

## ORDINANCE #131

FIRST READING - May 14, 2002

SECOND READING - May 29, 2002

**AUTHORIZING THE INCURRING OF LEASE RENTAL INDEBTEDNESS BY THE GUARANTY OF THE DEBT SERVICE ON BONDS OF THE MULTI-PURPOSE STADIUM AUTHORITY OF LACKAWANNA COUNTY IN A PRINCIPAL AMOUNT NOT TO EXCEED NINE MILLION EIGHTY THOUSAND DOLLARS (\$9,080,000.00); RECOGNIZING MAXIMUM INTEREST RATES, MATURITY AND REDEMPTION PROVISIONS OF THE BONDS; COVENANTING TO PAY, AND PLEDGING UNLIMITED TAXING POWER FOR THE PAYMENT OF, THE BONDS UNDER THE GUARANTY; AUTHORIZING FILINGS OF REQUIRED DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; RATIFYING ACTIONS OF OFFICERS AND DIRECTING OTHER ACTIONS; AND MAKING OTHER COVENANTS IN RESPECT OF THE GUARANTY.**

**WHEREAS**, the Governing Body of the Local Government Unit, after due consideration of the public welfare and with full legal competence pursuant to its enabling legislation, has determined to undertake the Project hereinafter described; and

**WHEREAS**, the Governing Body of the Local Government Unit desires to incur indebtedness, within constitutional and statutory limitations, in order to undertake said Project; and

**WHEREAS**, the incurrence of such indebtedness is governed by the provisions of the Local Government Unit Debt Act (the "Debt Act");

**NOW, THEREFORE, BE, AND IT HEREBY IS, ENACTED** by the affirmative vote of a majority of all members of the Governing Body of the Local Government Unit as follows:

**ARTICLE 1 - DEFINITIONS**

Unless the context clearly indicates otherwise, the following terms shall, for all purposes of this Debt Ordinance, have the meanings hereby ascribed to them. Moreover, such terms, together with all other provisions of this Debt Ordinance, shall be read and understood in a manner consistent with the provisions of the Debt Act, as generally interpreted by the Department of Community Affairs or by courts maintaining competent jurisdiction, and consistent with the Guaranty hereinafter discussed and the related corporate resolutions, and financing documents and instruments of the Authority hereinafter identified. Words or phrases importing the masculine gender shall be read and understood to include the feminine and neuter genders and those importing number shall include singular or plural, both as appropriate to the context. The word "person," in addition to natural persons, shall mean and include corporations, associations and public bodies and their successors unless the context shall indicate otherwise.

"Authority" shall mean Multi-Purpose Stadium Authority of Lackawanna County, a body corporate and politic of the Commonwealth of Pennsylvania, organized under and existing pursuant to the Municipality Authorities Act, as amended.

"Bonds" shall mean the not to exceed \$9,080,000 Multi-Purpose Stadium Authority of Lackawanna County (Pennsylvania), Guaranteed Stadium Revenue Bonds, Series of 2002.

"Bond Documents" shall mean the Guaranty, the Bond Purchase Agreement, the Indenture, and all those other additional and standard agreements and assignments executed and entered into by the Authority in connection with the issuance of the Bonds.

"Bond Purchase Agreement" shall mean the written agreement for the purchase and sale of the Bonds, dated May 30, 2002, between the Authority and the Purchaser.

"Bond Resolution" shall mean the formal action of the Board of the Authority authorizing, among other items, the Bonds and setting forth the terms and conditions of their payment, and the execution and delivery of the Bond Documents, including the Guaranty.

"Co-Bond Counsel" shall mean Thorp Reed & Armstrong, LLP, Pittsburgh, Pennsylvania and Foley, Cignetti, Comerford & Cimini, Scranton, Pennsylvania.

"Debt Ordinance" shall mean this document, being the formal action taken by the Local Government Unit according to the requirements of Section 8103 of the Debt Act in order to authorize and incur the lease rental indebtedness represented by the Guaranty. Such term shall apply whether, under the law and existing practices of the Local Government Unit, it would normally take formal action by enactment of an ordinance, adoption of a resolution or some other similar means.

"Designated Officer" or "Designated Officers" shall mean and include, individually or jointly, the Chairman of the Board of Commissioners of the Local Government Unit, the County Commissioners, the County Treasurer, the Controller and the Administrative Director being those duly elected or appointed and acting officials of the Local Government Unit, and their successors, hereby authorized to undertake and perform the actions herein specified necessary and proper to the issuance of the Guaranty and compliance with the Debt Act.

"Governing Body" shall mean the Board of Commissioners of the Local Government Unit, being that entity authorized by law to fix the rate of, and to levy taxes within the Local Government Unit.

"Guaranty" shall mean the Guaranty Agreement dated as of July 1, 2002 between the Local Government Unit, the Authority and Fidelity Deposit & Discount Bank, Dunmore, Pennsylvania (the "Trustee") guaranteeing the payment obligations of the Authority on its Bonds, according to the terms and provisions thereof, as contained in the form of the Guaranty set forth in Exhibit A, attached to this Debt Ordinance and incorporated by reference herein.

"Indenture" shall mean the Trust Indenture dated as of July 1, 2002 from the Authority to the Trustee.

"Local Government Unit" shall mean the County of Lackawanna, a political subdivision of the Commonwealth of Pennsylvania duly organized and validly existing under the Constitution and laws of the Commonwealth, particularly its Home Rule Charter.

"Project" shall mean the guarantee by the Local Government Unit of the Bonds of the Authority issued to (i) refinance, in order to reduce debt service over the life of the series, the Authority's Guaranteed Stadium Revenue Bonds, Series 1992 (the "Prior Bonds"); (ii) fund a Debt Service Reserve Fund; (iii) refinance, in order to reduce debt service over the life of the series, the Authority's 1999 Promissory Note; and (iv) pay the costs of issuance of the Bonds. Reasonable estimates of the cost of the underlying project of the Authority, which is not less than the principal amount of the lease rental indebtedness authorized by this Ordinance, together with the exact useful life of the project previously financed with the proceeds of the Prior Bonds, (being in excess of 10 years) have been

obtained with the assistance of engineers, financial advisors and other persons qualified by experience. Nothing contained in this Ordinance prohibits the Governing Body, under proper enactment of an ordinance and compliance with all provisions of law, from altering the Project.

"Purchaser" shall mean RBC Dain Rauscher, Scranton, Pennsylvania, as representative of itself and Janney Montgomery Scott LLC, Philadelphia, Pennsylvania.

"Redemption Price" shall mean 100% of the principal amount of (or portion of) the Bonds, together with accrued interest to the date fixed for redemption.

#### **ARTICLE 2 -- AUTHORIZATION OF INDEBTEDNESS**

Section 2.01. Incurrence. The Local Government Unit hereby authorizes and directs the incurrence of lease rental indebtedness in an amount equal to the aggregate principal amount of the Bonds for the purposes of the Project; such debt shall be evidenced by the Guaranty, to be executed and delivered according to the provisions of this Debt Ordinance and the Debt Act, as a general obligation of the Local Government Unit.

Section 2.02. Approval of Guaranty. The Local Government Unit hereby approves the Guaranty according to the form set forth in Exhibit A, attached to this Debt Ordinance and incorporated by reference herein; the Designated Officers are authorized and directed to execute and deliver the Guaranty, with such minor modifications and completions from Exhibit A as they shall, in their uncontroverted discretion, deem appropriate and in the best interests of the Local Government Unit and the Authority.

Section 2.03. Preparation of Debt Statement; Proceedings Before the Secretary. The Designated Officers are hereby authorized and directed to prepare and verify under oath or affirmation, according to the requirements of Sections 8002 and 8110 of the Debt Act, the Debt Statement of the Local Government Unit, including therewith a certification of the Borrowing Base, and, if desired, any statements required by Article II of the Debt Act necessary to qualify all or any portion of the indebtedness for exclusion from the appropriate debt limit as self-liquidating or subsidized debt.

The Designated Officers are hereby further authorized and directed to prepare and file all proceedings of the Local Government Unit relative to this incurrence of indebtedness with the Department of Community and Economic Development and to respond to all inquiries or requests and to perform all other actions necessary to obtain the approval of the Secretary to execute and deliver the Guaranty.

Section 2.04. General Obligation Covenant. The Local Government Unit hereby covenants with the owners from time to time of the Bonds to: (a) include, within the limits of this Debt Ordinance and the Guaranty, the amount necessary to service the debt on the Bonds, for each fiscal year in which such sums are payable, in its budget for that year, (b) appropriate such amounts from its general revenues to the payment of such debt service, and (c) duly and punctually pay, or cause to be paid, from its Sinking Fund or from any other of its revenues or funds, the principal of and the interest, within the limits of this Debt Ordinance and the Guaranty, on the Bonds at the dates and places and in the manner stated therein according to the true intent and meaning thereof.

For such budgeting, appropriation and payment of the Bonds, the Local Government Unit hereby irrevocably pledges its full faith, credit and taxing power. The maximum amount of debt service hereby covenanted to be paid is the aggregate principal amount of the Bonds, together with interest accrued, and is set forth in the schedule contained in the Guaranty.

As provided in the Debt Act, the foregoing covenant is specifically enforceable.

#### **ARTICLE 3 - SETTLEMENT**

Section 3.01. Concurrence of Award to Purchaser. After due consideration of various factors, including professional assistance and current market conditions, the Governing Body hereby approves the award of the Bonds by the Authority to the Purchaser and concurs in finding that a private sale by negotiation is in the best financial interest of the Authority and the Local Government Unit.

Section 3.02. Settlement. The Designated Officers are authorized and directed to undertake and perform, or cause to be undertaken or performed, all such ordinary duties of the Local Government Unit (which are hereby specifically approved) that may be required under, or reasonably contemplated by, the execution and delivery of the Guaranty in connection with the issuance of the Bonds, including execution and delivery of such certificates, orders and agreements as may be necessary, in the opinion of Co-Bond Counsel or Solicitor, to proper settlement of the Bonds.

Section 3.03. Ratification. The action of the proper officers or agents in advertising a Summary Notice of this Debt Ordinance, as required by law, is ratified and confirmed. The advertisement of the Enactment Notice of this Debt Ordinance is hereby directed.

Section 3.04. Debt Ordinance A Contract. This Debt Ordinance shall be a contract with the Purchaser, and any subsequent owners, from time to time, of the Bonds.

Section 3.05. Inconsistencies. All prior ordinances, resolutions, or other official acts or parts thereof inconsistent herewith are hereby repealed to the extent of such inconsistencies.

Section 3.06. Statutory References. All references to specific provisions of statutory law herein contained may be read and interpreted by reference to amended, successor or replacement laws, but only to the extent consistent with the intent and clear meaning of this Debt Ordinance. All inconsistencies shall be resolved with recognition of, and in favor of, the rights of the owners of the Bonds, whose rights shall not be impaired.

#### **EXHIBIT A**

#### **GUARANTY AGREEMENT**

Dated as of July 1, 2002

By, Between and Among

**MULTI-PURPOSE STADIUM AUTHORITY OF LACKAWANNA COUNTY  
(Pennsylvania)**

**COUNTY OF LACKAWANNA**

and

**FIDELITY DEPOSIT & DISCOUNT BANK**

as Trustee

SECURING

not to exceed

\$9,080,000  
 aggregate principal amount.  
 GUARANTEED STADIUM REVENUE BONDS,  
 SERIES OF 2002

This **GUARANTY AGREEMENT** dated as of July 1, 2002, by, between and among **MULTI-PURPOSE STADIUM AUTHORITY OF LACKAWANNA COUNTY**, Pennsylvania, a body corporate and politic, organized under and existing pursuant to the provisions of the Municipality Authorities Act, as amended (the "Authority"), the **COUNTY OF LACKAWANNA**, a political subdivision organized and existing under and pursuant to its Home Rule Charter (the "County") and **FIDELITY DEPOSIT & DISCOUNT BANK**, a national banking association organized under and existing pursuant to the laws of the United States of America with power and authority to accept and execute trusts, as trustee (the "Trustee"),

**WITNESSES THAT:**

**WHEREAS**, the Authority is organized under and pursuant to the laws of the Commonwealth of Pennsylvania, particularly the Municipality Authorities Act, as amended (the "Act"), having been duly incorporated by the County of Lackawanna, Pennsylvania; and

**WHEREAS**, the Authority is authorized by law, among other things, to acquire, hold, lease, construct, finance, improve, maintain, administer and operate parks, recreation grounds and facilities, and to borrow money, to make and issue negotiable bonds and to secure the payment of the bonds by pledge or deed of trust of all or any of its receipts and revenues and to make agreements with the purchasers or owners of bonds or with others in connection with any bonds, whether issued or to be issued, as the Authority deems advisable; and

**WHEREAS**, the County is authorized by law to guarantee the payment of obligations of other municipal corporations when appropriate and in its best interest to serve the health, safety and welfare of its citizens; and

**WHEREAS**, the Authority has acquired and constructed a multi-purpose stadium facility (the "Facility") in order to promote and improve economic development and recreational conditions in the County, and financed (or refinanced) the acquisition and construction of the Facility through its Guaranteed Stadium Revenue Bonds, Series 1992 (the "Existing Bonds") and its 1999 Promissory Note (the "1999 Note");

**WHEREAS**, the Authority's Facility, as so constituted, presently provides recreational opportunities to residents of the County;

**WHEREAS**, the Authority has determined that it is financially advantageous to refinance the Existing Bonds and the 1999 Note (the "Project"); and

**WHEREAS**, the Authority may from time to time hereafter determine to construct or acquire further improvements and extensions of its Facility; and

**WHEREAS**, the Authority deems it necessary to borrow money to accomplish the above-mentioned purposes and to that end has authorized and directed the issuance of its bonds, to be designated as "Multi-Purpose Stadium Authority of Lackawanna County, Guaranteed Stadium Revenue Bonds, Series 2002" (the "Series of 2002 Bonds" or the "Bonds") in a maximum aggregate principal amount of \$9,080,000; and

**WHEREAS**, the County desires to guarantee repayment of the Series of 2002 Bonds in the event the Authority is unable to make such repayment;

**NOW, THEREFORE, THE PARTIES** hereto, in consideration of the foregoing and intending to be legally bound, **DO hereby COVENANT AND AGREE** as follows:

1. **Certain Definitions.** Unless the context clearly indicates otherwise, the following terms and terms defined in the Indenture, for all purposes of this Guaranty, have the meanings hereby or in the Indenture ascribed to them. Moreover, the terms are to be read and understood in a manner consistent with the provisions of the Act, the Debt Act, the Indenture, related corporate resolutions, financing documents and instruments of the Authority and the County, hereinafter identified, as generally interpreted by courts maintaining competent jurisdiction. Words or phrases importing the masculine gender are to be read and understood to include the feminine and neuter genders and those importing number include singular or plural, both as appropriate to the context. The word "person," in addition to natural persons, means and includes corporations, associations and public bodies and their successors unless the context indicates otherwise.

"Act" means the Municipality Authorities Act, as amended.

"Dated Date" means July 1, 2002.

"Debt Act" means the Local Government Unit Debt Act, as amended.

"Debt Ordinance" means the formal action taken by the County according to the requirements of the Debt Act in order to authorize and incur the lease rental indebtedness represented by this Guaranty, in respect of the Series of 2002 Bonds.

"Guaranty" means this Guaranty Agreement dated as of July 1, 2002 between the Authority, the County and the Trustee.

"Interest Payment Dates" means, singularly or jointly, August 15, 2002, and February 15 and August 15 of the years 2003 through and including 2007.

"Principal Payment Dates" means, singularly or jointly, August 15 of the years 2002 through and including 2007.

2. **Representations and Warranties.**

A. The Authority represents and warrants that:

(i) The Authority is a body corporate and politic of the Commonwealth of Pennsylvania organized under and existing pursuant to the provisions of the Act, and is duly authorized by law to plan, acquire, hold, construct, own, lease, operate and maintain the Facility;

(ii) The Authority is authorized by law to execute, deliver and perform its duties under this Guaranty and to borrow moneys upon the terms and conditions provided in the Indenture; and the execution and delivery of the Bonds, the Indenture and this Guaranty have each been duly authorized by all necessary corporate action on the part of the Authority;

(iii) There are no actions, suits or proceedings pending, or, to the knowledge of the Authority, threatened against or affecting the Authority before any court or any governmental department or agency which may adversely affect the Authority or its ability to make or carry out the provisions of this Guaranty, the Indenture, or its ability to repay the Bonds issued thereunder; there are not, to the knowledge of the Authority, any

claims involving the Authority except immaterial claims arising in the ordinary course of its operations; the Authority is not a party to any contract or agreement or subject to any charter or other corporate restriction of any kind which adversely affects its present or prospective operations, properties or assets or its ability to repay the Bonds; and neither the execution and delivery of this Guaranty, the Indenture, the consummation of the transactions contemplated herein or therein, nor compliance with the terms and conditions hereof or thereof or of the Bonds will conflict with or result in a breach of the terms, conditions or provisions of the Charter or Bylaws of the Authority or of any indenture, agreement or other instrument to which the Authority is a party or by which it is bound; and

(iv) The proceeds of the Bonds will be applied by the Authority solely for the purpose of the payment of the costs of the Project.

B. The County represents and warrants that:

(i) The County is a political subdivision of the Commonwealth of Pennsylvania, organized under and existing pursuant to the provisions of its Home Rule Charter;

(ii) The County is authorized by law, including the Debt Act, to execute, deliver and perform its duties under this Guaranty and the execution and delivery of this Guaranty has been duly authorized by all necessary corporate action on the part of the County;

(iii) There are no actions, suits or proceedings pending, or, to the knowledge of the County, threatened against or affecting the County before any court or any governmental department or agency which may adversely affect the County or its ability to make or carry out the provisions of this Guaranty; there are not, to the knowledge of the County, any claims involving the County except immaterial claims arising in the ordinary course of its operations; the County is not a party to any contract or agreement or subject to any charter or other corporate restriction of any kind which adversely affects its present or prospective operations, properties or assets or its ability to satisfy its obligations hereunder; and neither the execution and delivery of this Guaranty, the consummation of the transactions contemplated herein, nor compliance with the terms and conditions hereof will conflict with or result in a breach of the terms, conditions or provisions of any contract, agreement or other instrument to which the County is a party or by which it is bound.

3. Guaranty of County. First. The County hereby guarantees unto the Trustee the full and prompt payment of the principal of, premium (if any) on, and interest on each and every Series of 2002 Bond as and when due and payable, whether on an Interest Payment Date, a Principal Payment Date or otherwise at maturity, upon mandatory redemption, by acceleration or other requirement of the provisions of the Indenture or otherwise, as and to the extent that the principal, premium (if any) and interest are not paid by the Authority.

Second. The County furthermore (and separately, in order to better ensure the foregoing guarantee of payment of bonds on payment dates) guarantees full and prompt payment of all amounts owing by the Authority for payment or deposit into various funds created under the Indenture in respect of the Series of 2002 Bonds issued thereunder, whether such payments precede and anticipate actual payment dates for the Bonds or represent reserves to be maintained for the further security thereof.

In furtherance thereof, the County covenants and agrees with the Trustee that if the Authority fails to pay the full amount of the principal of, premium (if any) on or interest on or in respect of the Bonds as and when due and payable, or payments in respect of the same are due under the Indenture, or payment is due, pursuant to §7.04 of the Indenture, for deposit into the Debt Service Reserve Fund, the County will duly and punctually advance the moneys required, on the dates and at the places and in the manner stated in the Bonds and in the Indenture according to the true intent and meaning thereof. The County further represents and covenants to the Trustee that it will (a) include the following amounts:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002	\$ 980,000	\$ 31,182.25	\$1,011,182.85
2003	1,670,000	236,507.50	1,906,507.50
2004	1,710,000	201,437.50	1,911,437.50
2005	1,745,000	157,832.50	1,902,832.50
2006	1,805,000	104,610.00	1,909,610.00
2007	1,170,000	45,045.00	1,215,045.00

payable in respect of this Guaranty, for each fiscal year in which such amounts are payable, in its budget for that year, (b) appropriate such amounts from its general revenues, and (c) promptly pay or cause to be paid the full amount of the principal of, premium (if any) on and the interest on the Bonds, as and when due and payable, or payments in respect of the same are due under the Indenture, at the times and places, under the conditions and in the manner prescribed in the Bonds and in the Indenture, according to the true intent and meaning thereof. For such budgeting, appropriation and full and prompt payment, the County hereby pledges its full faith, credit and taxing power, including unlimited ad valorem taxes to be levied upon all property in the County taxable for municipal purposes, and other general revenues of the County available for such purposes. The County agrees that this covenant is specifically enforceable and intends that it be unlimited as to rate and amount. All payments by the County must be paid in lawful money of the United States of America. This Guaranty is intended to be a contract of guaranty and not one of suretyship under the laws of the Commonwealth of Pennsylvania.

The Trustee covenants to exercise reasonable care and diligence in monitoring the affairs of the Authority and the performance of its obligations under the Indenture in order to advise the County, when possible, of any pending default by the Authority; provided, however, that no such action of the Trustee is a precondition to performance by the County of its duties hereunder and each and every notice and demand for payment by the Trustee hereunder will have immediate effect, with no period of notice or anticipation.

4. Operation of Facility; Reimbursement. The Authority covenants and agrees with the County (and these covenants are specifically enforceable or in lieu thereof may be administered by the County) that it will not, without the prior written consent of the County which consent shall not be unreasonably withheld: (i) make or consent to any alteration (including, without limitation, any extension of the time of payment of principal of, premium (if any) on or interest on the Bonds; (ii) fail, neglect or refuse to carry out its duties under the Indenture (including its duty to procure insurance and maintain the Facility in a state of good repair, and its duty to comply with all lawful acts, rules and regulations for the operation of the Facility); or (iii) fail, neglect or refuse to adjust its rates, rents, fees or other charges in a manner satisfactory to the interests of the County, or its successors or assigns;

provided, however, that any adjustment in such rates, rents, fees and charges required to permit the Authority to comply with its obligations under the Indenture will be deemed to be satisfactory to the County; or (iv) adopt any budget required pursuant to the Indenture; provided however that any budget required to permit the Authority to comply with its obligations under the Indenture will be deemed to be satisfactory to the County.

In the event that the County makes any payments under this Guaranty, the Authority covenants to repay to the County, as soon as practicable, and in no event later than the fiscal year of the Authority following such payment from the net receipts and revenues of the Facility, after adequate provision has been made for the payment of the current annual debt service requirements on all Bonds issued under the Indenture and outstanding and the current expenses of the Facility, as and when due, all moneys paid or advanced by the County pursuant to this Guaranty.

The County covenants during the term of this Guaranty not to compete or grant permission or franchises to any other person to compete with the Facility and the services rendered from time to time by the Authority.

5. Remedies Cumulative; No Waiver. No delay or failure of the Trustee in exercising any right, power or privilege hereunder or under the Indenture affects such right, power or privilege; nor will any single or partial exercise thereof or any abandonment or discontinuance of the enforcement of such a right, power or privilege preclude any further exercise thereof or of any other right, power or privilege. The rights and remedies of the Trustee hereunder and under the Indenture are cumulative and not exclusive of any rights or remedies which it would otherwise have either under this Guaranty, the Indenture or any provision of law. Any waiver, permit, consent or approval of any kind or character on the part of the Trustee of any breach or default under this Guaranty or any such waiver of any provision or condition of this Guaranty must be in writing and will be effective only to the extent specified. In the event of any action at law or suit in equity in relation to this Guaranty, the Indenture or the Bonds, and the County, in addition to all other sums which it may be required to pay, will pay a reasonable sum for attorney's fees incurred by the Trustee in connection with such action or suit.

All representations, warranties, covenants and agreements of the Authority and the County contained herein or made in writing in connection herewith survive the execution and delivery of this Guaranty, the Indenture and the issuance of the Bonds except as otherwise expressly provided herein.

6. Notices. All notices, statements, requests and demands given to or made upon any party hereto will be deemed to have been given or made when deposited with the United States Postal Service, first class mail, postage prepaid, addressed, if to the Authority at their offices at P.O. Box 3449, Scranton, PA 18505 or the Trustee at their offices at Blakely & Drinker Streets, Dunmore, PA 18512, or if to the County, at its offices at Courthouse Annex, Adams Avenue, Scranton, PA 18503.

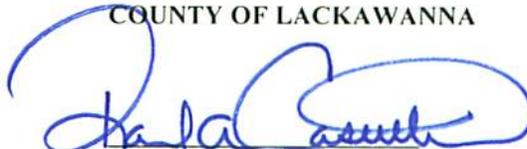
7. Counterparts. This Guaranty may be executed in as many counterparts as are deemed necessary and convenient, each of which is to be regarded for all purposes as an original, but such counterparts constitute but one and the same instrument.

8. Binding Effect. This Guaranty is binding upon and will inure to the benefit of the Trustee, the Authority, the County and their respective successors and assigns, except that the Authority may not voluntarily transfer or assign its rights hereunder.

9. Pennsylvania Law. The Guaranty is executed and delivered by the parties hereto with the intention that the laws of the Commonwealth of Pennsylvania govern its interpretation, application and enforcement.

I, the undersigned, a Designated Officer of the named Local Government Unit, hereby certify that the foregoing and attached is a true copy of an Ordinance which was duly enacted by the affirmative vote of a majority of all the members of the Governing Body thereof at a meeting held on the date of the execution thereof; that due notice of such meeting was given and the meeting was at all times open to the public; that such Ordinance was duly recorded; that this Ordinance is still in full force and effect as of the date hereof; that the vote upon said Ordinance was called and duly recorded upon the minutes of the Governing Body; and that the members of the Governing Body voted in the manner following:

COUNTY OF LACKAWANNA

  
RANDY A. CASTELLANI

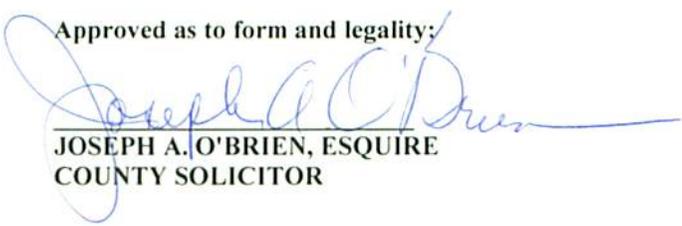
  
JOSEPH J. CORCORAN

ROBERT C. CORDARO

ATTEST:

  
WILLIAM A. JENKINS,  
ADMINISTRATIVE DIRECTOR

Approved as to form and legality:

  
JOSEPH A. O'BRIEN, ESQUIRE  
COUNTY SOLICITOR