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COUNTY OF DAUPHIN
COMMONWEALTH OF PENNSYLVANIA

ORDINANCE
NO. 3 - 2014

AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF DAUPHIN, PENNSYLVANIA (THE "**COUNTY**") AUTHORIZING THE INCURRENCE OF NONELECTORAL DEBT EVIDENCED BY ITS LIQUID FUELS REVENUE NOTE, SERIES OF 2014-1 (DAUPHIN COUNTY INFRASTRUCTURE BANK) IN THE MAXIMUM PRINCIPAL AMOUNT OF $7,034,518 (THE "**2014-1 NOTE**"), AS PERMITTED BY AND PURSUANT TO THE LOCAL GOVERNMENT UNIT DEBT ACT, 53 PA.C.S. § 8001 *ET SEQ.*, FOR THE PURPOSE OF PROVIDING FUNDS TO BE APPLIED FOR AND TOWARD (A) FUNDING ALL OR A PORTION OF THE COSTS OF CERTAIN TRANSPORTATION RELATED CAPITAL PROJECTS, INCLUDING, AS MAY BE APPLICABLE, THE ENGINEERING, PRELIMINARY AND ENVIRONMENTAL STUDIES, SURVEYING, TESTING AND DESIGN WORK RELATING THERETO, AND (B) TO PAY ALL OR A PORTION OF THE COSTS OF ISSUANCE OF THE 2014-1 NOTE (COLLECTIVELY, THE "**PROJECTS**"); FINDING A PRIVATE SALE BY NEGOTIATION IN THE BEST INTEREST OF THE COUNTY; ACCEPTING A PROPOSAL FOR PURCHASE OF THE 2014-1 NOTE, AT PRIVATE SALE, AND AWARDING THE 2014-1 NOTE AND SETTING FORTH RELATED PROVISIONS; APPOINTING A PAYING AGENT, REGISTRAR AND SINKING FUND DEPOSITORY; PROVIDING FOR THE TERMS OF SAID 2014-1 NOTE INCLUDING DENOMINATION, DATE, AND DEBT SERVICE PAYMENT DATES; PROVIDING FOR THE REGISTRATION AND TRANSFER OF SAID 2014-1 NOTE; AUTHORIZING THE EXECUTION AND AUTHENTICATION OF SAID 2014-1 NOTE; PROVIDING THAT THE 2014-1 NOTE, WHEN ISSUED, SHALL BE A REVENUE NOTE OF THE COUNTY; PROVIDING A PLEDGE OF THE REVENUES TO SECURE THE PROMPT AND FULL PAYMENT OF THE 2014-1 NOTE WHEN DUE; SETTING FORTH PREPAYMENT PROVISIONS; ESTABLISHING A SINKING FUND FOR THE 2014-1 NOTE; APPROPRIATING PROCEEDS DERIVED FROM THE SALE OF SAID 2014-1 NOTE TO THE 2014-1 COUNTY PROJECT ACCOUNT; SPECIFYING REASONABLE ESTIMATES OF THE USEFUL LIVES OF SAID PROJECTS; RATIFYING A PRIOR ADVERTISEMENT AND DIRECTING A FURTHER ADVERTISEMENT; AUTHORIZING AND DIRECTING THE PREPARATION, EXECUTION AND FILING OF A TRANSCRIPT OF PROCEEDINGS, INCLUDING THE DEBT STATEMENT AND BORROWING BASE CERTIFICATE, WITH THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; AUTHORIZING AND DIRECTING PROPER OFFICERS AND OFFICIALS OF THIS COUNTY TO EXECUTE AND DELIVER DOCUMENTS AND TO TAKE ACTION AS MAY BE NECESSARY RELATING TO THE ISSUANCE OF SAID 2014-1 NOTE; APPROVING AND AUTHORIZING THE COUNTY TO ENTER INTO A LOAN AGREEMENT, BETWEEN THE COUNTY AND THE COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF TRANSPORTATION; CREATING PROJECT ACCOUNTS; AUTHORIZING THE

COUNTY TO PURCHASE NOTES FROM THE MUNICIPALITIES AND APPROVING AND AUTHORIZING THE COUNTY TO ENTER INTO LOAN AGREEMENTS, BETWEEN THE COUNTY AND THE RESPECTIVE MUNICIPALITY; AUTHORIZING THE PAYMENT OF EXPENSES; PROVIDING GUIDELINES FOR PERMITTED INVESTMENTS; PROVIDING FOR THE AUTHORIZATION OF PROPER OFFICERS; ADOPTING THE FORM OF 2014-1 NOTE; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING INCONSISTENT RESOLUTIONS; AND PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE.

ENACTED OCTOBER 22, 2014

WHEREAS, the County of Dauphin, Commonwealth of Pennsylvania (the "**County**"), is a county of the third class existing under the laws of the Commonwealth of Pennsylvania (the "**Commonwealth**") and is a Local Government Unit, as defined in the Local Government Unit Debt Act, 53 Pa.C.S. § 8001 *et seq.*, as amended and supplemented (the "**Debt Act**"); and

WHEREAS, the County desires to assist municipalities located in the County in financing the costs of construction, reconstruction, maintenance and repair of public roads, streets or bridges as well as other permitted projects under the Liquid Fuels Tax Act of 1931, 75 Pa. C.S.A. § 9001 *et seq.*, as amended and supplemented (the "**Liquid Fuels Tax Act**"), through the creation and establishment of the Dauphin County Infrastructure Bank; and

WHEREAS, the County is empowered under Section 1997 of the Act of August 9, 1955, P.L. 323, No. 130, as amended by the Act of September 20, 1961, P.L. 1536 [16 P.S. §1997], known as the County Code to enter into contracts with state and local government agencies for the improvement of transportation operations and facilities within the County; and

WHEREAS, the Board of Commissioners of the County desires to undertake certain projects (collectively, the "**Transportation Project**") consisting of providing funds to be applied toward (A) the planning, design, purchase, acquisition, construction, installation and equipping of certain transportation related improvements, including, but not limited to (i) the renovation and repair of the 63rd Street Bridge, including cleaning of exposed reinforcement bars, replacement of spalling and missing concrete on bridge abutments and repair of joints, located in the Township of Swatara, Dauphin County, Pennsylvania ("**Swatara Township**", and as a project, the "**Swatara Township Project**"), (ii) the removal and replacement of Richardson Road Bridge, including the relocation of the existing eight-inch sanitary sewer line, and ancilliary improvements which may include pavement and guiderail, located in the Township of Lower Swatara, Dauphin County, Pennsylvania ("**Lower Swatara Township**", and as a project, the "**Lower Swatara Township Project**"), and (iii) the installation of larger storm water inlet boxes/grates (Type M or Type C) and larger drainage pipes and roadway reconstruction in the Parkway Road Area, Edwin Avenue and Montrose Street area located within the Township of Susquehanna, Dauphin County, Pennsylvania ("**Susquehanna Township**", and as a project, the "**Susquehanna Township Project**" and with Swatara Township and Lower Swatara Township, collectively, the "**Municipalities**"); (B) the engineering, preliminary and environmental studies, surveying, testing, pre-construction, construction and post construction inspections, and engineering and design work relating thereto; and (C) the costs of issuance of the Bank Loan (hereinafter defined); and

WHEREAS, the County, with assistance of the Municipalities, has obtained estimates of the cost of each component of the Transportation Project from consultants or other persons qualified by experience and has determined that the estimated cost of (i) the Swatara Township Project is at least $1,500,000, (ii) the Lower Swatara Township Project is at least $500,000, and (iii) the Susquehanna Township Project is at least $4,800,000; and

WHEREAS, in order to fund a portion of the costs of the Transportation Project, the County heretofore submitted a loan application (the "**Application**") to the Pennsylvania Infrastructure Bank (the "**Bank**"), an agency of the Commonwealth administered and operated by the Pennsylvania Department of Transportation (the "**Department**"), for a loan in the principal amount of $7,034,518 (the "**Bank Loan**"); and

WHEREAS, the Bank Loan has been approved by the Department pursuant to its letter dated October 20, 2014 (the "**Approval Letter**"), in the principal amount of $7,034,518; and

WHEREAS, the Loan will be made available by the Department, through the Bank, pursuant to an Infrastructure Bank Loan Agreement (the "**County Loan Agreement**"), between the County and the Department; and

WHEREAS, the Application, the Approval Letter and the County Loan Agreement collectively constitute the Department's commitment to make the Loan, through the Bank, to the County to finance the Transportation Project and are referred to collectively herein as the "**Purchase Agreement**"; and

WHEREAS, the proceeds of the Bank Loan will be applied by the County to pay all or a portion of the costs of the Transportation Project; and

WHEREAS, the Transportation Project is a "project" as such term is defined by the Debt Act; and

WHEREAS, the County has determined to secure the Bank Loan by issuance, pursuant to this Ordinance and the Debt Act, of its revenue note in a maximum principal amount estimated not to exceed $7,034,518 to finance the costs of the Transportation Project (the "**2014-1 Note**"), including the payment of costs associated with issuance of the 2014-1 Note, all in accordance with the terms of this Ordinance and the Debt Act; and

WHEREAS, the County will make the proceeds of the 2014-1 Note available to each of the Municipalities pursuant to Loan Agreements (each a "**Municipal Loan Agreement**"), in order to finance the Transportation Project; and

WHEREAS, the Municipalities will each issue a general obligation note, liquid fuels revenue note or guaranteed revenue note (collectively, the "**Municipal Notes**") to the County, in order to secure the debt service payments on each Municipalities respective portion of the of the Transportation Project; and

WHEREAS, the County desires to approve and authorize the Transportation Project, issuance of the 2014-1 Note, the acceptance of the Purchase Agreement for the sale and purchase of the 2014-1 Note, the form of the 2014-1 Note, and to authorize such further action by its proper officers consistent with this Ordinance, the Debt Act, and all other applicable law.

NOW, THEREFORE, BE AND IT HEREBY IS ORDAINED by the Board of Commissioners of the County of Dauphin that:

SECTION 1. The Transportation Project.

The County hereby combines the Swatara Township Project, the Lower Swatara Township Project and the Susquehanna Township Project for financing purposes, and hereby approves and undertakes as a project the Transportation Project. The foregoing recitals to this Ordinance, including the description of the Transportation Project, and the defined terms therein, are hereby incorporated into this Section by reference and are used herein and hereafter throughout this Ordinance as if such description and definitions are here 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 Transportation Project, the incurring of nonelectoral debt by the County in the principal amount of $7,034,518 is hereby authorized. Such debt shall be evidenced by issuance of a revenue note of the County in the principal amount of $7,034,518 designated "County of Dauphin, Commonwealth of Pennsylvania, Liquid Fuels Revenue Note, Series of 2014-1 (Dauphin County Infrastructure Bank)" (the "**2014-1 Note**").

SECTION 3. Approval of Private Sale By Negotiation.

After considering the advantages and disadvantages of the various manners of sale of the 2014-1 Note permitted by the Debt Act and of current market conditions, including the interest rate and other terms and conditions of the Bank Loan, the Board of Commissioners hereby determines that a private sale by negotiation is in the best financial interest of the County.

SECTION 4. Acceptance of Purchase Agreement.

The Board of Commissioners of the County accepts the Purchase Agreement of the Bank to purchase the 2014-1 Note; and the 2014-1 Note is awarded and sold to the Bank at a negotiated sale at a dollar price of $7,034,518 (100% of the principal amount of the 2014-1 Note). The Chairman or the Vice Chairman of the Board of Commissioners and the Chief Clerk or the deputy or assistant Chief Clerk of the County, each being a proper officer of the County (collectively, the "**Proper Officers**") are authorized and directed to execute and deliver the accepted Purchase Agreement to the Bank. One counterpart of the Purchase Agreement shall be filed with the records of the County.

SECTION 5. Interest Rate and Payment Installments.

The 2014-1 Note shall bear interest at the fixed rate of 1.625% per annum for the entire term of the 2014-1 Note. The 2014-1 Note shall be payable in equal annual installments of principal and interest in the amounts set forth in Exhibit A attached hereto and incorporated herein from the date of issuance of the 2014-1 Note to and including the final maturity date thereof which maturity date shall not be later than January 1, 2025 (the "**Maturity Date**"), unless prepaid as provided herein.

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

First National Bank is hereby appointed Paying Agent (the "**Paying Agent**), Registrar (the "**Registrar**") for the 2014-1 Note and Sinking Fund Depository (the "**Sinking Fund Depository**") for the sinking fund created hereby. Proper Officers of the County are hereby authorized and directed to contract with First National Bank, having a corporate trust office in Harrisburg, Pennsylvania, for its services as Sinking Fund Depository, Paying Agent, and Registrar at such initial and annual charges as shall be appropriate and reasonable for such services. The County may, by resolution, from time to time appoint a successor Paying Agent, Sinking Fund Depository or Registrar to fill a vacancy or for any other reason.

So long as First National Bank, or its successor, serves as Paying Agent, use of the term "Paying Agent" herein shall include, as applicable, its responsibilities as the Registrar and the Sinking Fund Depository.

SECTION 7. Denomination and Payment Dates.

The 2014-1 Note shall be fully registerable as to principal and interest, and shall be dated as of the date of issuance and delivery thereof to the Bank. The 2014-1 Note shall be issued in the denomination of $7,034,518. The 2014-1 Note shall bear interest from the date of issuance hereof at the applicable rate of interest specified in Section 5 hereof, payable annually commencing on the same date of the immediately succeeding year, and thereafter on the same date of each year to and including the Maturity Date (each a "**Debt Service Payment Date**").

The principal of and interest on the 2014-1 Note shall be payable in lawful moneys of the United States of America to the registered owner at the office of First National Bank, Harrisburg, Pennsylvania, or such other office from time to time designated by written notice to the then registered owner (the "**Office of the Paying Agent**").

If the date for payment of the principal of or interest on the 2014-1 Note shall be a Saturday, Sunday, legal holiday or on a day on which banking institutions in the municipality where the Office of the Paying Agent is located are authorized by law or executive order to close, then the date of such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or on a day on which such banking institutions are authorized to close (a "**Business Day**"), and payment on such subsequent Business Day shall have the same force and effect as if made on the date fixed for such payment.

SECTION 8. Note Register, Registrations and Transfer.

The County shall cause to be kept at the Office of the Paying Agent a register (the "**Note Register**") in which, subject to such reasonable regulations as it may prescribe, the County shall provide for the registration of the 2014-1 Note and the registration of transfers and exchanges of the 2014-1 Note. No transfer or exchange of the 2014-1 Note shall be valid unless made at such office and registered in the Note Register.

Whenever the 2014-1 Note is presented or surrendered for registration of transfer it shall be duly endorsed, or be accompanied by a written instrument of transfer, in form and with guaranty of signature satisfactory to the Registrar, duly executed by the registered owner thereof or his duly authorized agent or legal representative. Rights of any registered owner hereof, subsequent to the initial registered owner hereof, shall not exceed rights of the predecessor registered owner hereof.

No service charge shall be made for any transfer of the 2014-1 Note, but the County may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer of the 2014-1 Note, provided that no such charge may be made against the Department.

SECTION 9. Execution and Authentication.

The 2014-1 Note shall be executed on behalf of the County by the manual signature of the Chairman or the Vice Chairman of the Board of Commissioners of the County and, if desired, by any other member of the Board of Commissioners, and shall have the imprint of the corporate seal of the County affixed thereto, duly attested by the Chief Clerk, or the deputy or assistant Chief Clerk, and said Proper Officers, as well as any other member of the Board of Commissioners, are hereby authorized and directed to execute, seal and attest the 2014-1 Note. The Board of Commissioners or Chief Clerk or any of such officers is hereby authorized and directed to deliver the 2014-1 Note to the Department and receive payment therefor on behalf of the County after sale of the same in the manner required by law and this Ordinance.

SECTION 10. Revenue Pledge.

The 2014-1 Note is hereby declared to be a revenue note of the County payable solely from and secured solely by the County's Liquid Fuels Tax Fund and the payments made by the Municipalities in

accordance with the Municipal Loan Agreements and the Municipal Notes. The County covenants to and with the registered owners, from time to time, of the 2014-1 Note, pursuant to this Ordinance, that the County shall (i) include the amount of the debt service for each fiscal year of the County in which the sums are payable in its budget for that fiscal year, (ii) appropriate those amounts from the County Liquid Fuels Tax Fund or from such other funds established under the Municipal Loan Agreements for the payment of the debt service, and (iii) duly and punctually pay or cause to be paid from its sinking fund or other funds established under the Municipal Loan Agreements the principal or redemption price of, and the interest on, the 2014-1 Note at the dates and places and in the manner stated in the 2014-1 Note, according to the true intent and meaning thereof. As provided in the Debt Act, the foregoing covenant of the County shall be enforceable specifically.

As security for its obligations under the 2014-1 Note, the County does hereby irrevocably assign and pledge to the Bank, on behalf of the Department, and any subsequent registered owners from time to time of the 2014-1 Note outstanding pursuant to this Ordinance, all right, title and interest of the County in and to (1) all receipts and revenues to be received by the County and deposited into a special fund known as the County Liquid Fuels Tax Fund, designated under Section 9010(b) of the Liquid Fuels Tax Act, and (2) those certain Municipal Loan Agreements, including all loan payments and other payments payable or which may become payable thereunder and all security therefor, including, without limitation, the Municipal Notes.

The maximum amount of the debt service for each fiscal year of the County in which such sums are payable are set forth in Exhibit A, attached hereto and incorporated herein.

SECTION 11. Prepayment.

(a) Optional Prepayment. The 2014-1 Note is subject to prepayment prior to maturity, at the option of the County, as a whole, or, from time to time, in part, on any date, in each case upon payment of the principal amount thereof, together with accrued interest to the date fixed for prepayment. Any partial prepayment shall be in the aggregate principal amount of $1,000 or an integral multiple thereof.

If less than all of the outstanding principal amount of the 2014-1 Note is prepaid, such prepayment shall be applied to the installment of principal last to become due and shall not affect the obligation of the County to pay the remaining installments of principal and interest as scheduled under the 2014-1 Note; provided, however, if the County makes any prepayment of $25,000 or more of principal, the County shall have the option to have the 2014-1 Note reamortized based on the outstanding principal remaining at that time.

(b) Mandatory Prepayment. The 2014-1 Note is not subject to mandatory prepayment prior to maturity.

(c) Other Mechanics of Prepayment. Notice, election and other mechanics of prepayment of the 2014-1 Note are set forth in the form of 2014-1 Note in Section 24 hereof.

(d) Payment. On any date designated for optional prepayment prior to maturity, notice having been provided as aforesaid, and money for payment of the principal and accrued interest being held by the Paying Agent, interest on the 2014-1 Note or portions thereof so called for prepayment shall cease to accrue and such 2014-1 Note or portions thereof so called for prepayment shall cease to be entitled to any benefit or security under this Ordinance, and the Department, or subsequent registered owners, of the 2014-1 Note shall have no rights with respect to the 2014-1 Note, except to receive payment of the principal to be redeemed and accrued interest thereon to the date fixed for prepayment.

SECTION 12. Sinking Fund.

(a) Deposit. There is hereby established with the Sinking Fund Depository a sinking fund to be known as County of Dauphin, 2014-1 Note Sinking Fund (the "**2014-1 Note Sinking Fund**") into which the County covenants to deposit, and into which Proper Officers of the County are hereby authorized and directed to deposit (i) amounts sufficient to pay the interest due thereon on each Debt Service Payment Date, and (ii) amounts sufficient to pay the principal of the 2014-1 Note due on each Debt Service Payment Date. Should the amounts covenanted to be paid into the 2014-1 Note 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 2014-1 Note Sinking Fund or for some similar reason, the amounts covenanted to be paid may be reduced to the extent of the excess.

(b) Application of Funds. All sums in the 2014-1 Note Sinking Fund shall be applied exclusively to the payment of principal and interest covenanted to be paid in Section 10 hereof on the 2014-1 Note as the same from time to time becomes due. The 2014-1 Note Sinking Fund shall be kept as a separate account at the designated corporate trust office of the Sinking Fund Depository. The Sinking Fund Depository, without further authorization other than as herein contained, shall pay from the moneys in the 2014-1 Note Sinking Fund, the interest on the 2014-1 Note as and when due to the Department, or subsequent registered owners, on the Maturity Date and principal of the 2014-1 Note, as and when the same shall become due on the Maturity Date, or optional prepayment, to the Department, or subsequent registered owners thereof, upon presentment of such 2014-1 Note at the designated corporate trust office of the Paying Agent.

(c) Optional Deposits. Notwithstanding the foregoing, in the case of optional prepayment of any or all of the principal amount of the 2014-1 Note as permitted by Section 11 hereof, Proper Officers of the County are hereby authorized and directed to deposit from time to time before the appropriate optional prepayment 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 2014-1 Note so called for prepayment and the interest thereon to the date fixed for prepayment.

SECTION 13. Disposition of Proceeds.

All moneys derived from the sale of the 2014-1 Note shall be deposited in the 2014-1 County Project Account created pursuant to Section 19(a) hereof and shall be and hereby are appropriated substantially to payment of the cost of the Transportation Project, including but not limited to payment of the costs and expenses of preparing and issuing the 2014-1 Note, 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 2014-1 Note Sinking Fund and used for the payment of interest on the 2014-1 Note.

SECTION 14. Cost and Realistic Useful Life; Approximately Level Debt Service.

Reasonable cost estimates have been obtained for each component of the Transportation Project with the assistance of engineers, highway planners and constructors, and other persons qualified by experience, training and education, as set forth in the Recitals hereto, are incorporated herein. The overall cost of the Transportation Project is estimated to be at least $7,034,518.

The Board of Commissioners of the County hereby determines that the combined useful lives of the components of the Transportation Project are at least fifteen (15) years. Therefore, the principal installments of the 2014-1 Note are in accordance with § 8142(a)(2) of the Debt Act.

In accordance with Section 8142(b)(1) of the Debt Act, the principal installments of the 2014-1 Note have been fixed so as to amortize the 2014-1 Note on at least an approximately level annual debt service plan during the term of the 2014-1 Note.

SECTION 15. Advertising.

The action of Proper Officers of the County in advertising a summary of this Ordinance, as required by law, is ratified and confirmed. Proper Officers of the County or any of them, are authorized and directed to advertise a notice of enactment of this Ordinance in a newspaper of general circulation in the County within 15 days after final enactment. The Chief Clerk is hereby directed to make a copy of this Ordinance available for inspection by any citizen during normal office hours.

Section 16. Filing with Department of Community and Economic Development.

Proper Officers of the County are hereby authorized and directed to prepare, verify and file with the Department of Community and Economic Development, in accordance with the Debt Act, a transcript of the proceedings relating to the issuance of the 2014-1 Note including the Debt Statement and Borrowing Base Certificate required by Section 8110 of the Debt Act, and to take other necessary action, and to prepare and file all necessary documents with the Department of Community and Economic Development including, if necessary or desirable, any statements required to exclude any portion of the debt evidenced by the 2014-1 Note from the appropriate debt limit as self-liquidating or subsidized debt.

It is declared that the debt to be incurred hereby is within the limitation imposed by the Debt Act upon the incurring of such debt by the County.

SECTION 17. General Authorization.

Proper Officers and other officials of the County are hereby authorized and directed to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to effect the execution, issuance, sale and delivery of the 2014-1 Note, all in accordance with this Ordinance.

SECTION 18. County Loan Agreement.

Proper Officers of the County are authorized and directed to execute, attest and deliver, on behalf of the County, the County Loan Agreement, between the County and the Department, in the form hereinafter approved, providing for, *inter alia*, the loan of the proceeds of the 2014-1 Note by the Department to the County at the times and in the amounts as provided therein to be applied for and toward the costs and expenses of the Transportation Project. The County Loan Agreement shall contain such provisions as shall be in substance and form satisfactory to Note Counsel, to the County Solicitor and the Proper Officers of the County executing the same and such form is hereby approved.

SECTION 19. 2014-1 County Project Account; Municipal Project Accounts.

(a) 2014-1 County Project Account. The County covenants to establish, and does hereby establish, a separate account in the name of the County to be known as the "County of Dauphin 2014-1 County Project Account" (referred to herein as the "**2014-1 County Project Account**"), with one or more banks or financial or investment institutions designated from time to time by the Board of Commissioners, or otherwise as established by law, as depositories of the 2014-1 County Project Account. The County shall deposit the net proceeds (including accrued interest, if any) derived from the sale of the 2014-1 Note to the 2014-1 County Project Account. Upon proper authorization, duly signed by Proper Officers of the County, the County or its designee shall pay, out of the 2014-1 County Project Account, the costs and expenses of the issuance of the 2014-1 Note, and, from time to time, the costs of the Transportation Project, and shall transfer and deposit the specified amounts to the Municipal Project Accounts as described in subsection (b) below. The written direction from the County shall state the names of the respective payees, the purpose for which the expenditure has been incurred, or the purpose of the transfer, whichever is

applicable, and shall contain a certification that each item of expense for which payment has been requested has been properly incurred and is then unpaid, and that each transfer which is requested is in accordance with the provisions of this Ordinance.

(b) Municipal Project Accounts.

(i) Swatara Township Project Account. The County hereby authorizes the transfer of a portion of the 2014-1 Note proceeds from the 2014-1 County Project Account to the Swatara Township Project Account created hereinafter in the amounts necessary to undertake the Swatara Township Project in accordance with the Debt Act and as set forth in this Ordinance.

Proper Officers of the County are authorized and directed to execute, attest and deliver, on behalf of the County a Municipal Loan Agreement with Swatara Township, in the form hereinafter approved (the "**Swatara Township Loan Agreement**") providing for, *inter alia*, the establishment of a special account to be known as the Swatara Township Project Account (the "**Swatara Township Project Account**") and the investment and application of moneys to be deposited therein and such other provisions as are necessary and appropriate in connection with the Swatara Township Project as contemplated by this Ordinance. The Swatara Township Loan Agreement shall contain such provisions as shall be in substance and form satisfactory to Note Counsel, to the County Solicitor and the Proper Officers of the County executing the same and such form is hereby approved.

(ii) Lower Swatara Township Project Account. The County hereby authorizes the transfer of a portion of the 2014-1 Note proceeds from the 2014-1 County Project Account to the Lower Swatara Township Project Account created hereinafter in the amounts necessary to undertake the Lower Swatara Township Project in accordance with the Debt Act and as set forth in this Ordinance.

Proper Officers of the County are authorized and directed to execute, attest and deliver, on behalf of the County a Municipal Loan Agreement with Lower Swatara Township, in the form hereinafter approved (the "**Lower Swatara Township Loan Agreement**") providing for, *inter alia*, the establishment of a special account to be known as the Lower Swatara Township Project Account (the "**Lower Swatara Township Project Account**") and the investment and application of moneys to be deposited therein and such other provisions as are necessary and appropriate in connection with the Lower Swatara Township Project as contemplated by this Ordinance. The Lower Swatara Township Loan Agreement shall contain such provisions as shall be in substance and form satisfactory to Note Counsel, to the County Solicitor and the Proper Officers of the County executing the same and such form is hereby approved.

(iii) Susquehanna Township Project Account. The County hereby authorizes the transfer of a portion of the 2014-1 Note proceeds from the 2014-1 County Project Account to the Susquehanna Township Project Account created hereinafter in the amounts necessary to undertake the Susquehanna Township Project in accordance with the Debt Act and as set forth in this Ordinance.

Proper Officers of the County are authorized and directed to execute, attest and deliver, on behalf of the County a Municipal Loan Agreement with Susquehanna Township, in the form hereinafter approved (the "**Susquehanna Township Loan Agreement**") providing for, *inter alia*, the establishment of a special account to be known as the Susquehanna Township Project Account (the "**Susquehanna Township Project Account**") and the investment and application of moneys to be deposited therein and such other provisions as are necessary and appropriate in connection

with the Susquehanna Township Project as contemplated by this Ordinance. The Susquehanna Township Loan Agreement shall contain such provisions as shall be in substance and form satisfactory to Note Counsel, to the County Solicitor and the Proper Officers of the County executing the same and such form is hereby approved.

SECTION 20. Purchase of Municipal Notes.

As security for the repayment of their allocable portion of the debt service due on the 2014-1 Note, the Municipalities will each issue a general obligation note, liquid fuels revenue note or guaranteed revenue note to the County pursuant to which each of the Municipalities will pledge their full faith, credit and taxing power, their Liquid Fuels Tax or both, as required by the County and in accordance with the provisions of the Debt Act. Proper Officers of the County are authorized and directed to execute and deliver, on behalf of the County, Loan Purchase Commitments in the form hereinafter approved, to provide for the purchase of each of the Municipal Notes at a price of 100%. The Loan Purchase Commitments shall contain such provisions as shall be in substance and form satisfactory to Note Counsel, to the County Solicitor and the Proper Officers of the County executing the same and such form is hereby approved. The Municipal Notes will bear interest at such rates and pay principal on such dates as provided in each Loan Purchase Commitment, which shall be sufficient to pay each Municipalities allocable portion of debt service on the 2014-1 Note.

SECTION 21. Payment of Expenses.

All expenses incurred in connection with issuance of the 2014-1 Note shall be paid out of the proceeds derived from the issuance of the 2014-1 Note and deposited in the 2014-1 County Project Account in accordance with Section 19(a) hereof and the Proper Officers are authorized to sign and deliver requests for payment of such expenses.

SECTION 22. Investment.

Any moneys in the 2014-1 County Project Account and the Municipal Project Accounts may be invested or deposited as permitted by applicable law for funds of the County or as permitted under the Debt Act. As to the 2014-1 County Project Account and the Municipal Project Accounts, Proper Officers or authorized representatives of the County shall designate such investments in writing in such combination as to provide safety of principal, liquidity to any Transportation Project draws and maximum investment income.

Any moneys in the 2014-1 Note Sinking Fund not required for prompt expenditure may, at the written direction of the County, be invested in notes or obligations which are direct obligations of, or are fully guaranteed as to principal and interest by, the United States of America or may be deposited at interest in time accounts or certificates of deposit or other interest bearing accounts of any bank or bank and trust company, savings and loan association or building and loan association. To the extent that such deposits are insured by the Federal Deposit Insurance Corporation or similar Federal agency, they need not be secured. Otherwise, such deposits shall be secured as public deposits or as trust funds in accordance with the Debt Act. Any such investments or deposits shall mature or be subject to redemption at the option of the holder, or be subject to withdrawal at the option of the depositor, not later than the date upon which such moneys are required to be paid to the registered owners of the 2014-1 Note.

SECTION 23. Authorization of Officers.

Any authorization granted to, power conferred on, or direction given to the Chairman or Chief Clerk, shall be deemed to run to the Vice Chairman or Deputy Chief Clerk, respectively, as if such latter titles had been expressly included in the text hereof which grants such authorization, confers such power or gives such direction. Each of the foregoing officers shall constitute a Proper Officer of the County.

SECTION 24. Form of the 2014-1 Note. The form of the 2014-1 Note shall be substantially in the form attached hereto as Exhibit B, with such changes thereto as shall hereafter be made upon the advice of the County Solicitor and Note Counsel, approval of such changes being evidenced by the execution and attestation of the 2014-1 Note by Proper Officers of the County.

SECTION 25. Ratification.

The County hereby ratifies and confirms authorization to officials of the County, the Solicitor to the County, and Note Counsel to the County, Eckert Seamans Cherin & Mellott, LLC for action taken prior to enactment of this Ordinance and authorizes and directs the same parties to undertake the necessary action required by and relating to the issuance and delivery of the 2014-1 Note.

SECTION 26. Severability.

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

SECTION 27. Repealer.

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

SECTION 28. Effective Date. This Ordinance shall become effective in accordance with Section 8003 of the Debt Act.

[The Remainder of this Page Intentionally Left Blank]

ENACTED by the Board of Commissioners of the County of Dauphin, in lawful session assembled, on the 22nd day of October, 2014.

COUNTY OF DAUPHIN
Commonwealth of Pennsylvania

Chairman, Board of Commissioners

ATTEST:

Chief Clerk

Vice Chairman, Board of Commissioners

(SEAL)

Member, Board of Commissioners

CERTIFICATE

I, the undersigned officer the County of Dauphin, Commonwealth of Pennsylvania ("**County**"), hereby certify that: (a) attached to this Certificate is a true, correct and complete copy of an ordinance (the "**Ordinance**") which was duly enacted at a meeting of the Board of Commissioners of the County on October 22, 2014, at which a quorum was present and acting throughout, and which was at all times open to the public; (b) the Ordinance was duly recorded in the County's Ordinance Book, and a summary of the Ordinance was published as required by law in a newspaper of general circulation in the County; (c) the County met the advance notice requirements of the Sunshine Act, 65 Pa.C.S. §701 *et seq.* by advertising the date of the meeting and posting a notice of the meeting at the public meeting place of the Board of Commissioners; (d) the total number of members of the Board of Commissioners is three; and (e) the vote upon the Ordinance was called and duly recorded upon the minutes and that the members voted in the following manner:

	YES	NO	ABSTAIN	ABSENT
Jeffrey T. Haste	✓			
Michael H.W. Pries	✓			
George P. Hartwick, III	✓			

WITNESS my hand and seal of the County this 22nd day of October, 2014.

Chief Clerk

(SEAL)

LM 10/22/14
Pam

AGREEMENT NO. 521121
FEDERAL ID NO. 23-600-3043

Business Partner NO. 60221
Loan NO. D780000244-303

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORATION

INFRASTRUCTURE BANK LOAN AGREEMENT

THIS LOAN AGREEMENT, made the 31st day of December, 2014, between the Commonwealth of Pennsylvania, Department of Transportation, with offices at P.O. Box 3365, Harrisburg, Dauphin County, Pennsylvania, 17105-3365, hereinafter called the DEPARTMENT,

and

Dauphin County with offices at 2 South Second Street 4th floor, Harrisburg, Dauphin County, Pennsylvania 17101-1295, hereinafter called the BORROWER.

W I T N E S S E T H:

WHEREAS, the DEPARTMENT, pursuant to Section 2015 of the Administrative Code of 1929, Act of November 26, 1997, No. 57, is empowered to make loans for infrastructure improvements in accordance with Federal law (Section 350 of the National Highway System Designation Act of 1995, Public Law 104-59, 23 U.S.C. §101 note and related provisions); and,

5

WHEREAS, the BORROWER will be adding a second installment to the Dauphin County Infrastructure Bank as specified in the loan application and incorporated into this agreement by reference, hereinafter called the PROJECT; and,

WHEREAS, the BORROWER is an eligible borrower under the Code and the Act, and,

WHEREAS, the BORROWER wishes to borrow an amount not to exceed seven million, thirty-four thousand, five hundred eighteen dollars and 00/100 cents (7,034,518.00), to construct the PROJECT and to be repaid over a period not to exceed ten (10) years; and,

WHEREAS, the BORROWER has approved, by lawful action, the incurring of indebtedness and the taking of such other action necessary to secure a loan from the DEPARTMENT to construct the PROJECT; and,

NOW, THEREFORE, the parties, in consideration of the foregoing premises and of the promises herein contained, intending to be legally bound, agree as follows:

1. ***Loan Amount:*** The DEPARTMENT agrees to lend to the BORROWER a principal amount not to exceed seven million, thirty-four thousand, five hundred eighteen dollars and 00/100 cents (7,034,518.00) (the Loan Proceeds).

2. ***Source of Loan Funds:*** Funds for the Loan Proceeds shall be taken from the Highway Account of the Pennsylvania Infrastructure Bank.

3. ***Use of Loan Funds:*** The BORROWER shall use all Loan Proceeds solely for the PROJECT.

4. ***Disbursement:*** The Loan Proceeds shall be disbursed in a single payment upon the execution of this Agreement.

5. ***Account:*** The BORROWER shall deposit all loan proceeds in a separate PROJECT account maintained by the BORROWER. **The BORROWER will provide copies of all account statements to the DEPARTMENT within fifteen (15) days of receipt.** Any income earned by the BORROWER from the loan proceeds may be used towards the repayment of the loan. Any excess interest income must be returned to the DEPARTMENT with the final loan repayment. The BORROWER shall maintain full and complete records of all receipts and disbursements of these funds for three (3) years from the date of final loan

repayment for inspection and/or audit. The DEPARTMENT, or any of its authorized officers, agents or employees, shall have full and complete access to the records to inspect, copy, or carry them away, at any reasonable time during the term of this agreement or the three (3) year retention period. The account and records shall comply with generally accepted accounting practices.

6. ***Repayment Terms***: The BORROWER shall pay to the order of the DEPARTMENT the principal amount of seven million, thirty-four thousand, five hundred eighteen dollars and 00/100 cents (7,034,518.00). Interest shall accrue on the unpaid principal balance at the rate of 1.625% per annum. The BORROWER shall repay the principal and interest of the loan in ten (10) consecutive annual payments due and payable beginning on **or before the first day of the month following the first annual anniversary of the loan disbursement.** The payment schedule will be provided to the BORROWER based on the date of the actual loan disbursement.

7. ***Prepayments:*** The BORROWER may prepay the Loan in whole at any time or in part from time to time, without penalty or premium but with accrued interest to the date of such prepayment on the amount prepaid. Each partial prepayment shall be in the aggregate principal amount of one thousand dollars ($1,000) or an integral

multiple thereof. Each partial prepayment shall be applied to the principal installments in the inverse order of their maturities.

8. ***Late or Incomplete Payments:*** If the DEPARTMENT has not received the full amount of any due payment by the end of fifteen (15) business days after the date that it is due, the BORROWER will pay a late charge of one percent (1%) of the overdue payment of principal and interest. The late charge shall be paid no later than forty-five (45) days past the payment due date. Failure to pay all amounts currently due, including the late charge shall result in either a declaration of default or the payment and late charge taken from the loan security without the declaring of default by the DEPARTMENT.

9. ***Repayments:*** The BORROWER shall make all repayments in the form of a check made payable to "Commonwealth of Pennsylvania" and addressed as follows:

Commonwealth of Pennsylvania
Office of Comptroller Operations
Special Accounting Division / Transportation
555 Walnut Street
Harrisburg, PA 17101

10. ***Fees:*** The BORROWER shall pay to the DEPARTMENT the amount of zero dollars ($0.00), which shall represent all origination, loan management, and other administrative costs incurred by the DEPARTMENT in connection with this loan.

11. ***Compliance with law:*** The BORROWER hereby certifies and covenants that:

a) All acts, conditions, and things required to be done, to happen, or to be performed as conditions precedent to issuance of this loan or in creation of debt have happened or have been performed in due and regular form and manner, as required by law.

b) That the BORROWER has included the amount of debt service for this loan in its budget for each fiscal year in which sums are payable.

c) That the BORROWER shall duly and punctually pay or cause to be paid the principal of this loan and any interest due as stated in this Agreement.

d) The debt incurred by this loan, together with any other indebtedness of the BORROWER, does not exceed any legal limitation upon the BORROWER.

e) The BORROWER shall provide a certified resolution authorizing execution of this Agreement, in form and substance satisfactory to the DEPARTMENT and legal counsel to the DEPARTMENT.

12. ***Default:*** Upon the occurrence of any default which default is not cured within thirty (30) days after receipt of written notice from the DEPARTMENT, the unpaid principal balance plus any accrued interest plus any other sums payable under this agreement shall become due and payable immediately and without further notice to the BORROWER. Any of the following shall constitute default:

a) Failure of the BORROWER to make a payment of principal within ten (10) days of when due.

b) Failure of the BORROWER to observe all or any one of the terms of this agreement.

c) A materially false or erroneous statement, certificate, report, representation, or warranty made by the BORROWER in connection with the loan or this Agreement.

d) Use of the Loan Proceeds for purposes other than the PROJECT.

e) The BORROWER (i) becomes insolvent, (ii) admits its inability to pay its debts as they come due, (iii) makes an assignment to the benefit of its creditors, (iv) is adjudicated bankrupt or insolvent, (v) voluntarily initiates proceedings under any bankruptcy or reorganization law, (vi) becomes the subject of any involuntary proceedings under any bankruptcy or reorganization law that is not discharged within sixty (60) days from its initiation, or (vii) seeks to take advantage of any moratorium law.

f) A receiver, liquidator, or trustee is appointed for the BORROWER and is not discharged within sixty (60) days.

13. ***Remedies upon default:*** Upon a default, the DEPARTMENT may withhold all or part of the BOROWER's Liquid Fuels Tax allocation under the Liquid Fuels Municipal Allocation Law, Act of June 1, 1956 (P.L. (1955)1944), or under 75 Pa.C.S. Chapter 95 or any other statute or regulation, or impose such other penalties as the DEPARTMENT may prescribe.

14. ***Indemnity:*** The BORROWER shall indemnify, hold harmless, and defend the Commonwealth, its agencies, officers, agents, and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, or any other person,

firm, or corporation furnishing work, supplies, or services in connection with the PROJECT, and from any and all claims and losses accruing or resulting to any person, firm, corporation, or other entity who may be injured or damaged by the BORROWER or any agent, employee, or independent contractor of the BORROWER in the performance of the PROJECT.

15. ***Continuation of representations and warranties:*** All of the representations and warranties of the BORROWER set forth in this Agreement shall survive and continue until the loan is paid in full and all of the BORROWER's obligations hereunder have been satisfied.

16. ***Severability:*** If any of the terms, covenants, conditions, or provisions of this Agreement are adjudged to be invalid or unenforceable, then that invalidity or unenforceability shall not render any other term, covenant, condition, or provision of this agreement invalid or unenforceable.

17. ***No Waiver:*** No delay or failure by the DEPARTMENT in exercising any right, power, or privilege conferred by this Agreement or any provision of law shall be deemed a waiver of that right, power, or privilege; nor shall any single or partial exercise thereof or any abandonment, waiver, or discontinuance of steps to

enforce such a right, power, or privilege be deemed a waiver of any other or further exercise thereof, or of any other right, power, or privilege. The DEPARTMENT's rights and remedies under this Agreement are cumulative and concurrent and do not exclude any rights or remedies that it might otherwise have. The DEPARTMENT shall have the right to strictly enforce this Agreement, notwithstanding any conduct or custom by the DEPARTMENT in refraining from doing so. If the DEPARTMENT fails to enforce its rights under this Agreement, then it shall not be considered as having created a custom contrary to this Agreement or as having modified or waived any part of this Agreement.

18. ***Form of Approval:*** Any permit, consent, approval, or waiver of any kind by the DEPARTMENT must be in writing and executed by the DEPARTMENT and shall be effective only to the extent specifically set forth in that writing.

19. ***Entire Agreement:*** This Agreement constitutes the entire Agreement between the parties. This Agreement may be modified as outlined in Section 27 of this Agreement.

20. ***Form of Notice:*** Any notices or consents required or permitted by this Agreement shall be deemed sufficient if in writing and addressed to the BORROWER, attention: Chair, Board of

Supervisors, the BORROWER or the DEPARTMENT, as applicable, and shall be deemed to be delivered if delivered in person or sent by certified or registered mail, postage prepaid, return receipt requested, addressed to the BORROWER or the DEPARTMENT at the addresses set forth at the beginning of this Agreement. Notice shall be effective upon delivery if delivered in person or on the second business day following mailing if mailed.

21. ***Additional Instruments:*** The BORROWER shall execute any additional instruments that the DEPARTMENT requests to further confirm and assure the interests and rights created or intended to be created in favor of the DEPARTMENT under this Agreement.

22. ***Nonassignability:*** This Agreement shall be binding upon the BORROWER and the DEPARTMENT and their respective successors and assigns, except that the BORROWER may not assign its rights without the DEPARTMENT'S prior written consent.

23. ***No Attachment by Creditors: No Cause of Action:*** The parties do not intend the benefits of this Agreement to inure to any third party. No portion of the DEPARTMENT'S commitment to make the loan will be subject to attachment or levy by any creditor of the BORROWER or by any contractor, subcontractor, material person, or supplier, or any creditor of any contractor, subcontractor, material

person, or supplier. Notwithstanding anything contained in any document executed in connection with this transaction, or any conduct or course of conduct by any of the parties hereto, before or after signing this Agreement, this Agreement shall not be construed as creating any rights, claims, or causes of action against the Commonwealth, or any agency, officer, agent, or employee thereof, in favor of any contractor, subcontractor, supplier of labor or materials, or any of their respective creditors, or any other person or entity other than the DEPARTMENT.

24. ***Incorporation by reference:*** The BORROWER accepts and agrees to comply with the Contractor Integrity Provisions, the Provisions Concerning the Americans with Disability Act, Commonwealth Nondiscrimination /Sexual Harassment Clause, and the Contractor Responsibilities Provisions which are attached to this agreement collectively as **Exhibit A** and are incorporated into this paragraph by reference.

25. ***Catalog of Domestic Assistance Information:*** Contract No. 521121 is, expenditure amount of seven million, thirty-four thousand, five hundred eighteen dollars and 00/100 cents (7,034,518.00) (100%) for state funds. The related State assistance program name and number is 471.

26. ***Offset Provision:*** The BORROWER agrees that the Commonwealth may offset the amount of any state tax or Commonwealth liability of the BORROWER or its affiliates and subsidiaries that is owed to the Commonwealth against any payments due the BORROWER under this or any other contract with the Commonwealth.

27. ***Modifications to the Agreement:*** The DEPARTMENT or the BORROWER may amend the provisions of the Agreement by letter from the Deputy Secretary for Planning or his/her designee or by the BORROWER. Both parties shall agree to the change by letter.

28. ***Promissory Note:*** The BORROWER's obligation to repay the Loan Proceeds shall be evidenced by a promissory note (the "Note"), **Exhibit B**, payable to the order of the DEPARTMENT in the principal amount of the loan. The BORROWER shall provide the DEPARTMENT with a copy of a duly executed debt ordinance and Note, approved by the Commonwealth of Pennsylvania, Department of Community and Economic Development under the Local Government Unit Debt Act. The DEPARTMENT must receive the executed ordinance and Note, in a form approved by the Department of Community and Economic Development, before any funds will be disbursed by the DEPARTMENT.

29. ***U.S. Government Disclaimer:*** Financial assistance from the Pennsylvania Infrastructure Bank does not constitute a commitment, guarantee or obligation of the United States.

30. ***Payment:*** Payment described herein shall be made in accordance with Commonwealth Management Directive 310.30, issued May 22, 2009, relating to the Pennsylvania Electronic Payment Program and the establishment of the Automated Clearing House Network ("ACH") as the Commonwealth's preferred method of payment. The following provisions apply:

(a) The DEPARTMENT will make payments to the BORROWER through ACH. Within 10 days of executing this Supplemental Agreement, the BORROWER must submit or must have already submitted its ACH information on a ACH enrollment form **(Exhibit C)** obtained at **www.vendorregistration.state.pa.us/cvmu/paper/Forms/ACH-EFTenrollmentform.pdf)** and electronic addenda information, if desired, to the Commonwealth's Payable Service Center, Vendor Data Management Unit at 717-214-0140 (FAX) or by mail to the Office of Comptroller Operations, Bureau of Payable Services, Payable Service Center, Vendor Data Management Unit, 555 Walnut Street—9th Floor, Harrisburg, PA 17101.

(b) The BORROWER must submit a unique invoice number with each invoice submitted. The unique invoice number will be listed on the Commonwealth of Pennsylvania's ACH remittance advice to enable the BORROWER to properly apply the state agency's payment to the respective invoice or program.

(c) It is the responsibility of the BORROWER to ensure that the ACH information contained in the Commonwealth's Central Vendor Master File is accurate and complete. Failure to maintain accurate and complete information may result in delays in payments.

31. ***Right-to-Know Law:*** The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101—3104, applies to this Agreement. Therefore, this Agreement is subject to, and the BORROWER shall comply with, the clause entitled Contract Provisions - Right to Know Law 8-K-1532, attached as **Exhibit D** and incorporated into this paragraph by reference. As used in this clause, the term "Contractor" refers to the BORROWER.

IN WITNESS WHEREOF, the parties have executed this Agreement the date first above written.

ATTEST

Title: Chief Clerk 10/22/14 DATE

CHAIR, BOARD OF SUPERVISORS
Dauphin County

BY _____ 10/22/14
Title: Chairman DATE

If a Corporation, the President or Vice-president must sign and the Secretary, Treasurer, Assistant Secretary or Assistant Treasurer must attest; if a sole proprietorship, only the owner must sign; if a partnership, only one partner need sign; if a limited partnership, only the general partner must sign. If a Municipality, Authority or other government entity, please attach a resolution.

DO NOT WRITE BELOW THIS LINE--FOR COMMONWEALTH USE ONLY

APPROVED

BY _____ 12/2/14
PIB Manager DATE

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORTATION

BY _____ 12/3/14
Deputy Secretary of Transportation DATE

APPROVED AS TO LEGALITY
AND FORM

BY _____ DATE 12/5/14
for Chief Counsel

12/04/14

BY _____
Deputy General Counsel DATE

FUNDS COMMITMENT DOC. NO._____
CERTIFIED FUNDS AVAILABLE UNDER
SAP NO _____
SAP COST CENTER_____
GL ACCOUNT _____

AMOUNT_____

BY _____ 12/31/14
Deputy Attorney General DATE

BY _____ 12/9/2014
for Comptroller DATE

MISCELLANEOUS

CONTRACTOR INTEGRITY PROVISIONS

It is essential that those who seek to contract with the Commonwealth of Pennsylvania ("Commonwealth") observe high standards of honesty and integrity. They must conduct themselves in a manner that fosters public confidence in the integrity of the Commonwealth procurement process.

In furtherance of this policy, Contractor agrees to the following:

1. Contractor shall maintain the highest standards of honesty and integrity during the performance of this contract and shall take no action in violation of state or federal laws or regulations or any other applicable laws or regulations, or other requirements applicable to Contractor or that govern contracting with the Commonwealth.

2. Contractor shall establish and implement a written business integrity policy, which includes, at a minimum, the requirements of these provisions as they relate to Contractor employee activity with the Commonwealth and Commonwealth employees, and which is distributed and made known to all Contractor employees.

3. Contractor, its affiliates, agents and employees shall not influence, or attempt to influence, any Commonwealth employee to breach the standards of ethical conduct for Commonwealth employees set forth in the *Public Official and Employees Ethics Act, 65 Pa.C.S. §§1101 et seq.*; the *State Adverse Interest Act, 71 P.S. §776.1 et seq.*; and the *Governor's Code of Conduct, Executive Order 1980-18, 4 Pa. Code §7 151 et seq.*, or to breach any other state or federal law or regulation.

4. Contractor, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person at the direction or request of any Commonwealth official or employee.

5. Contractor, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person, the acceptance of which would violate the *Governor's Code of Conduct, Executive Order 1980-18, 4 Pa. Code §7 151 et seq.* or any statute, regulation, statement of policy, management directive or any other published standard of the Commonwealth.

6. Contractor, its affiliates, agents and employees shall not, directly or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any Commonwealth official or employee

7. Contractor, its affiliates, agents, employees, or anyone in privity with him or her shall not accept or agree to accept from any person, any gratuity in connection with the performance of work under the contract, except as provided in the contract.

8. Contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material on this project, unless the financial interest is disclosed to the Commonwealth in writing and the Commonwealth consents to Contractor's financial interest prior to Commonwealth execution of the contract. Contractor shall disclose the financial interest to the Commonwealth at the time of bid or proposal submission, or if no bids or proposals are solicited, no later than Contractor's submission of the contract signed by Contractor.

9. Contractor, its affiliates, agents and employees shall not disclose to others any information, documents, reports, data, or records provided to, or prepared by, Contractor under this contract without the prior written approval of the Commonwealth, except as required by the *Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104*, or other applicable law or as otherwise provided in this contract. Any information, documents, reports, data, or records secured by Contractor from the Commonwealth or a third party in connection with the performance of this contract shall be kept confidential unless disclosure of such information is:

   a. Approved in writing by the Commonwealth prior to its disclosure; or

   b. Directed by a court or other tribunal of competent jurisdiction unless the contract requires prior Commonwealth approval; or

   c. Required for compliance with federal or state securities laws or the requirements of national securities exchanges; or

   d. Necessary for purposes of Contractor's internal assessment and review, or

   e. Deemed necessary by Contractor in any action to enforce the provisions of this contract or to defend or prosecute claims by or against parties other than the Commonwealth; or

   f. Permitted by the valid authorization of a third party to whom the information, documents, reports, data, or records pertain: or

   g. Otherwise required by law.

10. Contractor certifies that neither it nor any of its officers, directors, associates, partners, limited partners or individual owners has been officially notified of, charged with, or convicted of any of the following and agrees to immediately notify the Commonwealth agency contracting officer in writing if and when it or any officer, director, associate, partner, limited partner or individual owner has been officially notified of, charged with, convicted of, or officially notified of a governmental determination of any of the following:

a. Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property.

b. Commission of fraud or a criminal offense or other improper conduct or knowledge of, approval of or acquiescence in such activities by Contractor or any affiliate, officer, director, associate, partner, limited partner, individual owner, or employee or other individual or entity associated with:

(1) obtaining;

(2) attempting to obtain; or

(3) performing a public contract or subcontract.

Contractor's acceptance of the benefits derived from the conduct shall be deemed evidence of such knowledge, approval or acquiescence.

c. Violation of federal or state antitrust statutes.

d. Violation of any federal or state law regulating campaign contributions.

e. Violation of any federal or state environmental law.

f. Violation of any federal or state law regulating hours of labor, minimum wage standards or prevailing wage standards; discrimination in wages; or child labor violations.

g. Violation of the *Act of June 2, 1915 (P.L 736, No. 338)*, known as the *Workers' Compensation Act,* 77 P.S. 1 *et seq.*

h. Violation of any federal or state law prohibiting discrimination in employment.

i. Debarment by any agency or department of the federal government or by any other state.

j. Any other crime involving moral turpitude or business honesty or integrity

Contractor acknowledges that the Commonwealth may, in its sole discretion, terminate the contract for cause upon such notification or when the Commonwealth otherwise learns that Contractor has been officially notified, charged, or convicted.

11. If this contract was awarded to Contractor on a non-bid basis, Contractor must, (as required by *Section 1641* of the *Pennsylvania Election Code*) file a report of political

contributions with the Secretary of the Commonwealth on or before February 15 of the next calendar year. The report must include an itemized list of all political contributions known to Contractor by virtue of the knowledge possessed by every officer, director, associate, partner, limited partner, or individual owner that has been made by:

a. Any officer, director, associate, partner, limited partner, individual owner or members of the immediate family when the contributions exceed an aggregate of one thousand dollars ($1,000) by any individual during the preceding year; or

b. Any employee or members of his immediate family whose political contribution exceeded one thousand dollars ($1,000) during the preceding year.

To obtain a copy of the reporting form, Contractor shall contact the Bureau of Commissions, Elections and Legislation, Division of Campaign Finance and Lobbying Disclosure, Room 210, North Office Building, Harrisburg, PA 17120.

12. Contractor shall comply with requirements of the *Lobbying Disclosure Act, 65 Pa.C.S § 13A01 et seq.*, and the regulations promulgated pursuant to that law. Contractor employee activities prior to or outside of formal Commonwealth procurement communication protocol are considered lobbying and subjects the Contractor employees to the registration and reporting requirements of the law. Actions by outside lobbyists on Contractor's behalf, no matter the procurement stage, are not exempt and must be reported.

13. When Contractor has reason to believe that any breach of ethical standards as set forth in law, the Governor's Code of Conduct, or in these provisions has occurred or may occur, including but not limited to contact by a Commonwealth officer or employee which, if acted upon, would violate such ethical standards, Contractor shall immediately notify the Commonwealth contracting officer or Commonwealth Inspector General in writing.

14. Contractor, by submission of its bid or proposal and/or execution of this contract and by the submission of any bills, invoices or requests for payment pursuant to the contract, certifies and represents that it has not violated any of these contractor integrity provisions in connection with the submission of the bid or proposal, during any contract negotiations or during the term of the contract.

15. Contractor shall cooperate with the Office of Inspector General in its investigation of any alleged Commonwealth employee breach of ethical standards and any alleged Contractor non-compliance with these provisions. Contractor agrees to make identified Contractor employees available for interviews at reasonable times and places. Contractor, upon the inquiry or request of the Office of Inspector General, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Inspector General to Contractor's integrity and compliance with these provisions. Such information may include, but shall not be limited to, Contractor's

business or financial records, documents or files of any type or form that refers to or concern this contract.

16. For violation of any of these Contractor Integrity Provisions, the Commonwealth may terminate this and any other contract with Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all additional costs and expenses incurred in obtaining another contractor to complete performance under this contract, and debar and suspend Contractor from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or non-use of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.

17. For purposes of these Contractor Integrity Provisions, the following terms shall have the meanings found in this Paragraph 17.

a. "Confidential information" means information that a) is not already in the public domain; b) is not available to the public upon request; c) is not or does not become generally known to Contractor from a third party without an obligation to maintain its confidentiality; d) has not become generally known to the public through a act or omission of Contractor; or e) has not been independently developed by Contractor without the use of confidential information of the Commonwealth.

b. "Consent" means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by pre-qualification, bid, proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of execution of this contract.

c. "Contractor" means the individual or entity that has entered into this contract with the Commonwealth, including those directors, officers, partners, managers, and owners having more than a five percent interest in Contractor.

d. "Financial interest" means:

(1) Ownership of more than a five percent interest in any business; or

(2) Holding a position as an officer, director, trustee, partner, employee, or holding any position of management.

e. "Gratuity" means tendering, giving or providing anything of more than nominal monetary value including, but not limited to, cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services,

employment, or contracts of any kind. The exceptions set forth in the *Governor's Code of Conduct, Executive Order 1980-18*, the *4 Pa. Code §7 153(b)*, shall apply.

f. "Immediate family" means a spouse and any unemancipated child.

g. "Non-bid basis" means a contract awarded or executed by the Commonwealth with Contractor without seeking bids or proposals from any other potential bidder or offeror.

h. "Political contribution" means any payment, gift, subscription, assessment, contract, payment for services, dues, loan, forbearance, advance or deposit of money or any valuable thing, to a candidate for public office or to a political committee, including but not limited to a political action committee, made for the purpose of influencing any election in the Commonwealth of Pennsylvania or for paying debts incurred by or for a candidate or committee before or after any election.

NONDISCRIMINATION/SEXUAL HARASSMENT CLAUSE [Contracts]

The Contractor agrees:

1. In the hiring of any employee(s) for the manufacture of supplies, performance of work, or any other activity required under the contract or any subcontract, the Contractor, each subcontractor, or any person acting on behalf of the Contractor or subcontractor shall not, by reason of gender, race, creed, or color, discriminate against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.

2. Neither the Contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate against or intimidate any employee involved in the manufacture of supplies, the performance of work, or any other activity required under the contract on account of gender, race, creed, or color.

3. The Contractor and each subcontractor shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.

4. The Contractor and each subcontractor shall not discriminate, by reason of gender, race, creed, or color against any subcontractor or supplier who is qualified to perform the work to which the contracts relates.

5. The Contractor and each subcontractor shall, within the time periods requested by the Commonwealth, furnish all necessary employment documents and records and permit access to their books, records, and accounts by the contracting agency and the Bureau of Minority and Women Business Opportunities (BMWBO), for purpose of ascertaining compliance with provisions of this Nondiscrimination/Sexual Harassment Clause. Within fifteen (15) days after award of any contract, the Contractor shall be required to complete, sign and submit Form STD-21, the "Initial Contract Compliance Data" form. If the contract is a construction contract, then the Contractor shall be required to complete, sign and submit Form STD-28, the "Monthly Contract Compliance Report for Construction Contractors", each month no later than the 15th of the month following the reporting period beginning with the initial job conference and continuing through the completion of the project. Those contractors who have fewer than five employees or whose employees are all from the same family or who have completed the Form STD-21 within the past 12 months may, within the 15 days, request an exemption from the Form STD-21 submission requirement from the contracting agency.

6. The Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that those provisions applicable to subcontractors will be binding upon each subcontractor.

7. The Commonwealth may cancel or terminate the contract and all money due or to become due under the contract may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the agency may proceed with debarment or suspension and may place the Contractor in the Contractor Responsibility File.

Exhibit A

Contractor Responsibility Provisions

For the purpose of these provisions, the term contractor is defined as any person, including, but not limited to, a bidder, offeror, loan recipient, grantee or lessor, who has furnished or performed or seeks to furnish or perform, goods, supplies, services, leased space, construction or other activity, under a contract, grant, lease, purchase order or reimbursement agreement with the Commonwealth of Pennsylvania (Commonwealth). The term contractor includes a permittee, licensee, or any agency, political subdivision, instrumentality, public authority, or other public entity in the Commonwealth.

1. The Contractor certifies, in writing, for itself and its subcontractors required to be disclosed or approved by the Commonwealth, that as of the date of its execution of this Bid/Contract, that neither the Contractor, nor any such subcontractors, are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the Contractor cannot so certify, then it agrees to submit, along with its Bid/Contract, a written explanation of why such certification cannot be made.

2. The Contractor also certifies, in writing, that as of the date of its execution of this Bid/Contract it has no tax liabilities or other Commonwealth obligations, or has filed a timely administrative or judicial appeal if such liabilities or obligations exist, or is subject to a duly approved deferred payment plan if such liabilities exist.

3. The Contractor's obligations pursuant to these provisions are ongoing from and after the effective date of the Contract through the termination date thereof. Accordingly, the Contractor shall have an obligation to inform the Commonwealth if, at any time during the term of the Contract, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or, to the best knowledge of the Contractor, any of its subcontractors are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or debarment.

4. The failure of the Contractor to notify the Commonwealth of its suspension or debarment by the Commonwealth, any other state, or the federal government shall constitute an event of default of the Contract with the Commonwealth.

5. The Contractor agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of State Inspector General for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the Commonwealth that results in the suspension or debarment of the contractor. Such costs shall include, but shall not be limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Contractor shall not be responsible for investigative costs for investigations that do not result in the Contractor's suspension or debarment.

6. The Contractor may obtain a current list of suspended and debarred Commonwealth contractors by either searching the Internet at **http://www.dgs.state.pa.us/** or contacting the:

Department of General Services
Office of Chief Counsel
603 North Office Building
Harrisburg, PA 17125
Telephone No: (717) 783-6472
FAX No: (717) 787-9138

EXHIBIT A

PROVISIONS CONCERNING THE *AMERICANS WITH DISABILITIES ACT*

For the purpose of these provisions, the term contractor is defined as any person, including, but not limited to, a bidder, offeror, supplier, or grantee, who will furnish or perform or seeks to furnish or perform, goods, supplies, services, construction or other activity, under a purchase order, contract, or grant with the Commonwealth of Pennsylvania (Commonwealth).

During the term of this agreement, the contractor agrees as follows:

1. Pursuant to federal regulations promulgated under the authority of the *Americans with Disabilities Act, 28 C. F. R. § 35.101 et seq.,* the contractor understands and agrees that no individual with a disability shall, on the basis of the disability, be excluded from participation in this agreement or from activities provided for under this agreement. As a condition of accepting and executing this agreement, the contractor agrees to comply with the *"General Prohibitions Against Discrimination," 28 C. F. R. § 35.130,* and all other regulations promulgated under *Title II* of the *Americans with Disabilities Act* which are applicable to the benefits, services, programs, and activities provided by the Commonwealth through contracts with outside contractors.

2. The contractor shall be responsible for and agrees to indemnify and hold harmless the Commonwealth from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against the Commonwealth as a result of the contractor's failure to comply with the provisions of paragraph 1.

EXHIBIT A

PROMISSORY NOTE

FOR VALUE RECEIVED, Dauphin County, a Pennsylvania municipal authority (the "Maker"), does hereby promise to pay to the order of the Commonwealth of Pennsylvania, Department of Transportation (the "Payee") at its office at Harrisburg, Pennsylvania the principal amount of seven million, thirty-four thousand, five hundred eighteen dollars and 00/100 cents ($7,034,518.00) in lawful money of the United States of America and in accordance with a payment schedule to be provided by the Payee, each payable with interest at the rate per annum set forth in the Loan Agreement between the Maker and the Payee made contemporaneously with this Note.

This Note is the Promissory Note to which reference is made in the Loan Agreement, Number 521121, between the Maker and the Payee and is subject to the terms provided therein

Dauphin County

By: _____ 10/22/14
Date

Title: Chairman

PAYMENT GUARANTEED.

Dauphin County

By: _____ 10/22/14
Date

Title. Chairman

EXHIBIT B

MANAGEMENT DIRECTIVE

Commonwealth of Pennsylvania
Governor's Office

Subject: Pennsylvania Electronic Payment Program (PEPP)	***Number:*** 310.30 Amended
Date: May 22, 2009	***By Direction of:*** Mary A. Soderberg, Secretary of the Budget

Contact Agency:
Office of the Budget, Office of Comptroller Operations, Bureau of Payable Services,
Telephone 717-425-6538

This directive establishes policy and defines responsibilities for the use of the Automated Clearing House Network for the processing of non-payroll payments. This amendment updates purpose, definitions, policy and responsibilities to address electronic addenda and encourages the use of electronic addenda to replace paper remittance advice. The Electronic Addenda User Acceptance Agreement is included as an enclosure. This amendment also updates procedures and references resulting from the Office of Comptroller Operations reorganization. Marginal dots are excluded due to major changes.

1. **PURPOSE.** To promote the use of the Automated Clearing House (ACH) Network for the payment of all non-payroll payments not made by the purchasing card.

2. **SCOPE.** Applies to all agencies under the Governor's jurisdiction. Other agencies are encouraged to adopt similar policies.

3. **OBJECTIVE.** To establish ACH and electronic addenda as the preferred payment method for non-payroll payments that cannot be made using the commonwealth purchasing card. The purchasing card is the preferred method of payment for eligible payments equal to or less than $5,000.

4. **DEFINITIONS.**

   a. **Automated Clearing House (ACH) Network.** A highly reliable and efficient nationwide batch-oriented electronic funds transfer system governed by the NACHA Operating Rules which provide for the interbank clearing of electronic payments for participating depository financial institutions. The Federal Reserve and Electronic Payments Network act as ACH Operators, central clearing facilities through which financial institutions transmit or receive ACH entries. Under this process, a payment is transferred electronically from a commonwealth bank account to a payee-designated bank account.

Exhibit C

b. **ACH Payments.** Electronic remittance to individuals or entities that are made electronically within the banking system; eliminate the need to print and mail a check; ensure that a payee receives payment by a specific date; provide an efficient, cost effective, and payee-friendly means of making payments; are environmentally friendly through the reduced use of paper, postage, office supplies, processing time, and storage space; and provide payees with an option to receive electronic addenda.

c. **Eligible Payments.** Non-payroll payments that can be made via ACH in accordance with commonwealth policy. Eligible payments for ACH include those over $5,000 or those which cannot be made with the purchasing card.

d. **Direct Payments.** Payments not associated with a purchase order or not entered via an interface.

e. **Electronic Addenda.** Payment identification data included in the ACH transaction sent to the bank, replacing the paper remittance.

5. **POLICY.** The Pennsylvania Electronic Payment Program (PEPP) establishes ACH and electronic addenda as the preferred method of payment in lieu of issuing checks and mailing remittance advices. Agencies shall adopt and promote ACH and electronic addenda as the preferred method of payment for eligible payments not made by the purchasing card. Both procurement and non-procurement agreements shall contain provisions that establish ACH as the required method of payment. Electronic addenda should be promoted with ACH but is not required. Agencies may grant waivers to these provisions on a case-by-case basis; however, such waivers are strongly discouraged.

6. **RESPONSIBILITIES.**

a. **Agencies** are responsible for:

(1) Including a provision in contracts and grant agreements that requires the payee to participate in PEPP (see Enclosure 1), including a copy of the PEPP enrollment form (see Enclosure 2) or listing the website where it can be obtained and completed online, as applicable (see www.vendorregistration.state.pa.us/cvmu/paper/Forms/ACH-EFTenrollmentform.pdf); and issuing waivers to this provision on a case-by-case basis, only when strong justification exists for such waiver.

(2) Informing payees about the availability of PEPP, encouraging and facilitating payees' enrollment in the program, and providing payees with the necessary forms (see Enclosure 3) or websites for enrollment.

(3) Selecting the ACH payment method in SAP when ACH banking information exists in the vendor master record.

b. **Office of Comptroller Operations, Bureau of Payable Services is** responsible for:

(1) Encouraging payees to participate in PEPP and facilitating their enrollment.

(2) Selecting the ACH payment method in SAP when ACH banking information exists in the vendor master record.

(3) Ensuring contracts and grant agreements include language that requires the vendor to participate in PEPP.

7. PROCEDURES.

a. Action by: Agency.

(1) Determine the need for, and subsequently implement provisions in a contract or grant agreement that require the payee to participate in PEPP.
(2) Provide a copy of the PEPP enrollment form to be completed by the payee in paper or electronic format.

(3) Encourage the payee to enroll in PEPP and eliminate the need for paper remittance by receiving electronic addenda.

b. Action by: Office of Comptroller Operations, Bureau of Payable Services.

(1) Receive PEPP enrollment form and electronic addenda information, if applicable, from payee and review for completeness and accuracy.

(2) Update the payee record in the commonwealth's central vendor master file to reflect ACH and electronic addenda information.

(3) Select ACH payment method when processing payment to payee, if ACH information exists in the vendor master record.

(4) Ensure that contracts and grant agreements include language that requires the payee to participate in PEPP.

Enclosure 1 - Standard Provisions
Enclosure 2 - PEPP Enrollment Form
Enclosure 3 – Electronic Addenda User Acceptance Agreement

This directive replaces, in its entirety, *Management Directive 310.30* dated May 24, 2007.

The following standard provisions should be included in the respective contracts or grant agreements:

For Procurement Contracts:

a. The commonwealth will make contract payments through ACH. Within 10 days of award of the contract or purchase order, the contractor must submit or must have already submitted its ACH information within its user profile in the commonwealth's procurement system (SRM). At the time of submitting ACH information, the contractor will also be able to enroll to receive remittances via electronic addenda.

b. The contractor must submit a unique invoice number with each invoice submitted The unique invoice number will be listed on the Commonwealth of Pennsylvania's ACH remittance advice to enable the contractor to properly apply the state agency's payment to the invoice submitted.

c. It is the responsibility of the contractor to ensure that the ACH information contained in SRM is accurate and complete. Failure to maintain accurate and complete information may result in delays in payments.

For use in grant agreements:

a. The commonwealth will make payments to the recipient through ACH. Within 10 days of the grant award, the recipient must submit or must have already submitted its ACH and electronic addenda information, if desired, to the commonwealth's Payable Service Center, Vendor Data Management Unit at 717-214-0140 (FAX) or by mail to the Office of Comptroller Operations, Bureau of Payable Services, Payable Service Center, Vendor Data Management Unit, 555 Walnut Street – 9th Floor, Harrisburg, PA 17101.

b. The recipient must submit a unique invoice number with each invoice submitted. The unique invoice number will be listed on the Commonwealth of Pennsylvania's ACH remittance advice to enable the recipient to properly apply the state agency's payment to the respective invoice or program.

c. It is the responsibility of the recipient to ensure that the ACH information contained in the commonwealth's central vendor master file is accurate and complete. Failure to maintain accurate and complete information may result in delays in payments.

Commonwealth of Pennsylvania
Pennsylvania Electronic Payment Program (PEPP) Enrollment Form

Only the Owner of the Bank Account or an Authorized Company Official may request payments via ACH.

ACTION REQUESTED: (check one) ☐ NEW ☐ CHANGE ☐ STOP

Recipient Information (Please PRINT or TYPE Information)

Federal Taxpayer
Identification Number: _____

SAP Vendor Number: _____

Name: _____

If receiving payments from PA Dept of Transportation, identify type of payments to be deposited

_____

Street Address: _____
Or
PO Box: _____

City: _____ State: _____ Zip Code: _____

Financial Institution Information

Account Type: (check one) ☐ CHECKING ☐ SAVINGS

Bank Routing Number (9-digit number): _____

Bank Account Number: _____

Bank Name: _____

Bank Street Address. _____
Or
PO Box: _____

City: _____ State _____ Zip Code: _____ Phone # _____

Please inform your financial institution that you will be having ACH transactions posted to the above account. Please provide a contact person and phone number for recipient. Please notify Commonwealth of PA, Bureau of Payable Services, Payable Service Center Vendor Data Management Unit, at 717-346-2676 (Fax 717-214-0140) if you change your financial institution or account number.

Contact: _____ Phone No.: _____

_____

Signature and Title of Account Holder or Authorized Official Date

Electronic addenda will provide electronic documentation of payments from the Commonwealth of Pennsylvania to a vendor's financial institution when the payments are deposited to the vendor's account. Electronic addenda will replace paper remittance advices

Commonwealth of Pennsylvania
Electronic Addenda User Acceptance Agreement

Vendor Name: _____

Vendor Taxpayer Identification Number: _____

Vendor Number: _____

Vendor accepts all of the following requirements/conditions:

- Vendor waives receipt of paper remittance advices for all payments made by the Commonwealth of Pennsylvania through the SAP accounts payable system.
- Vendor will establish receipt of electronic addenda and notification method with financial institution (addenda will be sent in PPD+ format).
- Vendor is responsible for any fees associated with electronic addenda that may be charged by financial institution.
- Vendor understands that payment information is limited to non-confidential payments
- Vendor understands that receipt of electronic addenda does not apply to Commonwealth agencies issuing payments outside of the SAP accounts payable system.

Authorized signature:

Name: (please print) _____ Title: _____

Signature: _____ Date: _____

Phone: _____ Fax: _____

Please fax completed Agreement to the Commonwealth of Pennsylvania's Vendor Data Management Unit at 717-214-0140. Questions may be directed to the Vendor Data Management Unit in Harrisburg at 717-346-2676 or toll free, outside of the Harrisburg area, at 877-435-7363.

Contract Provisions – Right to Know Law 8-K-1532

a. The Pennsylvania Right-to-Know Law, 65 P S. §§ 67.101-3104, ("RTKL") applies to this Contract. For the purpose of these provisions, the term "the Commonwealth" shall refer to the contracting Commonwealth agency.

b. If the Commonwealth needs the Contractor's assistance in any matter arising out of the RTKL related to this Contract, it shall notify the Contractor using the legal contact information provided in this Contract. The Contractor, at any time, may designate a different contact for such purpose upon reasonable prior written notice to the Commonwealth.

c. Upon written notification from the Commonwealth that it requires the Contractor's assistance in responding to a request under the RTKL for information related to this Contract that may be in the Contractor's possession, constituting, or alleged to constitute, a public record in accordance with the RTKL ("Requested Information"), the Contractor shall:

1. Provide the Commonwealth, within ten (10) calendar days after receipt of written notification, access to, and copies of, any document or information in the Contractor's possession arising out of this Contract that the Commonwealth reasonably believes is Requested Information and may be a public record under the RTKL; and

2. Provide such other assistance as the Commonwealth may reasonably request, in order to comply with the RTKL with respect to this Contract.

d. If the Contractor considers the Requested Information to include a request for a Trade Secret or Confidential Proprietary Information, as those terms are defined by the RTKL, or other information that the Contractor considers exempt from production under the RTKL, the Contractor must notify the Commonwealth and provide, within seven (7) calendar days of receiving the written notification, a written statement signed by a representative of the Contractor explaining why the requested material is exempt from public disclosure under the RTKL.

e. The Commonwealth will rely upon the written statement from the Contractor in denying a RTKL request for the Requested Information unless the Commonwealth determines that the Requested Information is clearly not protected from disclosure under the RTKL. Should the Commonwealth determine that the Requested Information is clearly not exempt from disclosure, the Contractor shall provide the Requested Information within five (5) business days of receipt of written notification of the Commonwealth's determination

f. If the Contractor fails to provide the Requested Information within the time period required by these provisions, the Contractor shall indemnify and hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of the Contractor's failure, including any statutory damages assessed against the Commonwealth.

Exhibit D

g. The Commonwealth will reimburse the Contractor for any costs associated with complying with these provisions only to the extent allowed under the fee schedule established by the Office of Open Records or as otherwise provided by the RTKL if the fee schedule is inapplicable

h. The Contractor may file a legal challenge to any Commonwealth decision to release a record to the public with the Office of Open Records, or in the Pennsylvania Courts, however, the Contractor shall indemnify the Commonwealth for any legal expenses incurred by the Commonwealth as a result of such a challenge and shall hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of the Contractor's failure, including any statutory damages assessed against the Commonwealth, regardless of the outcome of such legal challenge. As between the parties, the Contractor agrees to waive all rights or remedies that may be available to it as a result of the Commonwealth's disclosure of Requested Information pursuant to the RTKL

i The Contractor's duties relating to the RTKL are continuing duties that survive the expiration of this Contract and shall continue as long as the Contractor has Requested Information in its possession.

Exhibit D

AGREEMENT NO. 521121
FEDERAL ID NO. 23-600-3043
SAP VENDOR NO. _____
Business Partner NO._____
Loan NO._____

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORATION

INFRASTRUCTURE BANK LOAN AGREEMENT

THIS LOAN AGREEMENT, made the _____ day of _____, 2014, between the Commonwealth of Pennsylvania, Department of Transportation, with offices at P.O. Box 3365, Harrisburg, Dauphin County, Pennsylvania, 17105-3365, hereinafter called the DEPARTMENT,

and

Dauphin County with offices at 2 South Second Street 4th floor, Harrisburg, Dauphin County, Pennsylvania 17101-1295, hereinafter called the BORROWER.

W I T N E S S E T H:

WHEREAS, the DEPARTMENT, pursuant to Section 2015 of the Administrative Code of 1929, Act of November 26, 1997, No. 57, is empowered to make loans for infrastructure improvements in accordance with Federal law (Section 350 of the National Highway System Designation Act of 1995, Public Law 104-59, 23 U.S.C. §101 note and related provisions); and,

WHEREAS, the BORROWER will be adding a second installment to the Dauphin County Infrastructure Bank as specified in the loan application and incorporated into this agreement by reference, hereinafter called the PROJECT; and,

WHEREAS, the BORROWER is an eligible borrower under the Code and the Act, and,

WHEREAS, the BORROWER wishes to borrow an amount not to exceed seven million, thirty-four thousand, five hundred eighteen dollars and 00/100 cents (7,034,518.00), to construct the PROJECT and to be repaid over a period not to exceed ten (10) years; and,

WHEREAS, the BORROWER has approved, by lawful action, the incurring of indebtedness and the taking of such other action necessary to secure a loan from the DEPARTMENT to construct the PROJECT; and,

NOW, THEREFORE, the parties, in consideration of the foregoing premises and of the promises herein contained, intending to be legally bound, agree as follows:

1. ***Loan Amount:*** The DEPARTMENT agrees to lend to the BORROWER a principal amount not to exceed seven million, thirty-four thousand, five hundred eighteen dollars and 00/100 cents (7,034,518.00) (the Loan Proceeds).

2. ***Source of Loan Funds:*** Funds for the Loan Proceeds shall be taken from the Highway Account of the Pennsylvania Infrastructure Bank.

3. ***Use of Loan Funds:*** The BORROWER shall use all Loan Proceeds solely for the PROJECT.

4. ***Disbursement:*** The Loan Proceeds shall be disbursed in a single payment upon the execution of this Agreement.

5. ***Account:*** The BORROWER shall deposit all loan proceeds in a separate PROJECT account maintained by the BORROWER. **The BORROWER will provide copies of all account statements to the DEPARTMENT within fifteen (15) days of receipt.** Any income earned by the BORROWER from the loan proceeds may be used towards the repayment of the loan. Any excess interest income must be returned to the DEPARTMENT with the final loan repayment. The BORROWER shall maintain full and complete records of all receipts and disbursements of these funds for three (3) years from the date of final loan

repayment for inspection and/or audit. The DEPARTMENT, or any of its authorized officers, agents or employees, shall have full and complete access to the records to inspect, copy, or carry them away, at any reasonable time during the term of this agreement or the three (3) year retention period. The account and records shall comply with generally accepted accounting practices.

6. ***Repayment Terms***: The BORROWER shall pay to the order of the DEPARTMENT the principal amount of seven million, thirty-four thousand, five hundred eighteen dollars and 00/100 cents (7,034,518.00). Interest shall accrue on the unpaid principal balance at the rate of 1.625% per annum. The BORROWER shall repay the principal and interest of the loan in ten (10) consecutive annual payments due and payable beginning on **or before the first day of the month following the first annual anniversary of the loan disbursement.** The payment schedule will be provided to the BORROWER based on the date of the actual loan disbursement.

7. ***Prepayments:*** The BORROWER may prepay the Loan in whole at any time or in part from time to time, without penalty or premium but with accrued interest to the date of such prepayment on the amount prepaid. Each partial prepayment shall be in the aggregate principal amount of one thousand dollars ($1,000) or an integral

multiple thereof. Each partial prepayment shall be applied to the principal installments in the inverse order of their maturities.

8. ***Late or Incomplete Payments:*** If the DEPARTMENT has not received the full amount of any due payment by the end of fifteen (15) business days after the date that it is due, the BORROWER will pay a late charge of one percent (1%) of the overdue payment of principal and interest. The late charge shall be paid no later than forty-five (45) days past the payment due date. Failure to pay all amounts currently due, including the late charge shall result in either a declaration of default or the payment and late charge taken from the loan security without the declaring of default by the DEPARTMENT.

9. ***Repayments:*** The BORROWER shall make all repayments in the form of a check made payable to "Commonwealth of Pennsylvania" and addressed as follows:

Commonwealth of Pennsylvania
Office of Comptroller Operations
Special Accounting Division / Transportation
555 Walnut Street
Harrisburg, PA 17101

10. ***Fees:*** The BORROWER shall pay to the DEPARTMENT the amount of zero dollars ($0.00), which shall represent all origination, loan management, and other administrative costs incurred by the DEPARTMENT in connection with this loan.

11. ***Compliance with law:*** The BORROWER hereby certifies and covenants that:

a) All acts, conditions, and things required to be done, to happen, or to be performed as conditions precedent to issuance of this loan or in creation of debt have happened or have been performed in due and regular form and manner, as required by law.

b) That the BORROWER has included the amount of debt service for this loan in its budget for each fiscal year in which sums are payable.

c) That the BORROWER shall duly and punctually pay or cause to be paid the principal of this loan and any interest due as stated in this Agreement.

d) The debt incurred by this loan, together with any other indebtedness of the BORROWER, does not exceed any legal limitation upon the BORROWER.

e) The BORROWER shall provide a certified resolution authorizing execution of this Agreement, in form and substance satisfactory to the DEPARTMENT and legal counsel to the DEPARTMENT.

12. ***Default:*** Upon the occurrence of any default which default is not cured within thirty (30) days after receipt of written notice from the DEPARTMENT, the unpaid principal balance plus any accrued interest plus any other sums payable under this agreement shall become due and payable immediately and without further notice to the BORROWER. Any of the following shall constitute default:

a) Failure of the BORROWER to make a payment of principal within ten (10) days of when due.

b) Failure of the BORROWER to observe all or any one of the terms of this agreement.

c) A materially false or erroneous statement, certificate, report, representation, or warranty made by the BORROWER in connection with the loan or this Agreement.

d) Use of the Loan Proceeds for purposes other than the PROJECT.

e) The BORROWER (i) becomes insolvent, (ii) admits its inability to pay its debts as they come due, (iii) makes an assignment to the benefit of its creditors, (iv) is adjudicated bankrupt or insolvent, (v) voluntarily initiates proceedings under any bankruptcy or reorganization law, (vi) becomes the subject of any involuntary proceedings under any bankruptcy or reorganization law that is not discharged within sixty (60) days from its initiation, or (vii) seeks to take advantage of any moratorium law.

f) A receiver, liquidator, or trustee is appointed for the BORROWER and is not discharged within sixty (60) days.

13. ***Remedies upon default:*** Upon a default, the DEPARTMENT may withhold all or part of the BOROWER's Liquid Fuels Tax allocation under the Liquid Fuels Municipal Allocation Law, Act of June 1, 1956 (P.L. (1955)1944), or under 75 Pa.C.S. Chapter 95 or any other statute or regulation, or impose such other penalties as the DEPARTMENT may prescribe.

14. ***Indemnity:*** The BORROWER shall indemnify, hold harmless, and defend the Commonwealth, its agencies, officers, agents, and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, or any other person,

firm, or corporation furnishing work, supplies, or services in connection with the PROJECT, and from any and all claims and losses accruing or resulting to any person, firm, corporation, or other entity who may be injured or damaged by the BORROWER or any agent, employee, or independent contractor of the BORROWER in the performance of the PROJECT.

15. ***Continuation of representations and warranties:*** All of the representations and warranties of the BORROWER set forth in this Agreement shall survive and continue until the loan is paid in full and all of the BORROWER's obligations hereunder have been satisfied.

16. ***Severability:*** If any of the terms, covenants, conditions, or provisions of this Agreement are adjudged to be invalid or unenforceable, then that invalidity or unenforceability shall not render any other term, covenant, condition, or provision of this agreement invalid or unenforceable.

17. ***No Waiver:*** No delay or failure by the DEPARTMENT in exercising any right, power, or privilege conferred by this Agreement or any provision of law shall be deemed a waiver of that right, power, or privilege; nor shall any single or partial exercise thereof or any abandonment, waiver, or discontinuance of steps to

enforce such a right, power, or privilege be deemed a waiver of any other or further exercise thereof, or of any other right, power, or privilege. The DEPARTMENT's rights and remedies under this Agreement are cumulative and concurrent and do not exclude any rights or remedies that it might otherwise have. The DEPARTMENT shall have the right to strictly enforce this Agreement, notwithstanding any conduct or custom by the DEPARTMENT in refraining from doing so. If the DEPARTMENT fails to enforce its rights under this Agreement, then it shall not be considered as having created a custom contrary to this Agreement or as having modified or waived any part of this Agreement.

18. ***Form of Approval:*** Any permit, consent, approval, or waiver of any kind by the DEPARTMENT must be in writing and executed by the DEPARTMENT and shall be effective only to the extent specifically set forth in that writing.

19. ***Entire Agreement:*** This Agreement constitutes the entire Agreement between the parties. This Agreement may be modified as outlined in Section 27 of this Agreement.

20. ***Form of Notice:*** Any notices or consents required or permitted by this Agreement shall be deemed sufficient if in writing and addressed to the BORROWER, attention: Chair, Board of

Supervisors, the BORROWER or the DEPARTMENT, as applicable, and shall be deemed to be delivered if delivered in person or sent by certified or registered mail, postage prepaid, return receipt requested, addressed to the BORROWER or the DEPARTMENT at the addresses set forth at the beginning of this Agreement. Notice shall be effective upon delivery if delivered in person or on the second business day following mailing if mailed.

21. ***Additional Instruments:*** The BORROWER shall execute any additional instruments that the DEPARTMENT requests to further confirm and assure the interests and rights created or intended to be created in favor of the DEPARTMENT under this Agreement.

22. ***Nonassignability:*** This Agreement shall be binding upon the BORROWER and the DEPARTMENT and their respective successors and assigns, except that the BORROWER may not assign its rights without the DEPARTMENT'S prior written consent.

23. ***No Attachment by Creditors: No Cause of Action:*** The parties do not intend the benefits of this Agreement to inure to any third party. No portion of the DEPARTMENT'S commitment to make the loan will be subject to attachment or levy by any creditor of the BORROWER or by any contractor, subcontractor, material person, or supplier, or any creditor of any contractor, subcontractor, material

person, or supplier. Notwithstanding anything contained in any document executed in connection with this transaction, or any conduct or course of conduct by any of the parties hereto, before or after signing this Agreement, this Agreement shall not be construed as creating any rights, claims, or causes of action against the Commonwealth, or any agency, officer, agent, or employee thereof, in favor of any contractor, subcontractor, supplier of labor or materials, or any of their respective creditors, or any other person or entity other than the DEPARTMENT.

24. ***Incorporation by reference:*** The BORROWER accepts and agrees to comply with the Contractor Integrity Provisions, the Provisions Concerning the Americans with Disability Act, Commonwealth Nondiscrimination /Sexual Harassment Clause, and the Contractor Responsibilities Provisions which are attached to this agreement collectively as **Exhibit A** and are incorporated into this paragraph by reference.

25. ***Catalog of Domestic Assistance Information***: Contract No. 521121 is, expenditure amount of seven million, thirty-four thousand, five hundred eighteen dollars and 00/100 cents (7,034,518.00) (100%) for state funds. The related State assistance program name and number is 471.

26. ***Offset Provision:*** The BORROWER agrees that the Commonwealth may offset the amount of any state tax or Commonwealth liability of the BORROWER or its affiliates and subsidiaries that is owed to the Commonwealth against any payments due the BORROWER under this or any other contract with the Commonwealth.

27. ***Modifications to the Agreement:*** The DEPARTMENT or the BORROWER may amend the provisions of the Agreement by letter from the Deputy Secretary for Planning or his/her designee or by the BORROWER. Both parties shall agree to the change by letter.

28. ***Promissory Note:*** The BORROWER's obligation to repay the Loan Proceeds shall be evidenced by a promissory note (the "Note"), **Exhibit B**, payable to the order of the DEPARTMENT in the principal amount of the loan. The BORROWER shall provide the DEPARTMENT with a copy of a duly executed debt ordinance and Note, approved by the Commonwealth of Pennsylvania, Department of Community and Economic Development under the Local Government Unit Debt Act. The DEPARTMENT must receive the executed ordinance and Note, in a form approved by the Department of Community and Economic Development, before any funds will be disbursed by the DEPARTMENT.

29. ***U.S. Government Disclaimer:*** Financial assistance from the Pennsylvania Infrastructure Bank does not constitute a commitment, guarantee or obligation of the United States.

30. ***Payment:*** Payment described herein shall be made in accordance with Commonwealth Management Directive 310.30, issued May 22, 2009, relating to the Pennsylvania Electronic Payment Program and the establishment of the Automated Clearing House Network ("ACH") as the Commonwealth's preferred method of payment. The following provisions apply:

(a) The DEPARTMENT will make payments to the BORROWER through ACH. Within 10 days of executing this Supplemental Agreement, the BORROWER must submit or must have already submitted its ACH information on a ACH enrollment form **(Exhibit C)** obtained at **www.vendorregistration.state.pa.us/cvmu/paper/Forms/ACH-EFTenrollmentform.pdf)** and electronic addenda information, if desired, to the Commonwealth's Payable Service Center, Vendor Data Management Unit at 717-214-0140 (FAX) or by mail to the Office of Comptroller Operations, Bureau of Payable Services, Payable Service Center, Vendor Data Management Unit, 555 Walnut Street—9th Floor, Harrisburg, PA 17101.

(b) The BORROWER must submit a unique invoice number with each invoice submitted. The unique invoice number will be listed on the Commonwealth of Pennsylvania's ACH remittance advice to enable the BORROWER to properly apply the state agency's payment to the respective invoice or program.

(c) It is the responsibility of the BORROWER to ensure that the ACH information contained in the Commonwealth's Central Vendor Master File is accurate and complete. Failure to maintain accurate and complete information may result in delays in payments.

31. ***Right-to-Know Law:*** The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101–3104, applies to this Agreement. Therefore, this Agreement is subject to, and the BORROWER shall comply with, the clause entitled Contract Provisions – Right to Know Law 8-K-1532, attached as **Exhibit D** and incorporated into this paragraph by reference. As used in this clause, the term "Contractor" refers to the BORROWER.

IN WITNESS WHEREOF, the parties have executed this Agreement the date first above written.

ATTEST

Title: Chief Clerk 10/22/14 DATE

CHAIR, BOARD OF SUPERVISORS
Dauphin County

BY _____ 10/22/14
Title: Chairman DATE

If a Corporation, the President or Vice-president must sign and the Secretary, Treasurer, Assistant Secretary or Assistant Treasurer must attest; if a sole proprietorship, only the owner must sign; if a partnership, only one partner need sign; if a limited partnership, only the general partner must sign. If a Municipality, Authority or other government entity, please attach a resolution.

DO NOT WRITE BELOW THIS LINE--FOR COMMONWEALTH USE ONLY

APPROVED

BY _____
PIB Manager DATE

APPROVED AS TO LEGALITY
AND FORM

BY _____
for Chief Counsel DATE

BY _____
Deputy General Counsel DATE

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORTATION

BY _____
Deputy Secretary of Transportation DATE

FUNDS COMMITMENT DOC. NO. _____
CERTIFIED FUNDS AVAILABLE UNDER
SAP NO. _____
SAP COST CENTER _____
GL. ACCOUNT _____

AMOUNT _____

BY _____
Deputy Attorney General DATE

BY _____
for Comptroller DATE

MISCELLANEOUS

CONTRACTOR INTEGRITY PROVISIONS

It is essential that those who seek to contract with the Commonwealth of Pennsylvania ("Commonwealth") observe high standards of honesty and integrity. They must conduct themselves in a manner that fosters public confidence in the integrity of the Commonwealth procurement process.

In furtherance of this policy, Contractor agrees to the following:

1. Contractor shall maintain the highest standards of honesty and integrity during the performance of this contract and shall take no action in violation of state or federal laws or regulations or any other applicable laws or regulations, or other requirements applicable to Contractor or that govern contracting with the Commonwealth.

2. Contractor shall establish and implement a written business integrity policy, which includes, at a minimum, the requirements of these provisions as they relate to Contractor employee activity with the Commonwealth and Commonwealth employees, and which is distributed and made known to all Contractor employees.

3. Contractor, its affiliates, agents and employees shall not influence, or attempt to influence, any Commonwealth employee to breach the standards of ethical conduct for Commonwealth employees set forth in the *Public Official and Employees Ethics Act, 65 Pa.C.S. §§1101 et seq.*; the *State Adverse Interest Act, 71 P.S. §776.1 et seq.*; and the *Governor's Code of Conduct, Executive Order 1980-18, 4 Pa. Code §7.151 et seq.*, or to breach any other state or federal law or regulation.

4. Contractor, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person at the direction or request of any Commonwealth official or employee.

5. Contractor, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person, the acceptance of which would violate the *Governor's Code of Conduct, Executive Order 1980-18, 4 Pa. Code §7.151 et seq.* or any statute, regulation, statement of policy, management directive or any other published standard of the Commonwealth.

6. Contractor, its affiliates, agents and employees shall not, directly or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any Commonwealth official or employee.

7. Contractor, its affiliates, agents, employees, or anyone in privity with him or her shall not accept or agree to accept from any person, any gratuity in connection with the performance of work under the contract, except as provided in the contract.

8. Contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material on this project, unless the financial interest is disclosed to the Commonwealth in writing and the Commonwealth consents to Contractor's financial interest prior to Commonwealth execution of the contract. Contractor shall disclose the financial interest to the Commonwealth at the time of bid or proposal submission, or if no bids or proposals are solicited, no later than Contractor's submission of the contract signed by Contractor.

9. Contractor, its affiliates, agents and employees shall not disclose to others any information, documents, reports, data, or records provided to, or prepared by, Contractor under this contract without the prior written approval of the Commonwealth, except as required by the *Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104*, or other applicable law or as otherwise provided in this contract. Any information, documents, reports, data, or records secured by Contractor from the Commonwealth or a third party in connection with the performance of this contract shall be kept confidential unless disclosure of such information is:

   a. Approved in writing by the Commonwealth prior to its disclosure; or

   b. Directed by a court or other tribunal of competent jurisdiction unless the contract requires prior Commonwealth approval; or

   c. Required for compliance with federal or state securities laws or the requirements of national securities exchanges; or

   d. Necessary for purposes of Contractor's internal assessment and review; or

   e. Deemed necessary by Contractor in any action to enforce the provisions of this contract or to defend or prosecute claims by or against parties other than the Commonwealth; or

   f. Permitted by the valid authorization of a third party to whom the information, documents, reports, data, or records pertain; or

   g. Otherwise required by law.

10. Contractor certifies that neither it nor any of its officers, directors, associates, partners, limited partners or individual owners has been officially notified of, charged with, or convicted of any of the following and agrees to immediately notify the Commonwealth agency contracting officer in writing if and when it or any officer, director, associate, partner, limited partner or individual owner has been officially notified of, charged with, convicted of, or officially notified of a governmental determination of any of the following:

a. Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property.

b. Commission of fraud or a criminal offense or other improper conduct or knowledge of, approval of or acquiescence in such activities by Contractor or any affiliate, officer, director, associate, partner, limited partner, individual owner, or employee or other individual or entity associated with:

(1) obtaining;

(2) attempting to obtain; or

(3) performing a public contract or subcontract.

Contractor's acceptance of the benefits derived from the conduct shall be deemed evidence of such knowledge, approval or acquiescence.

c. Violation of federal or state antitrust statutes.

d. Violation of any federal or state law regulating campaign contributions.

e. Violation of any federal or state environmental law.

f. Violation of any federal or state law regulating hours of labor, minimum wage standards or prevailing wage standards; discrimination in wages; or child labor violations.

g. Violation of the *Act of June 2, 1915 (P.L.736, No. 338)*, known as the *Workers' Compensation Act,* 77 P.S. 1 *et seq.*

h. Violation of any federal or state law prohibiting discrimination in employment.

i. Debarment by any agency or department of the federal government or by any other state.

j. Any other crime involving moral turpitude or business honesty or integrity.

Contractor acknowledges that the Commonwealth may, in its sole discretion, terminate the contract for cause upon such notification or when the Commonwealth otherwise learns that Contractor has been officially notified, charged, or convicted.

11. If this contract was awarded to Contractor on a non-bid basis, Contractor must, (as required by *Section 1641* of the *Pennsylvania Election Code*) file a report of political

contributions with the Secretary of the Commonwealth on or before February 15 of the next calendar year. The report must include an itemized list of all political contributions known to Contractor by virtue of the knowledge possessed by every officer, director, associate, partner, limited partner, or individual owner that has been made by:

a. Any officer, director, associate, partner, limited partner, individual owner or members of the immediate family when the contributions exceed an aggregate of one thousand dollars ($1,000) by any individual during the preceding year; or

b. Any employee or members of his immediate family whose political contribution exceeded one thousand dollars ($1,000) during the preceding year.

To obtain a copy of the reporting form, Contractor shall contact the Bureau of Commissions, Elections and Legislation, Division of Campaign Finance and Lobbying Disclosure, Room 210, North Office Building, Harrisburg, PA 17120.

12. Contractor shall comply with requirements of the *Lobbying Disclosure Act, 65 Pa.C.S. § 13A01 et seq.*, and the regulations promulgated pursuant to that law. Contractor employee activities prior to or outside of formal Commonwealth procurement communication protocol are considered lobbying and subjects the Contractor employees to the registration and reporting requirements of the law. Actions by outside lobbyists on Contractor's behalf, no matter the procurement stage, are not exempt and must be reported.

13. When Contractor has reason to believe that any breach of ethical standards as set forth in law, the Governor's Code of Conduct, or in these provisions has occurred or may occur, including but not limited to contact by a Commonwealth officer or employee which, if acted upon, would violate such ethical standards, Contractor shall immediately notify the Commonwealth contracting officer or Commonwealth Inspector General in writing.

14. Contractor, by submission of its bid or proposal and/or execution of this contract and by the submission of any bills, invoices or requests for payment pursuant to the contract, certifies and represents that it has not violated any of these contractor integrity provisions in connection with the submission of the bid or proposal, during any contract negotiations or during the term of the contract.

15. Contractor shall cooperate with the Office of Inspector General in its investigation of any alleged Commonwealth employee breach of ethical standards and any alleged Contractor non-compliance with these provisions. Contractor agrees to make identified Contractor employees available for interviews at reasonable times and places. Contractor, upon the inquiry or request of the Office of Inspector General, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Inspector General to Contractor's integrity and compliance with these provisions. Such information may include, but shall not be limited to, Contractor's

business or financial records, documents or files of any type or form that refers to or concern this contract.

16. For violation of any of these Contractor Integrity Provisions, the Commonwealth may terminate this and any other contract with Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all additional costs and expenses incurred in obtaining another contractor to complete performance under this contract, and debar and suspend Contractor from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or non-use of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.

17. For purposes of these Contractor Integrity Provisions, the following terms shall have the meanings found in this Paragraph 17.

a. "Confidential information" means information that a) is not already in the public domain; b) is not available to the public upon request; c) is not or does not become generally known to Contractor from a third party without an obligation to maintain its confidentiality; d) has not become generally known to the public through a act or omission of Contractor; or e) has not been independently developed by Contractor without the use of confidential information of the Commonwealth.

b. "Consent" means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by pre-qualification, bid, proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of execution of this contract.

c. "Contractor" means the individual or entity that has entered into this contract with the Commonwealth, including those directors, officers, partners, managers, and owners having more than a five percent interest in Contractor.

d. "Financial interest" means:

(1) Ownership of more than a five percent interest in any business; or

(2) Holding a position as an officer, director, trustee, partner, employee, or holding any position of management.

e. "Gratuity" means tendering, giving or providing anything of more than nominal monetary value including, but not limited to, cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services,

employment, or contracts of any kind. The exceptions set forth in the *Governor's Code of Conduct, Executive Order 1980-18*, the *4 Pa. Code §7.153(b)*, shall apply.

f. "Immediate family" means a spouse and any unemancipated child.

g. "Non-bid basis" means a contract awarded or executed by the Commonwealth with Contractor without seeking bids or proposals from any other potential bidder or offeror.

h. "Political contribution" means any payment, gift, subscription, assessment, contract, payment for services, dues, loan, forbearance, advance or deposit of money or any valuable thing, to a candidate for public office or to a political committee, including but not limited to a political action committee, made for the purpose of influencing any election in the Commonwealth of Pennsylvania or for paying debts incurred by or for a candidate or committee before or after any election.

NONDISCRIMINATION/SEXUAL HARASSMENT CLAUSE [Contracts]

The Contractor agrees:

1. In the hiring of any employee(s) for the manufacture of supplies, performance of work, or any other activity required under the contract or any subcontract, the Contractor, each subcontractor, or any person acting on behalf of the Contractor or subcontractor shall not, by reason of gender, race, creed, or color, discriminate against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.

2. Neither the Contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate against or intimidate any employee involved in the manufacture of supplies, the performance of work, or any other activity required under the contract on account of gender, race, creed, or color.

3. The Contractor and each subcontractor shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.

4. The Contractor and each subcontractor shall not discriminate by reason of gender, race, creed, or color against any subcontractor or supplier who is qualified to perform the work to which the contracts relates.

5. The Contractor and each subcontractor shall, within the time periods requested by the Commonwealth, furnish all necessary employment documents and records and permit access to their books, records, and accounts by the contracting agency and the Bureau of Minority and Women Business Opportunities (BMWBO), for purpose of ascertaining compliance with provisions of this Nondiscrimination/Sexual Harassment Clause. Within fifteen (15) days after award of any contract, the Contractor shall be required to complete, sign and submit Form STD-21, the "Initial Contract Compliance Data" form. If the contract is a construction contract, then the Contractor shall be required to complete, sign and submit Form STD-28, the "Monthly Contract Compliance Report for Construction Contractors", each month no later than the 15th of the month following the reporting period beginning with the initial job conference and continuing through the completion of the project. Those contractors who have fewer than five employees or whose employees are all from the same family or who have completed the Form STD-21 within the past 12 months may, within the 15 days, request an exemption from the Form STD-21 submission requirement from the contracting agency.

6. The Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that those provisions applicable to subcontractors will be binding upon each subcontractor.

7. The Commonwealth may cancel or terminate the contract and all money due or to become due under the contract may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the agency may proceed with debarment or suspension and may place the Contractor in the Contractor Responsibility File.

Exh. F

A

Contractor Responsibility Provisions

For the purpose of these provisions, the term contractor is defined as any person, including, but not limited to, a bidder, offeror, loan recipient, grantee or lessor, who has furnished or performed or seeks to furnish or perform, goods, supplies, services, leased space, construction or other activity, under a contract, grant, lease, purchase order or reimbursement agreement with the Commonwealth of Pennsylvania (Commonwealth). The term contractor includes a permittee, licensee, or any agency, political subdivision, instrumentality, public authority, or other public entity in the Commonwealth.

1. The Contractor certifies, in writing, for itself and its subcontractors required to be disclosed or approved by the Commonwealth, that as of the date of its execution of this Bid/Contract, that neither the Contractor, nor any such subcontractors, are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the Contractor cannot so certify, then it agrees to submit, along with its Bid/Contract, a written explanation of why such certification cannot be made.

2. The Contractor also certifies, in writing, that as of the date of its execution of this Bid/Contract it has no tax liabilities or other Commonwealth obligations, or has filed a timely administrative or judicial appeal if such liabilities or obligations exist, or is subject to a duly approved deferred payment plan if such liabilities exist.

3. The Contractor's obligations pursuant to these provisions are ongoing from and after the effective date of the Contract through the termination date thereof. Accordingly, the Contractor shall have an obligation to inform the Commonwealth if, at any time during the term of the Contract, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or, to the best knowledge of the Contractor, any of its subcontractors are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or debarment.

4. The failure of the Contractor to notify the Commonwealth of its suspension or debarment by the Commonwealth, any other state, or the federal government shall constitute an event of default of the Contract with the Commonwealth.

5. The Contractor agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of State Inspector General for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the Commonwealth that results in the suspension or debarment of the contractor. Such costs shall include, but shall not be limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Contractor shall not be responsible for investigative costs for investigations that do not result in the Contractor's suspension or debarment.

6. The Contractor may obtain a current list of suspended and debarred Commonwealth contractors by either searching the Internet at **http://www.dgs.state.pa.us/** or contacting the:

Department of General Services
Office of Chief Counsel
603 North Office Building
Harrisburg, PA 17125
Telephone No: (717) 783-6472
FAX No: (717) 787-9138

EXHIBIT A

PROVISIONS CONCERNING THE *AMERICANS WITH DISABILITIES ACT*

For the purpose of these provisions, the term contractor is defined as any person, including, but not limited to, a bidder, offeror, supplier, or grantee, who will furnish or perform or seeks to furnish or perform, goods, supplies, services, construction or other activity, under a purchase order, contract, or grant with the Commonwealth of Pennsylvania (Commonwealth).

During the term of this agreement, the contractor agrees as follows:

1. Pursuant to federal regulations promulgated under the authority of the *Americans with Disabilities Act, 28 C. F. R. § 35.101 et seq.,* the contractor understands and agrees that no individual with a disability shall, on the basis of the disability, be excluded from participation in this agreement or from activities provided for under this agreement. As a condition of accepting and executing this agreement, the contractor agrees to comply with the *"General Prohibitions Against Discrimination;" 28 C. F. R. § 35.130,* and all other regulations promulgated under *Title II* of the *Americans with Disabilities Act* which are applicable to the benefits, services, programs, and activities provided by the Commonwealth through contracts with outside contractors.

2. The contractor shall be responsible for and agrees to indemnify and hold harmless the Commonwealth from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against the Commonwealth as a result of the contractor's failure to comply with the provisions of paragraph 1.

EXHIBIT A

PROMISSORY NOTE

FOR VALUE RECEIVED, Dauphin County, a Pennsylvania municipal authority (the "Maker"), does hereby promise to pay to the order of the Commonwealth of Pennsylvania, Department of Transportation (the "Payee") at its office at Harrisburg, Pennsylvania the principal amount of seven million, thirty-four thousand, five hundred eighteen dollars and 00/100 cents ($7,034,518.00) in lawful money of the United States of America and in accordance with a payment schedule to be provided by the Payee, each payable with interest at the rate per annum set forth in the Loan Agreement between the Maker and the Payee made contemporaneously with this Note.

This Note is the Promissory Note to which reference is made in the Loan Agreement, Number 521121, between the Maker and the Payee and is subject to the terms provided therein.

Dauphin County

By: _____ 10/22/14
Date

Title: Chairman

PAYMENT GUARANTEED.

Dauphin County

By: _____ 10/22/14
Date

Title: Chairman

EXHIBIT B

MANAGEMENT DIRECTIVE

Commonwealth of Pennsylvania
Governor's Office

Subject: Pennsylvania Electronic Payment Program (PEPP)	***Number:*** 310.30 Amended
Date: May 22, 2009	***By Direction of:*** Mary A. Soderberg, Secretary of the Budget

Contact Agency:
Office of the Budget, Office of Comptroller Operations, Bureau of Payable Services, Telephone 717-425-6538

This directive establishes policy and defines responsibilities for the use of the Automated Clearing House Network for the processing of non-payroll payments. This amendment updates purpose, definitions, policy and responsibilities to address electronic addenda and encourages the use of electronic addenda to replace paper remittance advice. The Electronic Addenda User Acceptance Agreement is included as an enclosure. This amendment also updates procedures and references resulting from the Office of Comptroller Operations reorganization. Marginal dots are excluded due to major changes.

1. **PURPOSE.** To promote the use of the Automated Clearing House (ACH) Network for the payment of all non-payroll payments not made by the purchasing card.

2. **SCOPE.** Applies to all agencies under the Governor's jurisdiction. Other agencies are encouraged to adopt similar policies.

3. **OBJECTIVE.** To establish ACH and electronic addenda as the preferred payment method for non-payroll payments that cannot be made using the commonwealth purchasing card. The purchasing card is the preferred method of payment for eligible payments equal to or less than $5,000.

4. **DEFINITIONS.**

   a. **Automated Clearing House (ACH) Network.** A highly reliable and efficient nationwide batch-oriented electronic funds transfer system governed by the NACHA Operating Rules which provide for the interbank clearing of electronic payments for participating depository financial institutions. The Federal Reserve and Electronic Payments Network act as ACH Operators, central clearing facilities through which financial institutions transmit or receive ACH entries. Under this process, a payment is transferred electronically from a commonwealth bank account to a payee-designated bank account.

Exhibit C

b. **ACH Payments.** Electronic remittance to individuals or entities that are made electronically within the banking system; eliminate the need to print and mail a check; ensure that a payee receives payment by a specific date; provide an efficient, cost effective, and payee-friendly means of making payments; are environmentally friendly through the reduced use of paper, postage, office supplies, processing time, and storage space; and provide payees with an option to receive electronic addenda.

c. **Eligible Payments.** Non-payroll payments that can be made via ACH in accordance with commonwealth policy. Eligible payments for ACH include those over $5,000 or those which cannot be made with the purchasing card.

d. **Direct Payments.** Payments not associated with a purchase order or not entered via an interface.

e. **Electronic Addenda.** Payment identification data included in the ACH transaction sent to the bank, replacing the paper remittance.

5. **POLICY.** The Pennsylvania Electronic Payment Program (PEPP) establishes ACH and electronic addenda as the preferred method of payment in lieu of issuing checks and mailing remittance advices. Agencies shall adopt and promote ACH and electronic addenda as the preferred method of payment for eligible payments not made by the purchasing card. Both procurement and non-procurement agreements shall contain provisions that establish ACH as the required method of payment. Electronic addenda should be promoted with ACH but is not required. Agencies may grant waivers to these provisions on a case-by-case basis; however, such waivers are strongly discouraged.

6. **RESPONSIBILITIES.**

a. **Agencies** are responsible for:

(1) Including a provision in contracts and grant agreements that requires the payee to participate in PEPP (see Enclosure 1); including a copy of the PEPP enrollment form (see Enclosure 2) or listing the website where it can be obtained and completed online, as applicable (see www.vendorregistration.state.pa.us/cvmu/paper/Forms/ACH-EFTenrollmentform.pdf); and issuing waivers to this provision on a case-by-case basis, only when strong justification exists for such waiver.

(2) Informing payees about the availability of PEPP, encouraging and facilitating payees' enrollment in the program, and providing payees with the necessary forms (see Enclosure 3) or websites for enrollment.

(3) Selecting the ACH payment method in SAP when ACH banking information exists in the vendor master record.

b. **Office of Comptroller Operations, Bureau of Payable Services** is responsible for:

(1) Encouraging payees to participate in PEPP and facilitating their enrollment.

(2) Selecting the ACH payment method in SAP when ACH banking information exists in the vendor master record.

(3) Ensuring contracts and grant agreements include language that requires the vendor to participate in PEPP.

7. PROCEDURES.

a. Action by: Agency.

(1) Determine the need for, and subsequently implement provisions in a contract or grant agreement that require the payee to participate in PEPP.
(2) Provide a copy of the PEPP enrollment form to be completed by the payee in paper or electronic format.

(3) Encourage the payee to enroll in PEPP and eliminate the need for paper remittance by receiving electronic addenda.

b. Action by: Office of Comptroller Operations, Bureau of Payable Services.

(1) Receive PEPP enrollment form and electronic addenda information, if applicable, from payee and review for completeness and accuracy.

(2) Update the payee record in the commonwealth's central vendor master file to reflect ACH and electronic addenda information.

(3) Select ACH payment method when processing payment to payee, if ACH information exists in the vendor master record.

(4) Ensure that contracts and grant agreements include language that requires the payee to participate in PEPP.

Enclosure 1 - Standard Provisions
Enclosure 2 - PEPP Enrollment Form
Enclosure 3 – Electronic Addenda User Acceptance Agreement

This directive replaces, in its entirety, *Management Directive 310.30* dated May 24, 2007.

The following standard provisions should be included in the respective contracts or grant agreements:

For Procurement Contracts:

a. The commonwealth will make contract payments through ACH. Within 10 days of award of the contract or purchase order, the contractor must submit or must have already submitted its ACH information within its user profile in the commonwealth's procurement system (SRM). At the time of submitting ACH information, the contractor will also be able to enroll to receive remittances via electronic addenda.

b. The contractor must submit a unique invoice number with each invoice submitted. The unique invoice number will be listed on the Commonwealth of Pennsylvania's ACH remittance advice to enable the contractor to properly apply the state agency's payment to the invoice submitted.

c. It is the responsibility of the contractor to ensure that the ACH information contained in SRM is accurate and complete. Failure to maintain accurate and complete information may result in delays in payments.

For use in grant agreements:

a. The commonwealth will make payments to the recipient through ACH. Within 10 days of the grant award, the recipient must submit or must have already submitted its ACH and electronic addenda information, if desired, to the commonwealth's Payable Service Center, Vendor Data Management Unit at 717-214-0140 (FAX) or by mail to the Office of Comptroller Operations, Bureau of Payable Services, Payable Service Center, Vendor Data Management Unit, 555 Walnut Street – 9th Floor, Harrisburg, PA 17101.

b. The recipient must submit a unique invoice number with each invoice submitted. The unique invoice number will be listed on the Commonwealth of Pennsylvania's ACH remittance advice to enable the recipient to properly apply the state agency's payment to the respective invoice or program.

c. It is the responsibility of the recipient to ensure that the ACH information contained in the commonwealth's central vendor master file is accurate and complete. Failure to maintain accurate and complete information may result in delays in payments.

Commonwealth of Pennsylvania
Pennsylvania Electronic Payment Program (PEPP) Enrollment Form

Only the Owner of the Bank Account or an Authorized Company Official may request payments via ACH.

ACTION REQUESTED: (check one) ☐ NEW ☐ CHANGE ☐ STOP

Recipient Information (Please PRINT or TYPE Information)

Federal Taxpayer Identification Number: _____

SAP Vendor Number: _____

Name: _____

If receiving payments from PA Dept of Transportation, identify type of payments to be deposited:

_____

Street Address: _____
Or
PO Box: _____

City: _____ State: _____ Zip Code: _____

Financial Institution Information

Account Type: (check one) ☐ CHECKING ☐ SAVINGS

Bank Routing Number (9-digit number): _____

Bank Account Number: _____

Bank Name: _____

Bank Street Address: _____
Or
PO Box: _____

City: _____ State: _____ Zip Code: _____ Phone # _____

Please inform your financial institution that you will be having ACH transactions posted to the above account. Please provide a contact person and phone number for recipient. Please notify Commonwealth of PA, Bureau of Payable Services, Payable Service Center Vendor Data Management Unit, at 717-346-2676 (Fax 717-214-0140) if you change your financial institution or account number.

Contact: _____ Phone No.: _____

_____

Signature and Title of Account Holder or Authorized Official Date

Electronic addenda will provide electronic documentation of payments from the Commonwealth of Pennsylvania to a vendor's financial institution when the payments are deposited to the vendor's account. Electronic addenda will replace paper remittance advices.

Commonwealth of Pennsylvania
Electronic Addenda User Acceptance Agreement

Vendor Name: _____

Vendor Taxpayer Identification Number: _____

Vendor Number: _____

Vendor accepts all of the following requirements/conditions:

- Vendor waives receipt of paper remittance advices for all payments made by the Commonwealth of Pennsylvania through the SAP accounts payable system.
- Vendor will establish receipt of electronic addenda and notification method with financial institution (addenda will be sent in PPD+ format).
- Vendor is responsible for any fees associated with electronic addenda that may be charged by financial institution.
- Vendor understands that payment information is limited to non-confidential payments.
- Vendor understands that receipt of electronic addenda does not apply to Commonwealth agencies issuing payments outside of the SAP accounts payable system.

Authorized signature:

Name: (please print) _____ Title: _____

Signature: _____ Date: _____

Phone: _____ Fax: _____

Please fax completed Agreement to the Commonwealth of Pennsylvania's Vendor Data Management Unit at 717-214-0140. Questions may be directed to the Vendor Data Management Unit in Harrisburg at 717-346-2676 or toll free, outside of the Harrisburg area, at 877-435-7363.

Contract Provisions – Right to Know Law 8-K-1532

a. The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104, ("RTKL") applies to this Contract. For the purpose of these provisions, the term "the Commonwealth" shall refer to the contracting Commonwealth agency.

b. If the Commonwealth needs the Contractor's assistance in any matter arising out of the RTKL related to this Contract, it shall notify the Contractor using the legal contact information provided in this Contract. The Contractor, at any time, may designate a different contact for such purpose upon reasonable prior written notice to the Commonwealth.

c. Upon written notification from the Commonwealth that it requires the Contractor's assistance in responding to a request under the RTKL for information related to this Contract that may be in the Contractor's possession, constituting, or alleged to constitute, a public record in accordance with the RTKL ("Requested Information"), the Contractor shall:

1. Provide the Commonwealth, within ten (10) calendar days after receipt of written notification, access to, and copies of, any document or information in the Contractor's possession arising out of this Contract that the Commonwealth reasonably believes is Requested Information and may be a public record under the RTKL; and

2. Provide such other assistance as the Commonwealth may reasonably request, in order to comply with the RTKL with respect to this Contract.

d. If the Contractor considers the Requested Information to include a request for a Trade Secret or Confidential Proprietary Information, as those terms are defined by the RTKL, or other information that the Contractor considers exempt from production under the RTKL, the Contractor must notify the Commonwealth and provide, within seven (7) calendar days of receiving the written notification, a written statement signed by a representative of the Contractor explaining why the requested material is exempt from public disclosure under the RTKL.

e. The Commonwealth will rely upon the written statement from the Contractor in denying a RTKL request for the Requested Information unless the Commonwealth determines that the Requested Information is clearly not protected from disclosure under the RTKL. Should the Commonwealth determine that the Requested Information is clearly not exempt from disclosure, the Contractor shall provide the Requested Information within five (5) business days of receipt of written notification of the Commonwealth's determination.

f. If the Contractor fails to provide the Requested Information within the time period required by these provisions, the Contractor shall indemnify and hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of the Contractor's failure, including any statutory damages assessed against the Commonwealth.

Exhibit D

g. The Commonwealth will reimburse the Contractor for any costs associated with complying with these provisions only to the extent allowed under the fee schedule established by the Office of Open Records or as otherwise provided by the RTKL if the fee schedule is inapplicable.

h. The Contractor may file a legal challenge to any Commonwealth decision to release a record to the public with the Office of Open Records, or in the Pennsylvania Courts, however, the Contractor shall indemnify the Commonwealth for any legal expenses incurred by the Commonwealth as a result of such a challenge and shall hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of the Contractor's failure, including any statutory damages assessed against the Commonwealth, regardless of the outcome of such legal challenge. As between the parties, the Contractor agrees to waive all rights or remedies that may be available to it as a result of the Commonwealth's disclosure of Requested Information pursuant to the RTKL.

i. The Contractor's duties relating to the RTKL are continuing duties that survive the expiration of this Contract and shall continue as long as the Contractor has Requested Information in its possession.

Exhibit D

COUNTY OF DAUPHIN
COMMONWEALTH OF PENNSYLVANIA

APPLICATION FOR APPROVAL

In the Matter of the Proposed Incurrence of Indebtedness in
Accordance with the Provisions of the
Local Government Unit Debt Act

To: THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
HARRISBURG, PENNSYLVANIA

$7,034,518
County of Dauphin,
Commonwealth of Pennsylvania
Liquid Fuels Revenue Note, Series of 2014-1
(Dauphin County Infrastructure Bank)

The undersigned duly authorized officers of the County of Dauphin, Pennsylvania (the "County"), herewith make application pursuant to Section 8111 of the Local Government Unit Debt Act for approval of the incurring of the above-mentioned debt.

The complete transcript of the proceedings which are herewith submitted in support of the "Application for Approval" consists of the following:

1. Certified copy of the Ordinance authorizing, among other things, the issuance of the County's Liquid Fuels Revenue Note, Series of 2014-1 (Dauphin County Infrastructure Bank) in the maximum principal amount of $7,034,518.

2. Proofs of Publication of said "Debt Authorizing Ordinance":

   (a) Notice of Proposed Enactment; and
   (b) Notice of Final Enactment.

3. A copy of the accepted purchase proposal.

4. Debt Statement.

5. Borrowing Base Certificate.

6. Filing Fee.

IN WITNESS WHEREOF, we, the Chairman of the Board of Commissioners of the County of Dauphin, Pennsylvania and Chief Clerk of the County, have hereunto set our hands and affixed the seal of the County this 22nd day of October, 2014.

ATTEST:

Chief Clerk

(SEAL)

COUNTY OF DAUPHIN
Commonwealth of Pennsylvania

By: _____
Chairman, Board of Commissioners

COUNTY OF DAUPHIN
COMMONWEALTH OF PENNSYLVANIA

BORROWING BASE CERTIFICATE

TO: THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
Commonwealth of Pennsylvania

RE: COUNTY OF DAUPHIN
Commonwealth of Pennsylvania

I, the undersigned, certify that:

1. I am the Chairman of the Board of Commissioners of the County of Dauphin, Commonwealth of Pennsylvania (the "County").

2. I am familiar with the provisions of the Local Government Unit Debt Act [53 Pa. C.S. § 8001 *et seq.*] (the "Act") of the Commonwealth of Pennsylvania.

3. In accordance with provisions of Section 8002(c)(3) of the Act, I certify that:

(a) All moneys received by the County from whatever source derived from each of the three fiscal years next preceding the date of this Certificate, were as follows:

FISCAL YEAR		
2011	2012	2013*
$357,803,456	$337,949,420	$328,980,470

(b) The deductions or exceptions of the County from amounts set forth in Paragraph 3(a) for each of the three fiscal years next preceding the date of this Certificate were as follows:

* Unaudited Source: County of Dauphin.

Deduction or Exception	FISCAL YEAR 2011	2012	2013*
Required by 53 Pa. C.S. § 8002(c) "Total Revenues" (1) of the Act	$ -0-	$ -0-	$ -0-
Required by 53 Pa. C.S. § 8002(c) "Total Revenues" (2) of the Act	$ 756,194	$ 963,744	$ 461,983
Required by 53 Pa. C.S. § 8002(c) "Total Revenues" (3) of the Act	$ -0-	$ -0-	$ -0-
Required by 53 Pa. C.S. § 8002(c) "Total Revenues" (4) of the Act	$ -0-	$ -0-	$ -0-
Required by 53 Pa. C.S. § 8002(c) "Total Revenues" (5) of the Act	$ 17,131,860	$ 1,334,288	$ 15,905,000
Total Deductions or Exceptions	$ 17,888,054	$ 2,298,032	$ 16,366,983

(c) "Total Revenues", as defined in the Act, for each of the three fiscal years next preceding the date of this Certificate were as follows:

FISCAL YEAR		
2011	2012	2013*
$339,915,402	$335,651,388	$312,613,487

the total of which is $___,___,___; and

(d) The arithmetic average of such Total Revenues for the three fiscal years next preceding the date of this Certificate is $___,___,___.

4. I have made due investigation of the matters set forth herein and in my opinion, the amounts set forth present fairly the "Total Revenues" and the Borrowing Base of the County.

---

* Unaudited Source: County of Dauphin.

IN WITNESS WHEREOF, I hereunto execute this Borrowing Base Certificate this 22nd day of October, 2014.

COUNTY OF DAUPHIN
Commonwealth of Pennsylvania

Chairman, Board of Commissioners

COUNTY OF DAUPHIN
COMMONWEALTH OF PENNSYLVANIA

DEBT STATEMENT

TO: THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
COMMONWEALTH OF PENNSYLVANIA

RE: COUNTY OF DAUPHIN, PENNSYLVANIA

We, the undersigned, Chairman of the Board of Commissioners and Chief Clerk of the County of Dauphin, Pennsylvania (the "County"), make this Debt Statement, under oath or affirmation, in compliance with provisions of Section 8110 of the Local Government Unit Debt Act, 53 Pa. C.S. § 8001 *et seq.*, as amended and supplemented (the "Act"), as follows:

1. This Debt Statement is made as of October 1, 2014, such date being less than sixty (60) days before the filing thereof.

2. The existing gross indebtedness of the County after giving prospective effect to Section 8250(b) of the Act and the incurrence of the new debt is:

a.	Electoral Debt:			$ -0-
b.	Nonelectoral Debt:			$ 112,517,241
	(i)	Liquid Fuels Revenue Note, Series of 2014-1 (Dauphin County Infrastructure Bank)	$ 7,034,518[1]	
	(ii)	General Obligation Bonds, Series of 2014	$ 9,880,000[2]	
	(iii)	Liquid Fuels Revenue Note, Series of 2013 (Dauphin County Infrastructure Bank)	$ 4,272,723[3]	
	(iv)	General Obligation Bonds, Series of 2013	$ 15,545,000[4]	
	(v)	Bond Anticipation Note, Series of 2010	$ -0-[5]	
	(vi)	General Obligation Bonds, Series of 2010	$ 29,485,000[6]	

[1] Nonelectoral debt for which this Debt Statement is a part of the Application for Approval by the Pennsylvania Department of Community and Economic Development (the "Department") pursuant to the Act.
[2] Approved by the Department on March 17, 2014 (Approval No. GOB-14031701).
[3] Approved by the Department on December 20, 2013 (Approval No. RN-13122003).
[4] Approved by the Department on April 8, 2013 (Approval No. GOB-13040802).
[5] Approved by the Department on November 29, 2010 (Approval No. BAN-124). This debt was paid in full as of December 23, 2013.
[6] Approved by the Department on April 15, 2010 (Approval No. GOB-17432).

(vii)	General Obligation Bonds, Series of 2009	$	9,225,000[7]	
(viii)	General Obligation Bonds, Series of 2006	$	15,630,000[8]	
(ix)	General Obligation Bonds, Series of 2005	$	21,445,000[9]	
c.	Lease Rental Debt:			$ 232,741,517.14
(i)	County Guaranty of Dauphin County Industrial Development Authority's Guaranteed Lease Revenue Note, Series of 2013	$	8,330,000[10]	
(ii)	County Guaranty of Lancaster County Solid Waste Management Authority Guaranteed Authority Bonds, Series B of 2013	$	24,000,000[11]	
(iii)	County Guaranty of Pennsylvania Economic Development Financing Authority Parking Revenue Bonds, Series B of 2013	$	97,172,029.25[12]	
(iv)	County Guaranty of Pennsylvania Economic Development Financing Authority Parking Revenue Bonds, Series C of 2013	$	68,453,473.90[13]	
(v)	County Guaranty of Dauphin County Industrial Development Authority's Guaranteed Lease Revenue Note, Series of 2012	$	5,900,000[14]	
(vi)	County Guaranty of Dauphin County General Authority's Guaranty, Series of 2011	$	10,667,080.57[15]	
(vii)	County Guaranty of Dauphin County Industrial Development Authority's Guaranteed Lease Revenue Note, Series of 2010	$	257,600[16]	

[7] Approved by the Department on October 14, 2009 (Approval No. GOB-17210).
[8] Approved by the Department on July 5, 2006 (Approval No. GOB-16325).
[9] Approved by the Department on July 29, 2005 (Approval No. GOB-16008).
[10] Approved by the Department on December 13, 2013 (Approval No. LRA-13121308).
[11] Approved by the Department on November 18, 2013 (Approval No. LRA-13111801).
[12] Approved by the Department on December 3, 2013 (Approval No. LRA-13120303).
[13] Approved by the Department on December 3, 2013 (Approval No. LRA-13120303).
[14] Approved by the Department on December 4, 2012 (Approval No. LRA-12120405).
[15] Approved by the Department on September 28, 2011 (Approval No. LRA-5158).

(viii)	County Guaranty of Dauphin County Industrial Development Authority's Guaranteed Lease Revenue Note, Series of 2010	$	1,171,666.42[17]
(ix)	County Guaranty of Dauphin County General Authority's Guaranty, Series of 2009	$	4,650,000[18]
(x)	County Guaranty of Dauphin County Industrial development Authority's Guaranteed Lease Revenue Note, Series of 2007 (5929 Stevenson Avenue Project)	$	592,500[19]
(xi)	County Guaranty of Dauphin County Industrial Development Authority's Guaranteed Lease Revenue Note, Series of 2007	$	271,250[20]
(xii)	County Guaranty of The Harrisburg Authority's University Revenue Bonds, Series of 2007 (The Harrisburg University of Science and Technology Project)	$	9,000,000[21]
(xiii)	County Guaranty of Dauphin County Industrial Development Authority's Guaranteed Lease Revenue Note, Series of 2006	$	521,250[22]
(xiv)	County Guaranty of Dauphin County Industrial Development Authority's Guaranteed Lease Revenue Note, Series of 2004	$	9,667[23]
(xv)	County Guaranty of Dauphin County Economic Development Corporation's Guaranteed Parking Revenue Note, Series of 2004	$	1,745,000[24]
Total Debt			$ 345,258,758.14

[16] Approved by the Department on December 2, 2010 (Approval No. LRA-5055).
[17] Approved by the Department on December 2, 2010 (Approval No. LRA-5054).
[18] Approved by the Department on October 30, 2009 (Approval No. LRA-4938).
[19] Approval by the Department on November 27, 2007 (Approval No. LRA-4692).
[20] Approval by the Department on August 14, 2007 (Approval No. LRA-4658).
[21] Approved by the Department on November 17, 2006 (Approval No. LRA-4570).
[22] Approved by the Department on March 24, 2006 (Approval No. LRA-4481).
[23] Approved by the Department on November 3, 2004 (Approval No. LRA-4258).
[24] Approved by the Department on March 5, 2004 (Approval No. LRA-4140).

3. The County claims, in this Debt Statement, credits and exclusions from or against the total gross indebtedness, as such is set forth in Paragraph 2, in determining the net debt of the County, as follows:

a.	Nonelectoral Debt:		$ -0-
b.	Lease Rental Debt:		$165,625,503.15
	(i) County Guaranty of Pennsylvania Economic Development Financing Authority Parking Revenue Bonds, Series B of 2013	$ 97,172,029.25[25]	
	(ii) County Guaranty of Pennsylvania Economic Development Financing Authority Parking Revenue Bonds, Series C of 2013	$ 68,453,473.90[26]	
	Total Credits and Exclusions		$165,625,503.15

4. The County reserves the right to claim additional credits and exclusions, including exclusions for subsidized or self-liquidating debt, in any future Debt Statement filed by the County in connection with any future debt incurred by the County.

5. The aggregate principal amount of debt to be issued as nonelectoral debt is $7,034,518 and will be evidenced by said Liquid Fuels Revenue Note, Series of 2014-1 (Dauphin County Infrastructure Bank) as set forth in paragraph 2(b)(i) of this Debt Statement (the "2014-1 Note").

6. The total debt of this County after taking into account the exclusions claimed as set forth in Paragraph 3 hereof, if any, and after issuance of the 2014-1 Note is $179,633,254.99.

7. The borrowing base of the County as shown on the appended Borrowing Base Certificate attached hereto and made a part hereof is $___,___,___.

8. The applicable net nonelectoral debt limit and net nonelectoral debt plus net lease rental debt limit, computed as provided in the Act, is:

Net nonelectoral debt limit -- $___,___,___ x 300% = $_,___,___,___

Net nonelectoral debt plus
net lease rental debt limit -- $___,___,___ x 400% = $_,___,___,___

[The Next Page is the Signature Page]

[25] Approved by the Department on December 3, 2013 (Approval No. E-13120304).
[26] Approved by the Department on December 3, 2013 (Approval No. E-13120304).

IN WITNESS WHEREOF, we, the Chairman of the Board of Commissioners and the Chief Clerk of the County of Dauphin, Pennsylvania, being duly authorized to prepare, verify and file this Debt Statement, hereunto set our hands this 22nd day of October, 2014.

COUNTY OF DAUPHIN, PENNSYLVANIA

Chairman, Board of Commissioners

Chief Clerk

(SEAL)

COMMONWEALTH OF PENNSYLVANIA :
: SS
COUNTY OF DAUPHIN :

We, Jeffrey T. Haste and Chad Saylor, Esquire, being duly sworn according to law, depose and say: that we are Chairman of the Board of Commissioners and Chief Clerk of the County of Dauphin, Pennsylvania; respectively; that we prepared and executed the foregoing Debt Statement; and that the facts contained in the foregoing Debt Statement are true and correct.

Chairman, Board of Commissioners

Chief Clerk

SWORN TO AND SUBSCRIBED
before me, a Notary Public,
this 22 day of October, 2014.

Notary Public

My Commission Expires:

(SEAL)

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
RICHIE A. MARTZ, Notary Public
City of Harrisburg, Dauphin County
My Commission Expires May 13, 2015