



The PFM Group

Public Financial Management, Inc.
 PFM Asset Management LLC
 PFM Advisors

INVITATION TO BID SUMMARY PAGE

Issuer	Township of Upper Moreland Montgomery County, Pennsylvania
Amount	\$5,300,000*
Type of Issue/Series	General Obligation Notes, Series of 2012
Tax-Exempt	Yes
Bank Qualified	Yes

*Preliminary, subject to change

Sale Date	2/6/2012
Award Date	2/6/2012
Dated Date	Date of Delivery
Expected Settlement	3/13/2012
Sale Time	11:00 a.m. – 11:15 a.m. prevailing time
Bid Submission	PFMauktion.com

Interest Due	3/1, 9/1
Principal Due	9/1
1st Interest Date	9/1/2012
Call Date	3/1/2017 @ Par
Minimum Bid Price	Not less than 98.80%
Maturity Reoffering Price	Not less than 99.00%
YTM Ascending Order	Yes

Special Considerations	Two Minute Rule (see "Bidding Details" #2 herein)
Continuing Disclosure	As of the date hereof, the Township has complied with all prior written undertakings under the Rule to provide timely ongoing disclosure of annual financial information and notice of material events affecting its securities.
Good Faith Amount	\$53,000
PFM Contact	Mr. Bradley Remig or Zach Williard
PFM Phone	717-232-2723
PFM Fax	717-232-8610

*Preliminary, subject to change.

*****PLEASE REFER TO THE FOLLOWING INVITATION TO BID FOR FURTHER DETAILS*****

INVITATION TO BID
(Subject to Amendment as Hereinafter Prescribed)
TOWNSHIP OF UPPER MORELAND
Montgomery County, Pennsylvania
\$5,300,000* GENERAL OBLIGATION NOTES, SERIES OF 2012

Dated: Date of Delivery

Interest Due: March 1
and September 1

Principal Due: September 1

First Interest Payment:
September 1, 2012

NOTICE IS GIVEN that the Board of Commissioners (the "Commissioners") of the Township of Upper Moreland (the "Township" or the "Issuer"), Montgomery County, Pennsylvania, will receive bids, pursuant to this Invitation to Bid (the "Invitation to Bid") for the purchase of an issue of general obligation Notes of the Township, in the aggregate amount of \$5,300,000* General Obligation Notes, Series of 2012 (the "Notes"). **All bids must be submitted in their entirety on Public Financial Management's ("PFM") PFMAuction website ("PFMAuction") prior to 11:15 a.m., prevailing time on February 6, 2012, unless otherwise extended by the two-minute rule described herein (see "Bidding Details").** The auction will begin at 11:00 a.m., prevailing time on February 6, 2012. **To bid via the PFMAuction website, bidders must have both (1) completed the registration form on either the PFMAuction website or Grant Street Group website (parent of MuniAuction, herein referred to as MuniAuction) and (2) requested and received admission to the Township's auction, as described under "Registration and Admission to Bid" below. The use of PFMAuction shall be at the bidder's risk and expense, and the Township shall have no liability with respect thereto.**

Preliminary and Final Official Statement

The Township's Preliminary Official Statement ("POS"), dated January 31, 2012, will be available for viewing in electronic format on the PFMAuction website. The PFMAuction website address is www.PFMAuction.com. In addition, NASD registered broker-dealers and dealer banks with DTC clearing arrangements may either: (a) print out a copy of the POS on their own printer, or (b) at any time prior to February 6, 2012, elect to receive a photocopy of the POS in the mail by requesting it on the PFMAuction website or by calling the Township's financial advisor, Public Financial Management (the "Financial Advisor"), One Keystone Plaza, Suite 300, North Front & Market Streets, Harrisburg, Pennsylvania 17101 (P.O. Box 11813, Harrisburg, PA 17108) at (717)232-2723. In order to print a copy or request a photocopy of the POS from PFMAuction, click the "View POS" button on the PFMAuction Selections Page and follow the instructions. All bidders must review the POS and certify that they have done so prior to participating in the bidding.

The Preliminary Official Statement is deemed by the Township to be final as of its date, for purposes of SEC Rule 15c2-12(b)(1) under the Securities Exchange Act of 1934, except for the omission of information concerning the offering price(s), interest rates(s), selling compensation, aggregate principal amount of the Notes, description of note insurance, and any other terms or provisions to be determined from the successful bid(s) or depending on such matters, and the identity of the underwriter(s). The Preliminary Official Statement is, however, subject to such further revisions, amendments and completion in a Final Official Statement as may be necessary.

The Township shall provide a successful bidder with 200 conformed copies of a final Official Statement within seven (7) business days following the date of acceptance of the bid.

*Preliminary Issue Size, subject to change at time of award, as described in the Invitation to Bid.

Financial Advisor
PUBLIC FINANCIAL MANAGEMENT
One Keystone Plaza, Suite 300
North Front & Market Streets
Harrisburg, PA 17101
(717) 232-2723

Types of Bids Allowed

Subject to the bid requirements described below, a bidder may submit a conforming bid for the entire issue, and if such bid is accepted by the Township, the bidder will be required to purchase the entire issue in accordance with such bid.

Final Issue Size and Final Maturity Schedule

Bidding will be conducted based on a Preliminary Issue Size and Preliminary Maturity Schedule, as said Issue Size and Maturity Schedule are shown in this Invitation to Bid. The Township reserves the right to determine the Final Issue Size and Final Maturity Schedule, and to award the Notes based on the Final Issue Size and Final Maturity Schedule to the highest responsible bidder in accordance with the terms and conditions of the Invitation to Bid. As a condition of each Bid, the bidder must expressly agree to accept such award provided that the Final Issue Size for the Notes does not differ from the Preliminary Issue Size by an aggregate amount of more than \$500,000, and further provided that no single principal maturity for any year from 2012-2021 differs from principal maturity set forth in the Preliminary Maturity Schedule by an amount greater than \$500,000.

Tax Exemption

In the opinion of Note Counsel, interest on the Notes is not includable in gross income for purposes of federal income taxation under existing statutes, regulations, rulings and court decisions, subject to the condition described in "TAX MATTERS" in the Preliminary Official Statement and interest on the Notes is not treated as an item of tax preference under Section 57 of the Internal Revenue Code of 1986, as amended (the "Code") for purposes of the individual and corporate alternative minimum taxes. However, under the Code, such interest may be subject to certain other taxes affecting corporate holders of the Notes. This opinion of Note Counsel is subject to continuing compliance by the Township with its covenants in the Ordinance (as hereinafter defined) and other documents to comply with requirements of the Code and applicable regulations thereunder.

Note Counsel is also of the opinion that under the laws of the Commonwealth of Pennsylvania, as enacted and construed on the date hereof, the Notes are exempt from personal property taxes in Pennsylvania, and interest on the Notes is exempt from Pennsylvania personal income tax and the Pennsylvania corporate net income tax. For a more complete discussion, see "TAX MATTERS" in the Preliminary Official Statement.

Bank Eligibility

The Notes will be designated by the Township as "qualified tax-exempt obligations", for purposes and effect contemplated by Section 265(b)(3) of the Code (relating to expenses and interest relating to tax-exempt income of certain financial institutions).

The Notes

The Notes will be dated as of the date of delivery and the Notes will be issued as nonelectoral debt pursuant to a debt-incurring Ordinance (the "Ordinance") and the Pennsylvania Local Government Unit Debt Act, as amended (the "Act"). The Notes will be issued in fully registered form (without coupons), in denominations of \$5,000 and integral multiples thereof, will be serial notes or term notes as hereinafter described, and will be stated to mature on September 1 of the following years in the amounts as finally determined in accordance with this Invitation to Bid (see "Bid Procedure and Award"). The Preliminary Maturity Schedule is as follows:

<u>September 1</u>	<u>Principal Amount</u>
2012	\$ 385,000
2013	500,000
2014	510,000
2015	525,000
2016	535,000
2017	545,000
2018	555,000
2019	565,000
2020	580,000
2021	600,000

Book Entry Only

The Notes will be registered in the name of The Depository Trust Company (“DTC”) or its nominee, Cede & Co., and will be deposited with DTC or its nominee as of the date of closing. Purchasers of ownership interests in the Notes (“Beneficial Owners”) will not receive physical delivery of Note certificates. The Beneficial Owners’ interests in the Notes will be evidenced by book-entry only. As long as Cede & Co., as nominee for The Depository Trust Company (“DTC”) is registered owner of the Notes, payments of principal, interest and redemption price on the Notes will be made directly to DTC, through Cede & Co., as its nominee, which will, in turn, remit such payments to participants in DTC for subsequent disbursement to Beneficial Owners. See the POS for further information regarding the Book-Entry Only System.

Optional Redemption

The Notes stated to mature on or after September 1, 2017, shall be subject to redemption prior to maturity, at the option of the Township, as a whole or in part, from time to time, in any order of maturities designated by the Issuer, on March 1, 2017, or on any date thereafter upon payment of a redemption price of 100% of the principal amount redeemed, plus accrued interest thereon to the date fixed for redemption. In the event that less than all the Notes of any particular maturity are to be redeemed, the Notes of such maturity to be redeemed shall be drawn by lot by the paying agent.

On the date designated for redemption, notice having been mailed as provided in the Ordinance, and money for payment of the principal and accrued interest being held by the Paying Agent (hereinafter defined), interest on the Notes or portions thereof so called for redemption shall cease to accrue and the Notes or portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Ordinance, and registered owners thereof shall have no rights with respect thereto, except to receive payment of the principal to be redeemed and accrued interest thereon to the date fixed for redemption.

Redemption Procedures

Notice of any redemption shall be given at the time and in the manner set forth in the Ordinance and as described in the POS (subject to any changes made in the Final Official Statement). While the Notes are registered in the name of DTC or its nominee, redemption notices shall be sent to DTC or its nominee. If less than all of the Notes within a maturity are to be redeemed, which Notes of such maturity are to be redeemed and which Beneficial Owners shall have their ownership interest in the Notes redeemed shall be determined by DTC and the direct and indirect participants in DTC in accordance with their customary practices. For further information, see the POS.

Mandatory Redemption at the Option of the Bidder

Bidders may elect to structure the issue to include term notes, as long as there are no term note maturities or mandatory sinking fund redemption until on or after September 1, 2013. The term notes, if selected by the bidder, will be subject to mandatory redemption prior to maturity, in the years and amounts shown above, upon payment of 100% of the principal amount of Notes to be redeemed, together with accrued interest to the date fixed for redemption. Notes within a maturity to be redeemed shall be selected by lot by the paying agent. If the Notes are awarded and no term notes are designated in the winning bid, the Notes will mature serially as shown in the preceding schedule.

Security

The Notes will be general obligations of the Township, payable from its tax and other general revenues. The Township has covenanted that it will provide in its budget in each fiscal year, and will appropriate from its general revenues of each year, the amount of the debt service on the Notes for such year, and will 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 every Note and the interest thereon at the date and place and in the manner stated in the Notes, and for such budgeting, appropriation and payment the Township irrevocably has pledged its full faith, credit and taxing power, which taxing power presently includes the power to levy ad valorem taxes on all taxable property within the Township, without limitations as to rate or amount.

Municipal Note Insurance and Credit Rating

The Township has applied for commitments for municipal Note insurance policies from the following:

Assured Guaranty Corp.
Assured Guaranty Municipal Corp., f/k/a FSA

Such commitments, if and when received, shall provide for policies of municipal Note insurance under such conditions and containing such terms as may be provided therein or in the policies of respective insurers. Such commitments and/or policies as are received are incorporated herein by reference. If a commitment for insurance is received, the Notes will be offered under an optional bidding program, whereby Bidders may bid for the Notes with or without such insurance (and if multiple commitments are received, specifying the insurer). The Township has also applied for a municipal Note credit rating from Moody's Investor Services. Interested bidders can view the identity of insurers from whom commitments have been received and the cost of such insurance and the credit rating no later than the day before the date established for submission of bids on the Amendments Page of the PFMauction website at www.PFMauction.com. **The cost of such insurance and rating will be paid for by the Township.**

Paying Agent

The principal of and interest on the Notes will be payable in lawful money of the United States of America, at the designated corporate trust office in Pennsylvania of a paying agent and sinking fund depository (the "Paying Agent" and "Sinking Fund Depository"), to be named by the Township. The selected paying agent may also designate one or more of its other offices within or outside Pennsylvania as additional places for payment of the Notes. While the Notes are in the Book-Entry Only system, however, payment on the Notes will be made by wire transfer to DTC.

Sinking Fund

One or more Sinking Fund's will be established under the Ordinance with the Paying Agent and Sinking Fund Depository for the Notes, into which Sinking Fund there will be deposited funds sufficient for the payment of the principal of and the interest on the Notes no later than the date fixed for the disbursement thereof.

Interest Rates and Limitations

The Notes will bear interest from the date of delivery, payable initially on September 1, 2012, and thereafter on March 1 and September 1 of each year, until maturity or in the case of Notes which shall be subject to redemption and which shall have been called for redemption and payment of the redemption price shall have been made or shall have been provided for, until the date fixed for redemption, at a rate or rates of interest to be specified by the bidder, in a multiple or multiples of one-eighth (1/8) or one-twentieth (1/20) of one per centum (1%)(rate of interest shall mean the coupon which does not take into account any original issue discount or premium); provided that (1) all Notes maturing on the same date shall bear interest at the same rate; (2) no Note shall bear interest at more than one rate, or at any contingent or variable rate; and (3) no Note maturing on or after September 1, 2015 shall bear a yield which is lower than the yield for the immediately preceding year in which a maturity falls within the period of 2014-2021. **For the purposes of clause three of the preceding sentence, yield shall mean yield to maturity taking into account any original issue discount or premium (and for this purpose only, yield need not be in a multiplier of 1/8 or 1/20 of one percent).**

Minimum Bid

No bid shall be at a price of less than 98.80 percent of the aggregate maturing principal amount of the Notes. **No initial reoffering price for any maturity may be less than 99.00%. The winning bidder shall deliver a certificate at settlement in such form as satisfactory to Note Counsel with respect to the initial offering prices or revised initial offering prices to the public (excluding Note houses, brokers and others acting in the capacity of underwriters or wholesalers) with respect to each maturity of the Notes.**

Registration and Admission to Bid

To bid by PFMAuction, bidders must first visit the PFMAuction website where, if they have never registered with either PFMAuction or MuniAuction, they can register and then request admission to bid on the Notes. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only NASD registered broker-dealers and dealer banks with DTC clearing arrangements will be eligible to bid. Bidders who have previously registered with MuniAuction may call MuniAuction at (412) 391-5555 for their ID Number or password.

Bids

No bid will be considered which does not offer to purchase all of the Notes. Each bid must specify an annual rate of interest for each maturity and a dollar purchase price for the entire issue of the Notes.

Bidding Details

Bidders should be aware of the following bidding details associated with the sale of the Notes:

- (1) All bids must be submitted on the PFMAuction website at www.PFMAuction.com. **No telephone, telefax, telegraph or personal delivery bids will be accepted.**
- (2) If any bid in the auction becomes a leading bid two (2) minutes prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such bid was received by PFMAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two minutes.
- (3) Bidders may change and submit bids as many times as they like during the bidding time period; provided, however, each and any bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") with respect to a bid, when compared to the immediately preceding bid of such bidder. In the event that the revised bid does not produce a lower TIC with respect to a bid the prior bid will remain valid.
- (4) The last bid submitted by a bidder before the end of the bidding time period will be compared to all other final bids submitted by others to determine the winning bidder or bidders.
- (5) During the bidding, no bidder will see any other bidder's bid, but bidders will be able to see the ranking of their bid relative to other bids (i.e., "Leader," "Cover," "3rd," etc.).
- (6) On the Auction Page, bidders will be able to see whether a bid has been submitted.

Rules of PFMAuction

The "Rules" of PFMAuction can be viewed on the PFMAuction website and are incorporated herein by reference. Bidders must comply with the Rules of PFMAuction in addition to the requirements of this Invitation to Bid. To the extent there is a conflict between the Rules of PFMAuction and this Invitation to Bid, this Invitation to Bid shall control.

Rules

- (1) A Bidder ("Bidder") submitting a winning bid ("Winning Bid") is irrevocably obligated to purchase the Notes at the rates and prices of the winning bid, if acceptable to the Issuer, as set forth in the related Invitation to Bid. Winning Bids are not officially awarded to Winning Bidders until formally accepted by the Issuer.
- (2) Neither the Issuer, PFM nor MuniAuction (the "Auction Administrator") is responsible for technical difficulties that result in loss of Bidder's internet connection with PFMAuction, slowness in transmission of bids, or other technical problems.
- (3) If for any reason Bidder is disconnected from Auction Page during the auction after having submitted a Winning Bid, such bid is valid and binding upon Bidder, unless the Issuer exercises its right to reject bids, as set forth herein.

- (4) Bids which generate error messages are not accepted until the error is corrected and bid is received prior to the deadline.
- (5) Bidders accept and agree to abide by all terms and conditions specified in the Invitation to Bid (including Amendments, if any) related to each auction.
- (6) Neither the Issuer, PFM nor the Auction Administrator is responsible to any bidder for any defect or inaccuracy in Invitation to Bid, Amendments, or Preliminary Official Statement as they appear on PFMAuction.
- (7) Only Bidders who request and receive admission to an auction may submit bids. PFM and the Auction Administrator reserve the right to deny access to PFMAuction website to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.
- (8) Neither the Issuer, PFM or Auction Administrator is responsible for protecting the confidentiality of a Bidder's PFMAuction password.
- (9) If two bids submitted in the same auction by the same or two or more different Bidders result in same True Interest Cost the first confirmed bid received by PFMAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in True Interest.
- (10) Bidders must compare their final bids to those shown on the Observation Pages immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Pages they must report them to PFMAuction within 15 minutes after the bidding time period ends. Regardless of the final results reported by PFMAuction, Notes are definitively awarded to winning bidders only upon official award by the Issuer. If, for any reason, the Issuer fails to: i) award Notes to the winner reported by PFMAuction, or ii) deliver Notes to winning bidders at settlement, neither the Issuer, PFM or the Auction Administrator will be liable for damages.

Definitions:

- “Bid”: any confirmed purchase offer received by PFMAuction on or before the auction deadline.
- “Bidder”: any firm registered with either PFMAuction or MuniAuction and approved for participation in auctions.
- “Winning Bid”: any purchase offer made by a Bidder by clicking the “Submit Bid” button and received by PFMAuction which, at the end of the bidding time period, results in the lowest True Interest Cost in the auction and which is accepted to the Township.
- “True Interest Cost”: calculation described in Invitation to Bid related to each auction which serves as basis for awarding Notes to Winning Bidders.

Bid Procedure and Basis of Award

Subject to the right reserved to the Township to reject any or all bids, the Notes will be sold to the bidder whose bid produces the lowest true interest cost (“TIC”) for the Issuer and otherwise complies with the Invitation to Bid. The TIC for the Notes will be determined by doubling the semi-annual interest rate, compounded semiannually, necessary to discount the semiannual debt service payments from the payment dates to the dated date of the Notes and to the aggregate purchase price, excluding interest accrued to the date of delivery.

In the event that a commitment for municipal Note insurance is received from AGM and AGC, a bidder may elect to bid for the Notes subject to the issuance of said policy of municipal Note insurance. In the event a bidder elects municipal Note insurance, the true interest cost of said bid shall be determined only after adjusting the bidder's aggregate purchase price by deducting therefrom the amount of said insurance premium. If municipal Note insurance is part of any bid, the Township shall pay the premium of such municipal Note insurance.

Bids shall be presented by the Financial Advisor to the Township at a meeting of the Commissioners, at the Upper Moreland Township's Administration Building, 117 Park Avenue, Willow Grove, Pennsylvania 19090 at 7:00 p.m., prevailing time on February 6, 2012, at which meeting the bids will be considered. Bids must remain valid until at least 9:00 a.m. prevailing time, February 7, 2012, and if accepted by the Board of Commissioners of the Township prior to such time, shall be irrevocable except as otherwise provided in the Invitation to Bid.

Bid Security and Method of Payment for Notes

The successful bidder will be required to wire \$53,000 to the Township as bid security by 3:00 p.m. on February 6, 2012. The Financial Advisor will contact the successful bidder to provide wire instructions for the bid security. The bid security will be retained by the Treasurer of the Township and: (a) will be applied, without allowance for interest, against the purchase price when the Notes actually are delivered to and paid for by such successful bidder; or (b) will be retained by the Township as liquidated damages if the bidder defaults with respect to the bid; or (c) will be returned to the bidder with interest at the rate of five percent per annum, if the Notes are not issued by the Township for any reason which does not constitute a default by the bidder. The balance of the purchase price shall be paid in Federal Funds.

Information Required from Winning Bidder; Reoffering Price

By making a bid for the Notes, the winning bidder(s) agrees: (a) to provide to the Township, in writing, immediately upon being unofficially awarded the Notes, a written confirmation of the bid in the formality as set forth in Exhibit A to this Invitation to Bid, as appropriate, which shall include the purchase price, reoffering yield(s), and other related information necessary for completion of the final Official Statement; (b) to disseminate to all members of the underwriting syndicate copies of the Official Statement, (c) to promptly file a copy of the final Official Statement with the Electronic Municipal Market Access System ("EMMA"); and (d) to take any and all other actions necessary to comply with applicable Securities and Exchange Commission and Municipal Securities Rulemaking Board rules governing the offering, sale and delivery of the Notes to ultimate purchasers.

The winning bidder will be required, as a condition of closing, to certify the "issue price" of the Notes within the meaning of Section 1273 of the Code. The form of an acceptable certificate shall be provided by Note Counsel.

Conditions of Closing

The enactment, at any time prior to the delivery of the Notes, of Federal legislation which, by repeal or omission of exemptions or otherwise, shall cause the interest on the Notes not to be excludable from gross income under Section 103 of the Code, at the election of the purchaser, will entitle the purchaser to return of the bid security deposited with the bid without interest thereon.

As a condition to the obligation of the successful bidder to accept delivery of and pay for the Notes, the successful bidder will be furnished the following documents: (i) within seven (7) business days following acceptance of the bid, sufficient copies of the Official Statement relating to the Notes as are required by Rule 15c2-12(b)(3) under the Securities Exchange Act of 1934, as amended (the cost of 200 of which shall be borne by the Township), which Official Statement shall be dated as of the date of sale of the Notes and shall be similar in form and substance in all material respects to the Preliminary Official Statement referred to above, as amended or supplemented to the date and time of sale of the Notes (inclusive of those amendments or supplements made from details contained in the successful bid for purchase of the Notes), (ii) a certificate signed by the President or Vice-President of the Township and dated as of the date of delivery of and payment for the Notes certifying that (a) as of the date of the Official Statement furnished by the Township in relation to the sale of the Notes, the Official Statement to the best of his knowledge did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, subject to the condition that, while information in the Official Statement obtained from sources other than the Township is not certified as to accuracy, completeness or fairness, the President or Vice-President has no reason to believe and does not believe that such information is materially inaccurate or misleading and (b) to his knowledge, since the date of the Official Statement, there has been no material adverse change in the general affairs of the Township or in its financial condition as set forth in the Official Statement other than as disclosed in or contemplated by the Official Statement; (iii) a certificate of the Solicitor of the Township, dated as of the date of delivery of and payment for the Notes, certifying that there is no litigation pending which challenges the validity or enforceability of the Notes; or in the event that such litigation is pending, a description of the nature of such litigation, together with an opinion of legal counsel approved by the Township, to the effect that such litigation is without legal merit; (iv) a Tax Certificate or Regulatory Agreement, satisfactory to Note Counsel, necessary to comply with Sections 103(b)(2) and 148 of the Code and applicable regulations promulgated thereunder;

and (v) the approving opinion of Saul Ewing LLP, Philadelphia, Pennsylvania, Note Counsel, stating among other things, that (a) under existing law, interest on the Notes is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations under existing law, subject to certain exceptions described under "Tax Matters" in the Official Statement; and (b) under the laws of the Commonwealth of Pennsylvania, the Notes are exempt from personal property taxes in Pennsylvania and the interest on the Notes is exempt from the Pennsylvania personal income tax and the Pennsylvania corporate net income tax.

Continuing Disclosure

In order to assist bidders in complying with S.E.C. Rule 15c2-12 (the "Rule"), the Township will undertake, pursuant to the Ordinance or a Continuing Disclosure Agreement to be executed and delivered on or before the Settlement Date, to provide annual reports and notices of certain events. A description of this undertaking will be set forth in the Preliminary Official Statement and the Final Official Statement.

Miscellaneous

It is anticipated that CUSIP identification numbers will be printed on the Notes, but neither the failure to print such numbers on any Note nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Notes. The Notes shall be available through the facilities of DTC and initially registered in nominee name of CEDE & Co. The purchasers shall not receive a certificate or note form. All expenses in relation to the printing of CUSIP numbers on the Notes shall be paid by the Township. The Township also assumes responsibility for any CUSIP Service Bureau charge that may be imposed for the assignment of such numbers.

The Township, at its own expense, will provide for preparation of the Notes and will pay the fees of the Paying Agent.

The Notes will be delivered through the facilities of DTC on or about March 13, 2012, or such later date as shall be determined by the Township. The actual time of day and place of such delivery shall be such as shall be agreeable, mutually, to the Township and to the successful bidder.

The bidding for the Notes will be conducted as "private sale upon invitation" as permitted by the Act. Anyone who desires to be considered to be invited to make a bid shall contact the Financial Advisor on or before February 6, 2012. The Township shall receive and consider bids only from those who are invited.

The right is reserved to reject any or all bids, and to waive any informality, mistake, error or omission in any bid.

Amendment

The Township reserves the right to amend this Invitation to Bid, including the date and time for receipt of bids, at any time prior to 10:00 a.m. EST on the day of the sale by publishing the amendments on the PFMauction website and via Munifacts.

Additional Information

Additional information and the Preliminary Official Statement relating to the Notes may be obtained from the Township's Financial Advisor, Public Financial Management, One Keystone Plaza, Suite 300, North Front & Market Streets, Harrisburg, Pennsylvania, 17101, attention: Mr. Bradley Remig or Mr. Zach Williard (717/232-2723). The Invitation to Bid and the Preliminary Official Statement may be viewed on the PFMauction website. However, the Township makes no assurance or representation with respect to the form of the Invitation to Bid and the Preliminary Official Statement on the PFMauction website, and no investment decision should be made in reliance thereon. Printed copies of the POS and the Invitation to Bid may be obtained from the Financial Advisor at the address and phone number stated above. Additional information relating to the auction or a private bidding tutorial may be obtained by calling the Auction Administrator, MuniAuction, at (412/391-5555).

TOWNSHIP OF UPPER MORELAND
Montgomery County, Pennsylvania

By/s/

R. Samuel Valenza
President of the Commissioners

**EXHIBIT A
WINNING BID FORM
(All-or-None Bid)
TOWNSHIP OF UPPER MORELAND
Montgomery County, Pennsylvania
\$5,300,000* GENERAL OBLIGATION NOTES, SERIES OF 2012**

Board of Commissioners
Township of Upper Moreland
c/o Public Financial Management
One Keystone Plaza, Suite 300
North Front & Market Streets
Harrisburg, PA 17101 (P. O. Box 11813, Harrisburg, PA 17108)
Fax #: (717) 232-8610

Ladies and Gentlemen:

Subject to the provisions of and in accordance with the terms of the Invitation to Bid, dated February 6, 2012 of the Township of Upper Moreland (the "Township") for its \$5,300,000* General Obligation Notes, Series of 2012 (the "Notes"), which is incorporated herein and hereby made a part hereof:

We hereby confirm that we have agreed to purchase all, but not less than all, of the \$5,300,000* aggregate principal amount of the Notes described in the Invitation to Bid and to pay therefore the amount of \$_____ constituting _____% of the par value of the Notes, plus the interest accrued, if any, on the Notes from March 13, 2012 to the date of their delivery. This offer is for the Notes bearing interest at the rates and in the form of serial Notes as follows:

September 1	Principal Amount⁽¹⁾	Interest Rates	Reoffering Price	Term Notes
2012	\$ 385,000	%	%	%
2013	500,000	%	%	%
2014	510,000	%	%	%
2015	525,000	%	%	%
2016	535,000	%	%	%
2017	545,000	%	%	%
2018	555,000	%	%	%
2019	565,000	%	%	%
2020	580,000	%	%	%
2021	600,000	%	%	%

⁽¹⁾Aggregate principal amount and principal amortization amounts may be adjusted as set forth in the Invitation to Bid.

We acknowledge and have agreed that after we submit this proposal, the Township may modify the aggregate principal amount of the Notes and/or the principal amounts of each maturity of the Notes, subject to the limitations set forth in the Invitation to Bid. We also acknowledge and have agreed that the Township may designate the Notes stated to mature in each of the years 2012 through 2021, in such aggregate amounts, in whole multiples of \$5,000, as the Township may deem appropriate.

We further acknowledge and have agreed that in the event that any adjustments are made to the principal amount of the Notes, we will purchase all of the Notes, taking into account such adjustments on the above specified terms of this proposal for the Notes.

As the winning bidder, we confirm that we have agreed to wire \$53,000 to the Township, as security against any loss of the Township resulting from failure of the undersigned bidder to comply with terms of the bid.

As the winning bidder, we confirm that we have agreed to immediately furnish the additional information described under the caption "Information Required from Winning Bidder; Reoffering Price" in the Invitation to Bid.

As the winning bidder, we confirm that we have agreed to provide to the Township as soon as possible after the sale of the Notes a complete list of syndicate members, if any, upon request, the actual allocation of the Notes and the orders placed by the syndicate members.

We have noted that payment of the purchase price is to be made in immediately available Federal Funds at the time of delivery of the Notes.

In the event we have bid on behalf of a bidding syndicate, we represent that we have full and complete authority to submit the bid on behalf of our bidding syndicate and that the undersigned will serve as the lead manager for the group.

We desire _____ copies (not exceeding 200) of the Official Statement for the Notes (as provided in the Invitation to Bid). We understand that we may obtain additional copies at our own expense.

We further certify (or declare) under penalty of perjury under the laws of the Commonwealth of Pennsylvania that our bid and this proposal is genuine, and not a sham or collusive, nor made in the interest of or on behalf of any person not herein named, and that the bidder has not directly or indirectly induced or solicited any other bidder to put in a sham bid or any other person, firm or corporation to refrain from bidding, and that the bidder has not in any manner sought by collusion to secure for itself an advantage over any other bidder.

Respectfully submitted,

Name of Bidder

By: _____
Name and Title:

Address: _____

Telephone: _____

Facsimile: _____

The above Bid is hereby accepted by the Board of Commissioners of the Township of Upper Moreland, with Final Maturity Schedule as shown on the attached Exhibit A.

TOWNSHIP OF UPPER MORELAND
Montgomery County, Pennsylvania

Attest

By _____
(Vice) President

(Assistant) Secretary

