	Interest	Semi-Annual Total	Annual Total
10/01/88		$ 295,729.58	$ 295,729.58	$ 295,729.58
04/01/89		253,482.50	253,482.50	
10/01/89		253,482.50	253,482.50	506,965.00
04/01/90	$ 170,000	253,482.50	423,482.50	
10/01/90		249,147.50	249,147.50	672,630.00
04/01/91	180,000	249,147.50	429,147.50	
10/01/91		244,377.50	244,377.50	673,525.00
04/01/92	185,000	244,377.50	429,377.50	
10/01/92		239,197.50	239,197.50	668,575.00
04/01/93	205,000	239,197.50	444,197.50	
10/01/93		233,252.50	233,252.50	677,450.00
04/01/94	215,000	233,252.50	448,252.50	
10/01/94		226,802.50	226,802.50	675,055.00
04/01/95	1,155,000	226,802.50	1,381,802.50	
10/01/95		191,575.00	191,575.00	1,573,377.50
04/01/96	1,580,000	191,575.00	1,771,575.00	
10/01/96		141,805.00	141,805.00	1,913,380.00
04/01/97	1,685,000	141,805.00	1,826,805.00	
10/01/97		87,885.00	87,885.00	1,914,690.00
04/01/98	1,855,000	87,885.00	1,942,885.00	
10/01/98		27,597.50	27,597.50	1,970,482.50
04/01/99	830,000	27,597.50	857,597.50	
10/01/99				857,597.50
TOTALS	$8,060,000	$4,339,457.08	$12,399,457.08	$12,399,547.08

1. Optional Redemption

Bonds maturing on or after April 1, 1994, are subject to redemption prior to maturity, at the option of the Issuer, as a whole at any time on or after April 1, 1993, or in part on April 1, 1993, or any interest payment date thereafter, in inverse order of maturity, and by lot within a maturity at par plus accrued interest to the date fixed for redemption.

CERTIFICATE

I, the undersigned, Municipal Manager of the Municipality of Monroeville, Allegheny County, Pennsylvania ("Issuer"), hereby certify that: (a) attached to this Certificate is a true, correct and complete copy of an Ordinance (the "Ordinance") which was duly enacted at a meeting of the Municipal Council of the Issuer on February 22, 1988, at which a quorum was present and acting throughout, and which was at all times open to the public; (b) the Ordinance was duly recorded in the Issuer's Ordinance Book, and a summary of the Ordinance was published as required by law in a newspaper of general circulation in the Issuer; (c) the Issuer met the advance notice requirements of Act No. 1986-84 by advertising the date of the meeting and posting a notice of the meeting at the public meeting place of the Municipal Council; (d) the total number of members of the Municipal Council is seven; and (e) the vote upon the Ordinance was called and duly recorded upon the minutes and that the members voted in the following manner:

	Yes	No	Abstain	Absent
Anthony J. LaGorga	x			
George C. Dale	x			
Kenneth L. Gossett	x			
Michael J. Kelly	x			
Miles J. Span		x		
Margaret Anderson	x			
Henry J. Itri				x

WITNESS my hand and seal of the Issuer on February __, 1988.

By _____
Municipal Manager

[SEAL]