

A RESOLUTION OF ROCKWOOD BOROUGH MUNICIPAL AUTHORITY

RESOLUTION AUTHORIZING THE SECURING OF A LOAN FROM JOHNSTOWN BANK AND TRUST COMPANY BY ROCKWOOD BOROUGH MUNICIPAL AUTHORITY, IN A PRINCIPAL AMOUNT OF \$40,000.00 FOR THE PURPOSE OF OBTAINING PROFESSIONAL SERVICES AND OTHER EXPENSES IN REGARD TO IMPROVEMENTS TO THE WATER SYSTEM, AND ALLOWING THE PAYING OF ALL COSTS AND EXPENSES IN REGARD TO SAME, AND AUTHORIZING THE EXECUTION OF ALL DOCUMENTS.

WHEREAS, Rockwood Borough Municipal Authority (hereinafter "Borrower") has determined that it is appropriate for the best interest of the citizens of the Rockwood Area to make certain improvements to the Water System as acquired from the Rockwood Water Company, Inc.; and

WHEREAS, in order to provide for the funds for the costs of such improvements and for the obtaining of professional services in connection therewith, Borrower intends to secure a loan and execute a Promissory Note and other Loan Documents deemed to be necessary, all of which to be secured under the terms of the Loan Documents;

WHEREAS, in order to secure the payment of the principal and interest thereupon, Borrower intends to pledge its full faith and credit and to grant a security interest in all of the revenues from the operation of the said water system.

NOW, THEREFORE, the Board of the Borrower hereby resolves as follows:

Section 1. For the purpose of obtaining funds to obtain required professional services and to pay for the cost of other matters in regard to proposed improvements to the Rockwood Water System, as acquired from the Rockwood Water Company, Borrower hereby authorizes the execution of all Loan Documents and the taking of all actions necessary and required to obtain a Loan from Johnstown Bank and Trust in the principal amount of \$40,000.00, pursuant to the certain provisions of the certain Loan Documents with Johnstown Bank and Trust Company.

Section 2. The Loan is secured by the Loan Documents, and to the extent that it is created therein, as a pledge and security interest in all the water revenues derived from or in connection with the use and operation of the system now known as the Rockwood Water Company.

Section 3. The form, terms and conditions of the Loan Documents presented to the Borrower are hereby approved the Chairman and/or Vice-Chairman and the Secretary and/or Treasurer of the Borrower

are hereby authorized to execute the Loan Documents and to cause the corporate seal of the Borrower to be affixed thereupon and to attest the same.

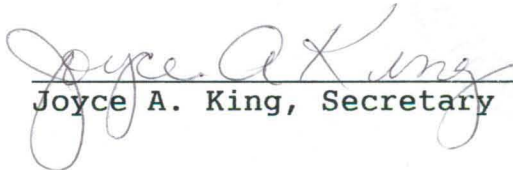
Section 4. This Loan shall be repaid in the amounts and on certain dates and provisions as set forth in the Loan Document.

Section 5. Upon execution of the loan documents, the loan proceeds shall be withdrawn from Johnstown Bank and Trust in such forms, amounts and manners as is directed by the Board of the Borrower.

Section 6. The proper officers of the Borrower hereby authorized, empowered and directed to execute any and all papers and documents, and to do and cause to be done any and all actions or things necessary for the proper execution or carrying out of this resolution, and of the said Loan Documents.

I, JOYCE A. KING, being Secretary of the ROCKWOOD BOROUGH MUNICIPAL AUTHORITY, do hereby certify that the foregoing is a true, correct and complete copy of a Resolution which was duly and unanimously adopted by the Rockwood Borough Municipal Authority at a public meeting of said Borrower as held on March 7, 1995, after Notice thereupon duly given as required by law, and at which meeting the proper quorum was present, and that said Resolution does now remain in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my signature as the Secretary of the Authority, and affixed the seal, this 31st day of May, 1995.



Joyce A. King, Secretary