

COUNTY OF YORK, PENNSYLVANIA

ORDINANCE NO. 2009-04

OF THE COUNTY OF YORK AUTHORIZING AND SECURING A GENERAL OBLIGATION NOTE IN THE MAXIMUM PRINCIPAL AMOUNT OF TWELVE MILLION DOLLARS (\$12,000,000), PURSUANT TO THE PENNSYLVANIA LOCAL GOVERNMENT UNIT DEBT ACT TO REFUND INDEBTEDNESS OF THE YORK COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, AND THE YORK COUNTY AGRICULTURAL SOCIETY, IN CONNECTION WITH THE YORK EXPO CENTER, AND PAY RELATED EXPENSES; ACCEPTING A LOAN PROPOSAL, AT PRIVATE SALE BY NEGOTIATION; FIXING THE SUBSTANTIAL FORM AND TERMS OF THE REFUNDING NOTE; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THIS COUNTY IN SUPPORT OF THE REFUNDING NOTE; SETTING FORTH COVENANTS AND REPRESENTATIONS; AUTHORIZING APPROPRIATE OFFICERS OF THIS COUNTY TO TAKE ACTIONS AND TO EXECUTE DOCUMENTS; AND CONTAINING RELATED PROVISIONS.

WHEREAS, The County of York (the "County") is a political subdivision of the Commonwealth of Pennsylvania (the "Commonwealth"), governed by its Board of County Commissioners (the "Board of Commissioners"), and is a "local government unit" under the Pennsylvania Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "Debt Act"); and

WHEREAS, On December 27, 2002, the York County Industrial Development Authority ("YCIDA") issued its \$9,500,000 Mortgage Revenue Notes of 2002 to Citizens Bank of Pennsylvania (the "YCIDA Notes"), which lent the proceeds of such notes to the York County

Agricultural Society ("YCAS"), to construct improvements to the York Expo Center and promote economic development and opportunity in the County; and

WHEREAS, the Board of Commissioners has determined to lend funds to the YCAS to retire the YCIDA Notes, and pay related costs and expenses (collectively, the "Refunding Project"); and

WHEREAS, The Board of Commissioners has determined to issue a general obligation note, in the maximum principal amount of \$12,000,000 (the "2009A Note"), which: (a) shall be offered at private sale by negotiation; and (b) shall be offered for sale at a price of not less than 100% of principal amount thereof, together with accrued interest, if any, from the date thereof to the date of delivery thereof; and

WHEREAS, A written loan proposal, dated September 17, 2009 (the "Proposal"), to purchase the 2009A Note has been requested and received from the York County Solid Waste and Refuse Authority (the "Purchaser"), containing terms and conditions applicable to the 2009A Note; and

WHEREAS, The Board of Commissioners desires to accept such proposal of the Purchaser, to award the 2009A Note to the Purchaser, to authorize the issuance of nonelectoral debt represented by the 2009A Note, and to take appropriate action and to authorize proper things in accordance with the Debt Act.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED, by the Board of Commissioners of this County, as follows:

SECTION 1. This County hereby authorizes and secures the issuance of the 2009A Note, pursuant to this Ordinance, in the maximum principal amount of \$12,000,000, in accordance with the Debt Act. The proceeds of the 2009A Note will be sufficient to undertake the Refunding Project.

SECTION 2. The Board of Commissioners expresses its finding that it is in the best financial interests of this County to sell the 2009A Note at private sale by negotiation, and determines that the debt to be incurred pursuant to this Ordinance shall be nonelectoral debt.

SECTION 3. The remaining useful lives of the facilities originally financed or refinanced with the proceeds of the YCIDA Notes to be retired are at least twenty (20) years.

The Refunded Obligations did not constitute "debt" of the County under the Debt Act. The refunding of the YCIDA Notes is authorized by Section 8241(b)(1) of the Debt Act (debt service savings over the life of the series). The first principal payment date of the 2009A Note will not exceed two years after the issuance date thereof.

SECTION 4. The Board of Commissioners of this County accepts the proposal of the Purchaser to purchase the 2009A Note, which is awarded to the Purchaser in accordance with terms and conditions of the its proposal, the original of which shall be placed on file with the Chief Clerk of this County, at private sale, at a maximum purchase price of \$12,000,000 (100% of principal amount), the Purchaser having submitted such proposal in accordance with the Debt Act.

SECTION 5. The 2009A Note, when issued, will be a general obligation note of this County.

SECTION 6. The 2009A Note shall be issued in any dollar denominations not exceeding, in the aggregate, \$12,000,000, shall be dated as of the date of delivery thereof to the Purchaser, and shall bear interest from the date of delivery thereof to the Purchaser, at the rate(s) calculated in the manner described in the form of the 2009A Note attached hereto as Exhibit "A", subject to the specified maximum rate. Principal shall be payable in the maximum annual installments set forth in Exhibit "B", unless and until the 2009A Note is paid or redeemed in full. A schedule illustrating the maximum annual debt service due on the 2009A Note is attached hereto as Exhibit "B" and made a part hereof.

SECTION 7. Principal of the 2009A Note shall be advanced to this County by the Purchaser on or about the issuance date of the 2009A Note.

SECTION 8. The 2009A Note shall be subject to redemption prior to maturity, at the option of this County, as a whole or in part, on any date. Any such redemption, as a whole, shall be upon written notice addressed to the registered owner thereof at the time of such redemption, as such registered owner and address shall appear on the books of this County to be kept by the Paying Agent (hereinafter defined), for such purpose, by deposit of such written notice in the United States mail at least ten (10) days prior to the date designated for redemption. On the date designated for redemption, notice having been given as aforesaid, and money for payment of the principal and accrued interest being held by the Paying Agent, interest on the 2009A Note so called for redemption or on any part of the principal of the 2009A Note selected for redemption shall cease to accrue. If the principal of the 2009A Note has been called for redemption in full, the 2009A Note shall cease to be entitled to any benefit or security under this Ordinance, and the

registered owner of the 2009A Note shall have no rights with respect to the 2009A Note, except to receive payment of the principal of and accrued interest on the 2009A Note to the redemption date.

SECTION 9. The principal of and interest on the 2009A Note shall be payable in lawful money of the United States of America. The 2009A Note shall be fully negotiable in form.

The Purchaser, at its option, at any time, shall have the right and privilege of exchanging the 2009A Note for any number of separate notes, which in the aggregate do not exceed the principal amount then outstanding, in exchange for the original 2009A Note, of the identical form and tenor, except as to date and principal amount, as the original 2009A Note; provided, however, that any such exchange shall not affect or alter, in any manner whatsoever, the unpaid principal and interest at the time due by the County on account of debt evidenced by the 2009A Note. Any exchange or exchanges as contemplated by this paragraph shall be made upon surrender to the County by the Purchaser for cancellation, concurrently with the issuance and delivery of such separate notes in exchange therefor. All costs, fees and expenses incurred in connection with such exchange, including any applicable legal opinions, document preparation or other costs, shall be payable by the Purchaser or other registered owner of such notes.

Any separate notes issued and delivered in exchange for the 2009A Note, as provided for in this paragraph, shall be dated and shall bear interest from the date of such notes or from the immediately preceding interest payment date applicable to such notes, whichever shall be appropriate under the circumstances, unless the exchange date is an interest payment date, in which event such separate notes shall be dated and shall bear interest from such interest payment date.

Any separate notes issued and delivered in exchange for the 2009A Note shall be valid and binding obligations of the County, shall evidence the same debt as the 2009A Note surrendered for cancellation and shall be secured to the same extent and in the same manner and shall be subject to the same conditions, as appropriate, as theretofore was or were applicable to the 2009A Note.

In the event the 2009A Note is surrendered to the County for exchange for separate notes, the separate notes issued and delivered in exchange for the 2009A Note thereafter collectively shall constitute such "2009A Note", as such term is referred to in the Ordinance, for all purposes, and thereafter the term "2009A Note" shall be deemed and shall be construed to mean and to refer to such separate notes. Any separate notes issued in exchange for the 2009A Note shall be subject, in all respects, to all provisions of the Ordinance, to the extent necessary and appropriate under circumstances at the time existing, all of which provisions, to the extent necessary and appropriate, shall be deemed and shall be construed to be applicable to such separate notes.

SECTION 10. The 2009A Note shall be executed in the name of and on behalf of the County by at least two members of the Board of Commissioners, and the official seal of this County shall be affixed thereto by the Chief Clerk of the Board of Commissioners and who shall sign the 2009A Note in attestation thereof, and said officers are authorized to execute and to attest, as applicable, the 2009A Note, as aforesaid.

SECTION 11. This County covenants to and with the registered owner, from time to time, of the 2009A Note outstanding pursuant to this Ordinance, that this County shall do the following: (i) include the amount of the debt service for the 2009A Note, for each fiscal year of

this County in which such sums are payable, in its budget for that fiscal year, (ii) appropriate such amounts from its general revenues for the payment of such debt service, and (iii) duly and punctually pay or cause to be paid from the sinking fund created pursuant to Section 12 hereof or any other of its revenues or funds the principal of the 2009A Note and the interest thereon at the dates and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, this County shall and does pledge, irrevocably, its full faith, credit and taxing power. As provided in the Debt Act, the foregoing covenant of this County shall be enforceable specifically.

SECTION 12. There is created, pursuant to the Debt Act, a sinking fund for the 2009A Note, to be known as the “Sinking Fund - General Obligation Note, Series A of 2009” (the “Sinking Fund”), which Sinking Fund shall be administered in accordance with applicable provisions of the Debt Act.

This County appoints Fulton Financial Advisors, National Association (the “Paying Agent”), having an office in Lancaster, Pennsylvania, as the sinking fund depository with respect to the Sinking Fund. This County covenants to make payments out of the Sinking Fund or out of any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of the 2009A Note when due. Proper officials of this County are authorized and directed to contract with the Paying Agent for its services as sinking fund depository in connection with the Sinking Fund and as paying agent in connection with the 2009A Note.

SECTION 13. Officers and agents of this County are authorized and directed:

(a) to prepare, to certify and to file the debt statement required by the Debt Act; (b) to prepare and to file the application with the Department of Community and Economic Development of the Commonwealth (the "Department"), together with a complete and accurate transcript of the proceedings relating to the incurring of debt, of which debt the 2009A Note, upon issue, will be evidence, as required by the Debt Act; (c) to prepare and to file any statements required by the Debt Act that are necessary to qualify all or any portion of nonelectoral or lease rental debt of the County, that is subject to exclusion as self-liquidating or subsidized debt, for exclusion from the appropriate debt limit as self-liquidating or subsidized debt; (d) to pay or to cause to be paid to the Department all proper filing fees required by the Debt Act in connection with the foregoing; and (e) to take other required, necessary or appropriate action. Proper officers of this County are authorized and directed to prepare an appropriate borrowing base certificate to be appended to the debt statement authorized herein.

SECTION 14. This County shall lend proceeds of the 2009A Note to the YCAS in connection with the Refunding Project, and shall enter into appropriate loan agreements, mortgages, security agreements and other documents to secure payments from YCAS to this County equal to the payments due on the 2009A Note. The President or Vice President and Chief Clerk shall enter into such documents and take such other action as may be necessary or appropriate to undertake the Refunding Project and secure such payments from YCAS.

SECTION 15. It is declared that the debt to be incurred hereby, together with any other indebtedness of this County, is not in excess of any applicable limitation imposed by the Debt Act upon the incurring of debt by this County evidenced by the 2009A Note.

SECTION 16. The Chief Clerk of the Board of Commissioners of this County is authorized and directed to deliver the 2009A Note, after execution and attestation thereof as provided for herein, to the Purchaser, as provided in the proposal for the purchase of the 2009A Note, but only after the Department has certified its approval pursuant to the Debt Act.

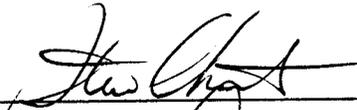
SECTION 17. In the event any provision, section, sentence, clause, or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause, or part of this Ordinance, it being the intent of this County that such remainder shall be and shall remain in full force and effect.

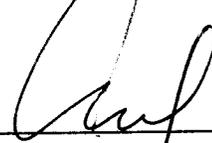
SECTION 18. All ordinances or parts of ordinances, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.

SECTION 19. This Ordinance shall be effective in accordance with the Debt Act.

DULY ENACTED AND ORDAINED, by the Board of County Commissioners,
of the County of York, Pennsylvania, in lawful session duly assembled, this 23rd day of September,
2009.

COUNTY OF YORK, PENNSYLVANIA

By: 
Commissioner

By: 
Commissioner

By: 
Commissioner

ATTEST:


Chief Clerk of the Board
of County Commissioners

(SEAL)

EXHIBIT "A"

\$ _____

COUNTY OF YORK, PENNSYLVANIA

GENERAL OBLIGATION NOTE (FEDERALLY TAXABLE), SERIES A OF 2009

The COUNTY OF YORK, Pennsylvania (the "County"), a political subdivision of the Commonwealth of Pennsylvania (the "Commonwealth"), promises to pay to the order of the York County Solid Waste and Refuse Authority (the "Holder"), or registered assigns, on November 1, 2029, unless this General Obligation Note (Federally Taxable), Series A of 2009 (the "Note"), shall have been duly called for previous redemption and payment of the redemption price shall have been made or provided for, the principal amount of _____ Dollars (\$ _____), or such lesser particular sum as shall represent the unpaid balance of such principal amount, and to pay interest on the principal sum hereof which, from time to time, shall be outstanding and shall remain unpaid, at the fixed rate of ____ %, per annum, for a period commencing on the date hereof and ending on November 1, 2014. On such date the interest rate shall be adjusted to a new fixed rate equal to the Wall Street Prime Rate (hereinafter defined) plus ____ %, not to exceed 15%, per annum. Such interest on the outstanding principal balance hereof shall be due semiannually, on May 1 and November 1 of each year, commencing on May 1, 2010, or upon any earlier date on which the principal amount of this Note is redeemed in full. Principal of this Note shall be repaid in annual installments on November 1 of the dates and in the annual amounts set forth in the attached schedule.

The Wall Street Prime Rate shall mean the per annum interest rate published from time to time in the "Money Rates" section of The Wall Street Journal as the "Prime Rate". If The Wall Street Journal ceases to be published, or if it no longer publishes such "Prime Rate," the phrase "Wall Street Prime Rate" shall mean such other national index of the rates charged by large money-center commercial banks to their best customers for unsecured loans, as published by any successor to The Wall Street Journal or by such other publicly available source as may be designated by the Holder in good faith.

The principal of and interest on this Note shall be payable in lawful money of the United States of America.

The County, at its option, on any date, may prepay in whole, at a redemption price of 100% of the principal amount redeemed. Such redemption shall be upon written notice addressed to the registered owner hereof at the time of such redemption, as such registered owner and address shall appear upon books of the County to be kept by the Paying Agent (hereinafter defined) for such purpose, by deposit of such written notice in the United States mail at least thirty (30) days prior to the date designated for prepayment. If the principal of this Note shall have been prepaid in full, this Note shall cease to be entitled to any benefit or security under the Ordinance (hereinafter defined) authorizing issuance of this Note, and the registered owner of this Note shall have no rights with respect to this Note except to receive payment of the principal of and accrued interest to the prepayment date.

This Note is issued in accordance with provisions of the Act of the General Assembly of the Commonwealth known as the Local Government Unit Debt Act (the "Debt Act"),

and by virtue of Ordinance No. 2009-__ (the "Ordinance") duly enacted by the Board of County Commissioners of the County. The Debt Act, as such shall have been in effect when this Note was authorized, and the Ordinance shall constitute a contract between the County and the registered owner or registered owners, from time to time, of this Note.

It hereby is certified that: (i) all acts, conditions and things required to be done, to happen or to be performed as conditions precedent to and in issuance of this Note or in creation of the debt of which this Note is evidence have been done, have happened or have been performed in due and regular form and manner, as required by law; and (ii) the debt represented by this Note, together with any other indebtedness of the County, is not in excess of any applicable limitation imposed by the Debt Act upon the incurring of the debt of the County which is evidenced by this Note.

The County has covenanted, in the Ordinance, to and with registered owners, from time to time, of this Note, outstanding, from time to time, pursuant to the Ordinance, that the County shall do the following: (i) include the amount of the debt service for this Note, for each fiscal year of the County in which such sums are payable, in its budget for that fiscal year, (ii) appropriate such amounts from its general revenues for the payment of such debt service, and (iii) duly and punctually pay or cause to be paid from the sinking fund established under the Ordinance or any other of its revenues or funds the principal of this Note and the interest thereon at the dates and place and in the manner stated herein, according to the true intent and meaning hereof; and, for such budgeting, appropriation and payment, the County has pledged and does pledge, irrevocably,

its full faith, credit and taxing power. The Debt Act provides that the foregoing covenant of the County shall be enforceable specifically.

The County, in the Ordinance, has established a sinking fund with the Paying Agent (hereinafter defined), as the sinking fund depository, into which funds for the payment of the principal of and the interest on this Note shall be deposited not later than the date fixed for the disbursement thereof. The County has covenanted, in the Ordinance, to make payments out of such sinking fund or out of any other of its revenues or funds, at such times in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of this Note.

This Note is transferable by the Holder, or by any subsequent registered owner in person or by his attorney duly authorized, in writing, at the principal office or at any branch office of Fulton Financial Advisors, National Association (the "Paying Agent"), as paying agent for this Note, but only upon notation of such registration hereon and on the records of the County to be kept for that purpose at the principal office or at any branch office of the Paying Agent by a duly authorized representative of the Paying Agent acting in behalf of the County.

The Authority, at its option, at any time, shall have the right and privilege of exchanging this Note for any number of separate notes, which in the aggregate do not exceed the principal amount then outstanding, in exchange for the original Note, of the identical form and tenor, except as to date and principal amount, as the original Note; provided, however, that any such exchange shall not affect or alter, in any manner whatsoever, the unpaid principal and interest at the time due by the County on account of debt evidenced by this Note. Any exchange or exchanges as contemplated by this paragraph shall be made upon surrender to the County by the registered owner

thereof for cancellation, concurrently with the issuance and delivery of such separate notes in exchange therefor. All costs, fees and expenses incurred in connection with such exchange, including any applicable legal opinions, document preparation or other costs, shall be payable by the Authority or other registered owner of such notes.

Any separate notes issued and delivered in exchange for this Note, as provided for herein, shall be dated and shall bear interest from the date of such notes or from the immediately preceding interest payment date applicable to such notes, whichever shall be appropriate under the circumstances, unless the exchange date is an interest payment date, in which event such separate notes shall be dated and shall bear interest from such interest payment date. Any separate notes issued and delivered in exchange for this Note shall be valid and binding obligations of the County, shall evidence the same debt as this Note surrendered for cancellation and shall be secured to the same extent and in the same manner and shall be subject to the same conditions, as appropriate, as theretofore was or were applicable to this Note.

In the event this Note is surrendered to the County for exchange for separate notes, the separate notes issued and delivered in exchange for this Note thereafter collectively shall constitute such "Note", as such term is referred to in the Ordinance, for all purposes, and thereafter the term "Note" shall be deemed and shall be construed to mean and to refer to such separate notes. Any separate notes issued in exchange for this Note shall be subject, in all respects, to all provisions of the Ordinance, to the extent necessary and appropriate under circumstances at the time existing, all of which provisions, to the extent necessary and appropriate, shall be deemed and shall be construed to be applicable to such separate notes.

The County and the Paying Agent may deem and treat the person, from time to time, in whose name this Note shall be registered as the absolute owner hereof for the purpose of receiving payment hereof and of interest due hereon, for the purpose of redemption hereof prior to maturity and for all other purposes.

IN WITNESS WHEREOF, the COUNTY OF YORK, Pennsylvania, as provided by the Debt Act and in the Ordinance, has caused this Note to be executed in its name and in its behalf by at least two members of the Board of County Commissioners of the County, and the official seal of the County to be affixed hereto and executed by the Chief Clerk of the Board of County Commissioners in attestation thereof, on this ___ day of _____, 2009.

COUNTY OF YORK, PENNSYLVANIA

By: _____
Commissioner

By: _____
Commissioner

By: _____
Commissioner

ATTEST:

Chief Clerk of the Board of
County Commissioners

(SEAL)

EXHIBIT "B"

Maximum Debt Service Payments on the 2009A Note¹

COUNTY OF YORK, PENNSYLVANIA
\$12,000,000 Maximum Principal Amount
General Obligation Note

<u>Payment Date</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
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See attached schedules.

¹Assumes the 2009A Note is issued by the County to the Purchaser on October 23, 2009, and the principal amount of the 2009A Note is drawn down entirely on that date. Interest is due semiannually on May 1 and November 1 of each year at the maximum rate of 15.0 %, per annum, until maturity on November 1, 2029. Principal is due in annual installments on November 1 of each year in the annual amounts illustrated.

DATED 11/1/2009

	1	2	3	4	5	6
						PROPOSED
<u>DATE</u>	<u>PRINCIPAL</u>	<u>RATE</u>	<u>INTEREST</u>	<u>SEMI-ANNUAL</u>	<u>DEBT SERVICE</u>	<u>FISCAL YEAR</u>
						<u>DEBT SERVICE</u>
5/1/2010			900,000.00	900,000.00		
11/1/2010	400,000	15.00	900,000.00	1,300,000.00		2,200,000.00
5/1/2011			870,000.00	870,000.00		
11/1/2011	415,000	15.00	870,000.00	1,285,000.00		2,155,000.00
5/1/2012			838,875.00	838,875.00		
11/1/2012	435,000	15.00	838,875.00	1,273,875.00		2,112,750.00
5/1/2013			806,250.00	806,250.00		
11/1/2013	450,000	15.00	806,250.00	1,256,250.00		2,062,500.00
5/1/2014			772,500.00	772,500.00		
11/1/2014	470,000	15.00	772,500.00	1,242,500.00		2,015,000.00
5/1/2015			737,250.00	737,250.00		
11/1/2015	490,000	15.00	737,250.00	1,227,250.00		1,964,500.00
5/1/2016			700,500.00	700,500.00		
11/1/2016	510,000	15.00	700,500.00	1,210,500.00		1,911,000.00
5/1/2017			662,250.00	662,250.00		
11/1/2017	530,000	15.00	662,250.00	1,192,250.00		1,854,500.00
5/1/2018			622,500.00	622,500.00		
11/1/2018	550,000	15.00	622,500.00	1,172,500.00		1,795,000.00
5/1/2019			581,250.00	581,250.00		
11/1/2019	575,000	15.00	581,250.00	1,156,250.00		1,737,500.00
5/1/2020			538,125.00	538,125.00		
11/1/2020	600,000	15.00	538,125.00	1,138,125.00		1,676,250.00
5/1/2021			493,125.00	493,125.00		
11/1/2021	620,000	15.00	493,125.00	1,113,125.00		1,606,250.00
5/1/2022			446,625.00	446,625.00		
11/1/2022	650,000	15.00	446,625.00	1,096,625.00		1,543,250.00
5/1/2023			397,875.00	397,875.00		
11/1/2023	675,000	15.00	397,875.00	1,072,875.00		1,470,750.00
5/1/2024			347,250.00	347,250.00		
11/1/2024	700,000	15.00	347,250.00	1,047,250.00		1,394,500.00
5/1/2025			294,750.00	294,750.00		
11/1/2025	730,000	15.00	294,750.00	1,024,750.00		1,319,500.00
5/1/2026			240,000.00	240,000.00		
11/1/2026	760,000	15.00	240,000.00	1,000,000.00		1,240,000.00
5/1/2027			183,000.00	183,000.00		
11/1/2027	790,000	15.00	183,000.00	973,000.00		1,156,000.00
5/1/2028			123,750.00	123,750.00		
11/1/2028	825,000	15.00	123,750.00	948,750.00		1,072,500.00
5/1/2029			61,875.00	61,875.00		
11/1/2029	825,000	15.00	61,875.00	886,875.00		948,750.00
5/1/2030			0.00	0.00		
TOTAL	12,000,000		21,235,500.00	33,235,500.00		33,235,500.00

CERTIFICATE

I, the undersigned, Chief Clerk of the Board of County Commissioners of the County of York, Pennsylvania (the "County"), certify that: the foregoing is a true and correct copy of Ordinance No. 2009-04 that was duly enacted by affirmative vote of a majority of all members of the Board of County Commissioners of the County present at a meeting duly held on September 23, 2009; said Ordinance duly has been recorded in the ordinance book of the County and assigned Ordinance No. 2009-04; a notice with respect to the intent to adopt said Ordinance has been published as required by law; said Ordinance was available for inspection by any interested citizen requesting the same in accordance with the requirements of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania and such notice; and said Ordinance has not been amended, altered, modified or repealed as of the date of this Certificate.

I further certify that the Board of County Commissioners of the County met the advance notice and public comment requirements of the Sunshine Act, 65 Pa.C.S. Ch. 7 by advertising the time and place of said meeting, by posting prominently a notice of said meeting at the principal office of the County or at the public building in which said meeting was held, and by providing a reasonable opportunity for public comment at such meeting, all as required by such Act.

I further certify that: the total number of members of the Board of County Commissioners of the County is three (3); the vote of members of the Board of County Commissioners of the County upon said Ordinance was called and duly was recorded upon the minutes of said meeting; and members of the Board of County Commissioners of the County voted upon said Ordinance in the following manner:

Steve Chronister	- Yes
Christopher B. Reilly	- Yes
Doug Hoke	- Yes

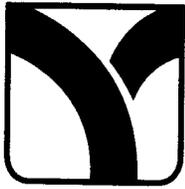
IN WITNESS WHEREOF, I set my hand and affix the official seal of the County, this 23rd day of September, 2009.



Chief Clerk of the Board of County
Commissioners

(SEAL)





YORK COUNTY
SOLID WASTE AND REFUSE AUTHORITY

2700 Blackbridge Road, York, PA 17406-7901 Phone (717) 845-1066 Fax (717) 843-1544

September 17, 2009

Board of County Commissioners of the
County of York, Pennsylvania
York County Administrative Center
28 East Market Street, 2nd Floor
York, PA 17401

Dear Commissioners:

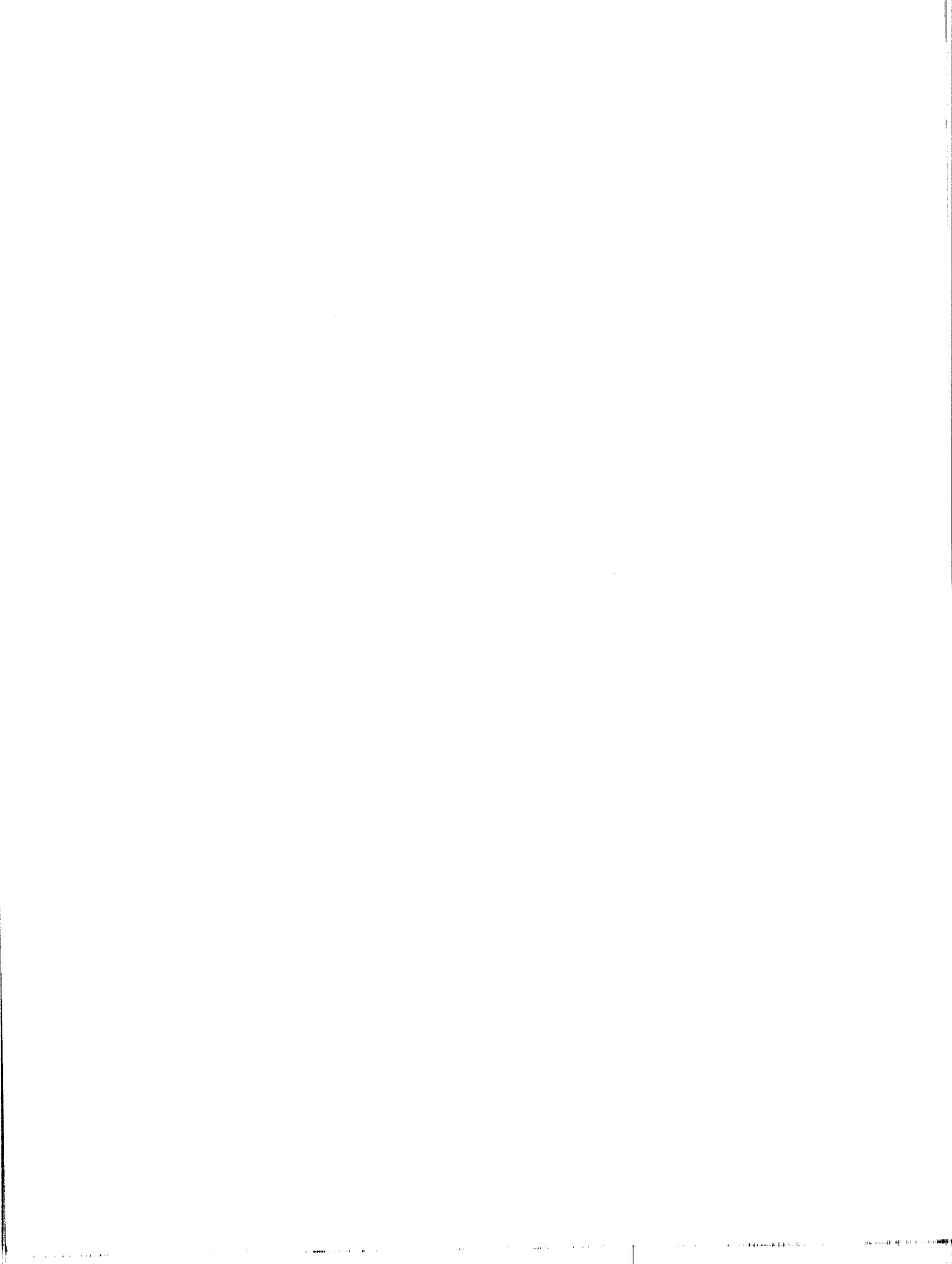
Responsive to your request, the York County Solid Waste and Refuse Authority (the "Authority") hereby offers to purchase a \$12,000,000 principal amount General Obligation Note (the "Note") of the County of York, Pennsylvania (the "County"), to refinance debt for the benefit of the York County Agricultural Society ("YAS"), upon the following terms and conditions:

1. The Note will be registered in the name of the Authority, in form and substance satisfactory to the Authority, consistent with the terms and conditions of this letter.
2. The Note proceeds shall be advanced by the Authority to the County on the date of closing.
3. The Note shall bear interest at the fixed rate equal to the 5 year US Treasury rate at 11:00 a.m. eastern standard time on the date of closing plus 220 basis points for a period of five years. On November 1, 2014, the interest rate shall be adjusted to equal the Wall Street Prime Rate on such date plus 500 basis points. In no case shall the interest rate exceed 15%.

Interest accrued at such rate(s) shall be payable semiannually, on May 1 and November 1 of each year, and upon maturity or upon prepayment of the entire principal balance of the Note. Interest accruing on the Note shall be calculated on a 30 day month/360 day year basis.

4. The principal of the Note shall be repaid in amortization installments resulting in approximately level payments over a term of 20 years at the initial fixed interest rate.
5. The Note shall be 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, *without penalty or premium*.
6. The Note shall constitute a general obligation of the County secured by its full faith, credit and taxing power. YAS will not be an obligor on the Note, but will be a party to a Loan Agreement with the County.

7. The Note shall be issued by the County pursuant to an Ordinance (the "Ordinance") enacted by the County Commissioners, satisfying requirements of the Pennsylvania Local Government Unit Debt Act.



8. As a condition of closing, the County shall deliver to the Authority the following:

a. The executed Note, registered in the name of the Authority, in form and substance satisfactory to the Authority;

b. The Ordinance, duly enacted by the County, together with proceedings filed with, and approved by, the Commonwealth of Pennsylvania, Department of Community and Economic Development, relating to the Ordinance and the Note;

c. An Opinion of Rhoads & Sinon LLP, bond counsel to the County, to the effect that under the laws of the Commonwealth of Pennsylvania (the "Commonwealth"), as presently enacted and construed, (1) the Note is exempt from personal property taxes within the Commonwealth and the interest on the Note is exempt from the Commonwealth of Pennsylvania Personal Income Tax and the Commonwealth of Pennsylvania Corporate Net Income Tax; (2) the Note is a valid and binding obligation of the County and is enforceable in accordance with its terms thereof and of the Ordinance; provided, however, that rights of the Authority and the enforceability of the Note and of the Ordinance may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity; and

d. A Certificate of appropriate officers of the County and its Solicitor to the effect that no litigation of any nature is pending or threatened: (1) seeking to restrain or enjoin or restraining or enjoining execution, issuance, delivery or sale of the Note; or (2) in any manner affecting or questioning proceedings and authority of the County for execution, issuance, delivery or sale of the Note; or (3) questioning or contesting the official existence or official boundaries of the County; or (4) affecting, directly or indirectly, or questioning title of present officers and members of the Board of County Commissioners of the County to their respective offices and memberships; and that no authority or proceedings for authorization, execution, issuance, sale and delivery of the Note has been revoked, repealed, amended or rescinded.

9. The Note is fully negotiable and the Authority, at its option, at any time, shall have the right and privilege of exchanging the Note for any number of separate notes, which in the aggregate do not exceed the principal amount then outstanding, in exchange for the original Note, of the identical form and tenor, except as to date and principal amount, as the original Note; provided, however, that any such exchange shall not affect or alter, in any manner whatsoever, the unpaid principal and interest at the time due by the County on account of debt evidenced by the Note. Any exchange or exchanges as contemplated by this paragraph shall be made upon surrender to the County by the Authority for cancellation, concurrently with the issuance and delivery of such separate notes in exchange therefor. All costs, fees and expenses incurred in



connection with such exchange, including any applicable legal opinions, document preparation or other costs, shall be payable by the Authority or other registered owner of such notes.

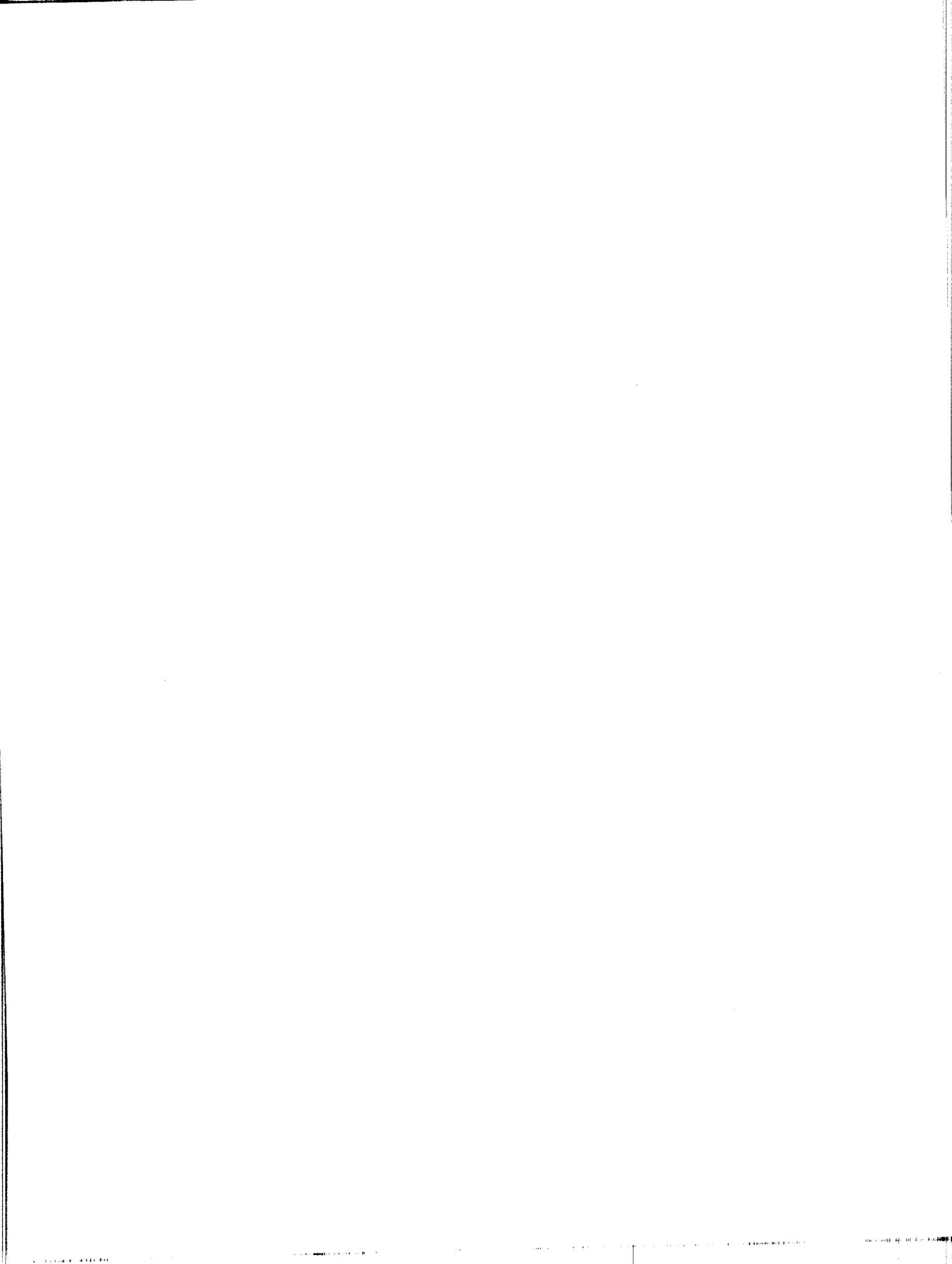
Any separate notes issued and delivered in exchange for the Note, as provided for in this paragraph, shall be dated and shall bear interest from the date of such notes or from the immediately preceding interest payment date applicable to such notes, whichever shall be appropriate under the circumstances, unless the exchange date is an interest payment date, in which event such separate notes shall be dated and shall bear interest from such interest payment date.

Any separate notes issued and delivered in exchange for the Note shall be valid and binding obligations of the County, shall evidence the same debt as the Note surrendered for cancellation and shall be secured to the same extent and in the same manner and shall be subject to the same conditions, as appropriate, as theretofore was or were applicable to the Note.

In the event the Note is surrendered to the County for exchange for separate notes, the separate notes issued and delivered in exchange for the Note thereafter collectively shall constitute such "Note", as such term is referred to in the Ordinance, for all purposes, and thereafter the term "Note" shall be deemed and shall be construed to mean and to refer to such separate notes. Any separate notes issued in exchange for the Note shall be subject, in all respects, to all provisions of the Ordinance, to the extent necessary and appropriate under circumstances at the time existing, all of which provisions, to the extent necessary and appropriate, shall be deemed and shall be construed to be applicable to such separate notes.

The County will furnish such information, execute such instruments and take such other action in cooperation with the Authority as the Authority may reasonably request in order to qualify the Note, or separate notes in exchange therefor, for sale, assignment or transfer under applicable securities laws and regulations of the United States and such states or other jurisdictions as the Authority may designate. The Authority shall have sole responsibility for determining the eligibility of the Note for sale, transfer or investment under the laws of such jurisdictions, and will use its best efforts to continue such qualifications in effect while the Note, or such notes, remain outstanding; provided, however, that the County will not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any other jurisdiction.

10. Drafts of all of the foregoing instruments, documents and opinions, and any further items required by any of them, shall be provided to the Authority and its Counsel not less than one week prior to any scheduled closing date. Settlement for the Note shall occur within 60 days after the date of this proposal.



11. The County shall pay all legal fees, costs and expenses of its Bond Counsel and Solicitor in connection with preparing and delivering all necessary documents and opinions. No points, fees or other issuance costs shall be payable to the Authority in connection with issuance of the Note except the transaction costs of the Authority related hereto in the amount of \$18,000.

Sincerely,

YORK COUNTY SOLID WASTE AND
REFUSE AUTHORITY,
as purchaser

By: 
Title: Executive Director

Accepted by the Board of County Commissioners
of the County of York, Pennsylvania
this 23rd day of September, 2009

By: 
Title: President Commissioner

