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W. File

COUNTY OF DAUPHIN
PENNSYLVANIA

TAX AND REVENUE ANTICIPATION NOTE RESOLUTION NO. 16-2004

AUTHORIZING THE ISSUANCE OF A TAX AND REVENUE ANTICIPATION NOTE IN THE MAXIMUM PRINCIPAL AMOUNT OF \$25,000,000 PROVIDING FOR THE DATE, INTEREST RATE, MATURITY DATE, PLACE OF PAYMENT AND PREPAYMENT PROVISIONS IN RESPECT OF THE NOTE; ACCEPTING THE PROPOSAL OF MELLON BANK, N.A. FOR THE PURCHASE AND FINANCING OF THE NOTE; PROVIDING FOR THE SECURITY OF THE NOTE; AUTHORIZING THE PROPER OFFICERS TO EXECUTE AND DELIVER THE NOTE; AUTHORIZING AND DIRECTING THE PREPARATION, CERTIFICATION AND FILING OF THE PROCEEDINGS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; PROVIDING FOR A PAYING AGENT; SETTING FORTH A FORM OF NOTE; AND REPEALING INCONSISTENT RESOLUTIONS.

WHEREAS, Dauphin County, Pennsylvania (the "Issuer") has determined to borrow money during the fiscal year beginning January 1, 2004 in amounts not exceeding Twenty-Five Million Dollars (\$25,000,000) at any one time outstanding in anticipation of the receipt of taxes and other current revenues, such borrowing to be evidenced by its tax and revenue anticipation note or notes (the "Note") in a principal amount up to \$25,000,000 at any one time outstanding (the "Approved Principal Amount"), provided that the principal amount of the Note outstanding shall satisfy the limitations of Section 8122 of the Local Government Unit Debt Act, as amended (53 Pa.C.S. §8001, et seq.; the "Act"); and

WHEREAS, a proposal (the "Proposal") has been submitted by Mellon Bank, N.A., for the purchase and funding of the Note in the Approved Principal Amount at a purchase price equal to the principal amount thereof, such Note to bear interest as follows (the "Approved Interest Rate"):

(a) in the event a draw hereunder is repaid before the close of the banking day on which the draw occurred, no interest shall be payable thereon. For purposes of this provision, the term "banking day" shall mean that period from 8:30 a.m. to 5:00 p.m. on any single day; and

(b) in the event a draw hereunder is not repaid before the close of the banking day on which the draw occurred, interest thereon shall accrue at a rate per annum (computed on the basis of a year of 360 days and actual days elapsed) equal to (i) for each day on or prior to December 31, 2004 the sum of (A) 0.5% plus (B) the rate of interest announced by the Bank from time to time as its prime rate (the "Prime Rate"),

such rate to change automatically effective with each change in the Prime Rate and (ii) for each day after December 31, 2004 the sum of (A) 2% plus (B) the Prime Rate.

WHEREAS, the Approved Principal Amount of the Note does not exceed 85% of the taxes levied for the fiscal year in which the Note is to be issued and other current revenues for such year remaining to be collected or received in such fiscal year during the period in which the Note will be outstanding as evidenced by a certificate of officers of the Issuer heretofore executed in accordance with Section 8126 of the Act;

NOW, THEREFORE, be it resolved by the governing body of the Issuer, as follows:

1. The Note in the Approved Principal Amount to be drawn down and repaid during the current fiscal year in accordance with the terms and conditions of the Proposal, and the sale and issuance of the Note pursuant to the Act is hereby approved, and is authorized and directed to be undertaken and done.

2. The Proposal, in the form presented at this meeting, is hereby approved, and the Note is hereby awarded to Mellon Bank, N.A. (the "Bank") on the terms named therein. The Chairman or Vice Chairman of the governing body of the Issuer is authorized and directed to execute an endorsement to the Proposal, including the Issuer's acceptance thereof, and to deliver the same to the Bank. The Note shall be issued in the Approved Principal Amount, shall bear interest at the Approved Interest Rate, shall be subject to prepayment as provided herein, shall mature on December 31, 2004 ("Maturity"), and otherwise shall be in accordance with the Proposal, the terms of which are incorporated herein. A copy of the Proposal shall be placed in the records of the Issuer and filed with the Pennsylvania Department of Community and Economic Development.

3. The Note shall be payable as to principal and interest at Maturity or earlier prepayment or redemption in lawful money of the United States of America, at the principal office of the Bank, in Pittsburgh, Pennsylvania. Mellon Bank, N.A. is hereby appointed as the Issuer's paying agent with respect to the Note or such other bank as shall be so appointed from time to time by the Issuer. The Note shall be payable in full at Maturity or may be sooner prepaid by paying Bank 100% of the principal amount outstanding under the Note plus interest accrued to the date of prepayment.

4. The Note, and the obligations of the Issuer for payments on account of the draws under the Note, shall be payable from and is secured by the pledge of, security interest in, and lien and charge upon, the taxes and other revenues of the Issuer to be received during the period in which the Note is outstanding, as set forth in the certificate of the Issuer prepared pursuant to Section 8126 of the Act. The Issuer shall cause financing statements to be filed, registered and recorded in such manner and at such places as may be required by law fully to protect the security interests of the owner of the Note and from time to time shall perform or shall cause to be performed any other act as provided by law, and shall execute and shall cause to be executed any and all further instruments as may be required by law, for such protection or preservation of the security interests of the owner of the Note. This Resolution and the Act shall

constitute a security agreement between the Issuer and Bank or such other owner from time to time of the Note.

5. The Note shall evidence the ability of the Issuer to make up to three draws under the Note provided that the principal amount at any one time outstanding shall not exceed \$25,000,000.

6. The Note shall be executed by the manual or facsimile signature of the Chairman or Vice Chairman of the Board of Commissioners of the Issuer, and shall have the corporate seal of the Issuer or a facsimile thereof affixed thereto, duly attested by the manual or facsimile signature of the Chief Clerk or Assistant Chief Clerk of the Issuer; provided, that at least one manual signature shall appear on the Note. The Chairman of the governing body of the Issuer or his/her delegate is authorized and directed to deliver or cause to be delivered the Note to Bank.

7. The Note shall be in substantially the form as set forth in Exhibit "A" attached hereto and made a part hereof, and may be executed and delivered in substantially such form with such appropriate changes as may be approved by the officer or officers of the Issuer manually executing the same; and such execution shall constitute approval of such changes by such officer or officers on behalf of the governing body of the Issuer.

8. The proper officers of the Issuer are hereby authorized and directed to take such additional action in accordance with the Act and the terms of the Proposal, as may be incidental to the issuance of, and necessary for the validity of, the Note, including the filing of a certified copy of this Resolution, the Certificate as to taxes and revenues remaining to be collected, and a copy of the Proposal with the Pennsylvania Department of Community and Economic Development, all as required by the Act.

9. This Resolution shall be in full force and effect only upon the filing with the Pennsylvania Department of Community and Economic Development of the documents set forth in Section 8 hereof; provided, however, with respect to Bank as purchaser of the Note, that this Resolution shall be effective and enforceable as of the date of acceptance by the Issuer of the Proposal.

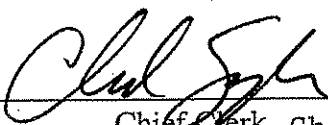
10. The proper officers of the Issuer are authorized to deliver the Note, fully executed, to the Bank and to take such actions and execute such documents necessary to effect up to three draws under the Note.

11. All resolutions or parts of resolutions inconsistent herewith are hereby rescinded.

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution duly enacted by the affirmative vote of a majority of the members of the governing body of the Issuer named in such Resolution at a meeting held the 30th day of June, 2004; that proper public notice of such meeting was given as required by law; and that said Resolution has been entered upon the minutes of the governing body of such Issuer, showing how each member thereof voted thereon.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Issuer this 30th day of June, 2004.

[SEAL]



Chief Clerk Chad Saylor



Jeff Haste, Chairman



Dominic D. DiFrancesco, II
Vice-Chairman



George P. Hartwick, III, Secretary

EXHIBIT "A"

\$25,000,000

**DAUPHIN COUNTY
COMMONWEALTH OF PENNSYLVANIA**

ISSUER

**Tax and Revenue Anticipation Note,
Series of 2004IGT**

Dauphin County, Commonwealth of Pennsylvania (the "Issuer"), for value received, hereby promises to pay to Mellon Bank, N.A. (the "Bank") the principal sum of \$25,000,000 (or such lesser amount as shall have been drawn hereunder and not repaid) on the 31st day of December, 2004, together with interest on said sum as and at the rate set forth below:

- a. in the event a draw hereunder is repaid before the close of the banking day on which the draw occurred, no interest shall be payable thereon. For purposes of this provision, the term "banking day" shall mean that period from 8:30 a.m. to 5:00 p.m. on any single day; and
- b. in the event a draw hereunder is not repaid before the close of the banking day on which the draw occurred, interest thereon shall accrue at a rate per annum (computed on the basis of a year of 360 days and actual days elapsed) equal to (i) for each day on or prior to December 31, 2004 the sum of (A) 0.5% plus (B) the rate of interest announced by the Bank from time to time as its prime rate (the "Prime Rate"), such rate to change automatically effective with each change in the Prime Rate and (ii) for each day after December 31, 2004 the sum of (A) 2% plus (B) the Prime Rate.

Notwithstanding anything to the contrary set forth herein, in no event shall the interest rate on this Note exceed the lesser of: (i) 15% per annum or (ii) the maximum rate permitted by law.

Both the principal and interest on this Note shall be payable in lawful money of the United States of America at the principal office of Mellon Bank in Pittsburgh, Pennsylvania.

This Note constitutes a series of Tax and Revenue Anticipation Notes, Series of 2004IGT, authorized and issued in the principal amount outstanding at any one time of \$25,000,000 (the "Note") in accordance with the provisions of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, as amended (53 Pa.C.S. § 8001, *et seq.*; the "Act"), and pursuant to a resolution (the "Resolution") duly adopted by the governing body of the Issuer and filed, together with other required documents, with the Pennsylvania Department of Community and Economic Development. Reference is hereby made to the Act, the Resolution and that Purchase Proposal from Bank to Issuer concerning purchase of this Note by Bank (the "Proposal") for a complete statement of the terms and conditions of draws hereunder and the rights and limitations of rights of the holder of the Note, all of which are hereby incorporated herein by reference and to all of which the holder hereof by acceptance of this Note assents.

This Note is issued under and in accordance with the Act, for the purpose of providing funds for current expense payable in the current fiscal year in anticipation of the receipt of taxes and other revenues by the Issuer from the date of original delivery of the Note to the stated maturity date thereof.

This Note is subject to prepayment prior to maturity at the option of the Issuer without premium or penalty.

This Note is secured by the pledge of, security interest in and a lien and charge on the taxes and other revenues of the Issuer specified in the Resolution to be received during the period when the Note is outstanding. Such pledge, security interest, lien and charge have been perfected and are enforceable in the manner provided by the Act.

The principal amount may be borrowed in up to three drawings, provided that the principal amount outstanding at any one time shall not exceed \$25,000,000. The principal amount hereof shall be repaid as set forth in the Proposal, subject at all times to the limitations set forth in the Act.

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

It is hereby certified that all actions required by the Act to be taken to render this Note valid and obligatory have been duly taken pursuant to the Act; that all acts, conditions and things required by the laws of the Commonwealth of Pennsylvania to exist, to have happened or to have been performed exist, have happened and have been performed in regular and due form and manner and as required by law; and that all existing indebtedness of the Issuer is within every limitation prescribed by the Constitution and the statutes of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the Issuer has caused this Note to be executed by the Chairman or Vice Chairman of its governing body, its seal to be hereunto affixed and the same to be attested to by its Chief Clerk or Assistant Chief Clerk, all as of the ____ day of _____, 2004.

ATTEST:

DAUPHIN COUNTY, PENNSYLVANIA

_____/s/_____
(Assistant) Chief Clerk

By: _____/s/_____
(Vice) Chairman, Board of County
Commissioners

[SEAL]