

COUNTY AGREEMENT

dated October __, 2011

by and among

MULTI-PURPOSE STADIUM AUTHORITY OF LACKAWANNA COUNTY,

COUNTY OF LACKAWANNA, PENNSYLVANIA,

and

PNC BANK, NATIONAL ASSOCIATION

COUNTY AGREEMENT

This COUNTY AGREEMENT (the "Agreement") made and entered into as of the ___th day of October, 2011, by and among the MULTI-PURPOSE STADIUM AUTHORITY OF LACKAWANNA COUNTY (the "Authority"), the COUNTY OF LACKAWANNA, PENNSYLVANIA (the "County"), and PNC BANK, NATIONAL ASSOCIATION (the "Bank"), as lender and as Counterparty (hereinafter defined).

WITNESSETH:

WHEREAS, the parties hereto desire to enter into this Agreement to provide for the procedures relating to the deposit and disbursement of revenues generated within the County of Lackawanna, Pennsylvania from the Hotel Room Rental Tax (the "Hotel Tax") imposed by the County pursuant to the County's Ordinance #110 enacted on August 28, 1997, as amended by Ordinance #120 enacted on December 28, 1999 (collectively, the "Hotel Tax Ordinance").

NOW, THEREFORE, in consideration of the mutual covenants contained herein and intending to be legally bound hereby and as security for the payment or accumulation of payments of actual or projected debt service on the Notes (as hereinafter defined) and the other amounts due under the Loan Agreements (as hereinafter defined), including, but not limited to, the payment of any payment obligations to the Counterparty, the parties hereto agree as follows:

1. Definitions. As used in this Agreement, all terms have the meanings given them in (i) the Hotel Room Rental Tax Revenue Notes Loan Agreement dated October __, 2011 (the "Hotel Room Rental Tax Revenue Notes Loan Agreement"), securing the Authority's Hotel Room Rental Tax Revenue Notes, Series A and B of 2011 (the "Hotel Room Rental Tax Revenue Notes"), and securing the Interest Rate Swap Agreement (as such term is defined in the Hotel Room Rental Tax Revenue Notes Loan Agreement) relating to the Hotel Room Rental Tax Revenue Notes (the "Hotel Room Rental Tax Revenue Notes Interest Rate Swap Agreement"), or (ii) the Stadium Facility Revenue Note Loan Agreement dated October __, 2011 (the "Stadium Facility Revenue Note Loan Agreement" and together with the Hotel Room Rental Tax Revenue Notes Loan Agreement, the "Loan Agreements"), securing the Authority's Stadium Facility Revenue Note, Series of 2011 (the "Stadium Facility Revenue Note" and together with the Hotel Room Rental Tax Revenue Notes, the "Notes"), unless the context clearly requires otherwise.

2. Hotel Tax Revenues. For the term of this Agreement, the County shall maintain, or cause the County Treasurer to maintain, the Lackawanna County Treasurer's Hotel Room Rental Tax Account established under the Hotel Tax Ordinance with the Bank (such account being hereinafter referred to as the "Tax Collection Account"). The County covenants and agrees to deliver, or cause the County Treasurer to deliver, to the Bank for deposit in the Tax Collection Account, within the time prescribed by the Ordinance, all amounts received by the Lackawanna County Personal Property and Hotel Room Rental Tax Department pursuant to the Hotel Tax Ordinance. The Bank shall invest all amounts on deposit in the Tax Collection Account at the direction of the County Treasurer. All earnings on amounts in the Tax Collection Account shall be credited to the Tax Collection Account and shall be available along with all other amounts on deposit therein, for disbursement pursuant to the terms of this Agreement.

The Bank, without any further direction from the County or the Authority, is hereby authorized and directed to transfer money from the Tax Collection Account as follows and in the following order of priority:

(i) subject to the provisions of Section 3 below, on the date of any deposit by the County to the Tax Collection Account to such fund or account as has been designated by the County for receipt of such funds, an amount equal to twenty percent (20%) of such deposit, such amount representing the amount of the Hotel Tax available to the TPA (as defined in the Hotel Tax Ordinance) pursuant to the provisions of the Hotel Tax Ordinance;

(ii) into the Debt Service Fund established under the Hotel Room Rental Tax Revenue Notes Loan Agreement, beginning on November 1, 2011 and continuing on the first (1st) day of each month thereafter to and including January 1, 2012, an amount equal to one-third of the estimated interest payable on the Hotel Room Rental Tax Revenue Notes and the estimated net amount payable under the Hotel Room Rental Tax Revenue Notes Interest Rate Swap Agreement on January 1, 2012, and beginning on February 1, 2012 and continuing on the first (1st) day of each month thereafter, an amount equal to one-sixth of the estimated interest payable on the Hotel Room Rental Tax Revenue Notes and the estimated net amount payable under the Hotel Room Rental Tax Revenue Notes Interest Rate Swap Agreement on the next ensuing January 1 or July 1;

(iii) into the Debt Service Fund established under the Hotel Room Rental Tax Revenue Notes Loan Agreement, beginning on November 1, 2011 and continuing on the first (1st) day of each month thereafter to and including July 1, 2012, an amount equal to one-ninth of the principal of Hotel Room Rental Tax Revenue Notes due, whether by maturity or by mandatory redemption, on July 1, 2012, as provided in the Hotel Room Rental Tax Revenue Notes, and beginning on August 1, 2012, and continuing on the first (1st) day of each month thereafter, an amount equal to one-twelfth (1/12) of the principal of Hotel Room Rental Tax Revenue Notes due, whether by maturity or by mandatory redemption, on the next ensuing July 1 as provided in the Hotel Room Rental Tax Revenue Notes;

(iv) commencing on the first day of the month following any withdrawal of funds from the Debt Service Reserve Fund established under the Hotel Room Rental Tax Revenue Notes Loan Agreement and on the first day of each month thereafter, in not more than twelve (12) successive monthly installments, one-twelfth (1/12) of the amount (if any) needed to increase the value of the Debt Service Reserve Fund to the Required Reserve Amount for the Hotel Room Rental Tax Revenue Notes;

(v) commencing on the first day of the month following a valuation of the Debt Service Reserve Fund established under the Hotel Room Rental Tax Revenue Notes Loan Agreement showing that the amount in the Debt Service Reserve Fund is less than the Required Reserve Amount for the Hotel Room Rental Tax Revenue Notes, and on the first day of each month thereafter, in not more than three (3) successive monthly installments, one-third (1/3) of the amount necessary to increase the total value of the Debt Service Reserve Fund to the Required Reserve Amount for the Hotel Room Rental Tax Revenue Notes;

(vi) into the Debt Service Fund established under the Stadium Facility Revenue Note Loan Agreement, beginning on November 1, 2011 and continuing on the first (1st) day of each month thereafter to and including January 1, 2012, an amount, if necessary, after application of Stadium Facility Lease Revenues (as defined in the Stadium Facility Revenue Note Loan Agreement), sufficient such that the amount on deposit to the Debt Service Fund established under the Stadium Facility Revenue Note Loan Agreement on such date is equal to one-third of the estimated interest payable on the Stadium Facility Revenue Note on January 1, 2012, and beginning on February 1, 2012 and continuing on the first (1st) day of each month thereafter, an amount, if necessary, after application of Stadium Facility Lease Revenues, sufficient such that the amount on deposit to the Debt Service Fund established under the Stadium Facility Revenue Note Loan Agreement on such date is equal to one-sixth of the estimated interest payable on the Stadium Facility Revenue Note on the next ensuing January 1 or July 1;

(vii) into the Debt Service Fund established under the Stadium Facility Revenue Note Loan Agreement, beginning on August 1, 2012, and continuing on the first (1st) day of each month thereafter, an amount, if necessary, after application of Stadium Facility Lease Revenues, sufficient such that the amount on deposit to the Debt Service Fund established under the Stadium Facility Revenue Note Loan Agreement on such date is equal to one-twelfth (1/12) of the principal of Stadium Facility Revenue Note due, whether by maturity or by mandatory redemption, on the next ensuing July 1 as provided in the Stadium Facility Revenue Note;

(viii) on the date due and to the person entitled thereto any additional amount as required to be paid by the Authority under the Hotel Room Rental Tax Revenue Notes Loan Agreement and the Hotel Room Rental Tax Revenue Notes Interest Rate Swap Agreement, including, but not limited to, any termination payment due to the Counterparty;

(ix) on the date due and to the person entitled thereto any additional amount, if necessary, after application of Stadium Facility Lease Revenues, as required to be paid by the Authority under the Stadium Facility Revenue Note Loan Agreement; and

(x) after making the transfers required in clauses (i), (ii), (iii), (iv), (v), (vi), (vii), (viii) and (ix) above, commencing on November 1, 2011 and on the first (1st) day of each month thereafter any remaining amounts in the Tax Collection Account to the County for any purpose authorized by the Hotel Tax Ordinance.

If, on any date that monies are required to be withdrawn from the Tax Collection Account as specified above: (i) no transfer or disbursement is required to be made to a particular fund or for a particular purpose specified above, the Bank shall nevertheless make any other transfers or disbursements as may be required on such date as specified above next in order of priority; or (ii) there are insufficient monies to make all transfers or disbursements falling within a particular level of priority and then required to be made by the Bank, the Bank shall allocate the available monies to such transfers or disbursements within such level of priority on a *pro rata* basis, based upon the respective amounts which the Authority would otherwise be required to transfer or disburse on such date to each particular person or on account of each particular purpose falling within such level of priority.

3. Events of Default. Upon the occurrence of and during the continuance of any event of default under the Loan Agreements or the Notes, the County hereby agrees that none of the revenues received from the Hotel Tax thereafter shall be transferred to the TPA until such event of default is deemed cured by the Bank. The County shall provide written notice promptly to the TPA of suspension of transfers to the TPA pursuant to this Section 3.

4. Security Interest. In order to secure payment of the principal of and interest on the Notes according to their tenor and to the repayment of amounts owed to the Counterparty, to secure performance and observance of all covenants and conditions therein, in the Hotel Room Rental Tax Revenue Notes Interest Rate Swap Agreement and herein contained and to declare terms and conditions upon which the Notes and the Hotel Room Rental Tax Revenue Notes Interest Rate Swap Agreement shall be secured, and in consideration of mutual covenants herein contained, and of purchase and acceptance of the Notes by the Bank, the County, intending to be legally bound, has executed and delivered this Agreement and by these presents does assign, transfer, set over and pledge unto the Bank, its successors and its assigns, forever, as security for obligations to the Bank created under the Loan Agreements, under the Notes and as Counterparty under the Hotel Room Rental Tax Revenue Notes Interest Rate Swap Agreement, a lien on and security interest in all its right, title and interest in and to (i) the Hotel Tax, (ii) the accounts and general intangibles comprising the revenues and the rights to receive the revenues generated from the Hotel Tax, and (iii) the Tax Collection Account.

For the purposes hereof this Agreement hereby is created and declared to be a "Security Agreement" as such term is described and defined in the Uniform Commercial Code, as presently enacted in the Commonwealth of Pennsylvania.

The County hereby authorizes the Bank to file, at the Authority's cost and expense, such financing statements (including, without limitation, UCC-1 financing statements, UCC-3 continuation statements, and UCC-3 amendment statements) without the County's signature, for filing in such filing offices as the Bank deems necessary, in its sole discretion, to perfect, or maintain the perfection of, the security interests of the Bank in the assets pledged under this Agreement.

5. Additional Covenants. The County hereby covenants and agrees that for the term of this Agreement the Authority shall not be required to repay to the County any amounts owing on indebtedness of the Authority to the County or otherwise payable by the Authority to the County, except that \$1,000,000 shall be reimbursed by the Authority to the County relating to stadium renovations at the Project Facilities that the County paid to Ewing Cole over the previous two calendar years.

6. Termination. This Agreement shall automatically terminate when the Notes have been paid in full pursuant to their respective terms and the provisions of the respective Loan Agreements and all other amounts payable under the Loan Agreements and the Hotel Room Rental Tax Revenue Notes Interest Rate Swap Agreement have been paid in full including any termination payments.

7. Notices. All notices, requests, demands, waivers, consents, approvals, or other communications that are required or permitted hereunder shall be in writing and shall be deemed given when delivered personally or by first class mail, postage prepaid, as follows:

If to the Authority:

Multi-Purpose Stadium Authority of Lackawanna County
235 Montage Mountain Road
Moosic, PA 18507
Attention: Chairman

If to the County:

Lackawanna County, Pennsylvania
200 Adams Avenue
Scranton, PA 18503
Attention: County Treasurer

If to the Bank:

PNC Bank, National Association
201 Penn Avenue
Scranton, PA 18503
Attention: Michael E. Dennen, Senior Vice President

or to such other address as may be designated in writing by the party entitled to receive such communications.

8. Successors and Assigns. The obligations imposed and the rights conferred by this Agreement shall be binding upon and inure to the benefit of the respective representatives, successors and assigns of the parties hereto.

9. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

10. Entire Agreement. This Agreement contains the entire agreement between the parties hereto with respect to the transactions contemplated herein.

11. Amendment. This Agreement may not be amended or supplemented, and its provisions may not be waived, except pursuant to an instrument in writing signed by the parties hereto.

12. Headings. Section headings used in this Agreement are inserted for convenience of reference only and shall not control or aid in the interpretation of its provisions.

13. Severability. Any provision of this Agreement that is invalid or unenforceable in any jurisdiction shall be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining provisions hereof, and any such invalidity

or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

14. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original. This Agreement and any counterpart so executed shall be deemed to be one and the same instrument. It shall not be necessary in making proof of this Agreement or any counterpart hereof to produce or account for any of the other counterparts.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have caused this Agreement to be duly executed and delivered and their respective seals to be affixed, on the date first above written.

[SEAL]

MULTI-PURPOSE STADIUM AUTHORITY OF
LACKAWANNA COUNTY

Attest: _____
Secretary

By _____
Chairman

[SEAL]

COUNTY OF LACKAWANNA,
PENNSYLVANIA

Attest: _____
Chief Clerk

By _____
Chairman of the Board of
Commissioners

Approved as to form and legality:

County Solicitor

PNC BANK, NATIONAL ASSOCIATION

By _____
Authorized Officer

