
 ORDINANCE NO. 39

FIRST READING	May 25, 1986
AMENDED	June 10, 1986
ENACTED	August 1, 1986

AUTHORIZING THE INCURRING OF LEASE RENTAL DEBT EVIDENCED BY A GUARANTY AGREEMENT; ESTIMATING THE USEFUL LIFE OF THE PROJECT; AUTHORIZING AND DIRECTING THE PREPARATION, CERTIFICATION AND FILING WITH THE DEPARTMENT OF COMMUNITY AFFAIRS OF A DEBT STATEMENT AND OTHER DOCUMENTS REQUIRED BY THE LOCAL GOVERNMENT UNIT DEBT ACT; AUTHORIZING THE EXCLUSION OF ALL OR PART OF THE INDEBTEDNESS AS SUBSIDIZED DEBT OR SELF-LIQUIDATING DEBT; REPEALING ALL INCONSISTENT ORDINANCES OR RESOLUTIONS; AUTHORIZING AND DIRECTING UPON CERTAIN CONDITIONS AND UPON RECEIPT OF THE APPROVAL OF DEPARTMENT OF COMMUNITY AFFAIRS THE EXECUTION AND DELIVERY OF SAID GUARANTY AGREEMENT; APPROVING THE FORM OF THE AUTHORITY BOND; AND APPROVING THE FORM OF GUARANTY.

WHEREAS, the Multi-Purpose Stadium Authority of Lackawanna County (the "Authority") was organized on April 25, 1985, by the Board of County Commissioners (the "Board") of the County of Lackawanna, Pennsylvania (the "County") under provisions of the Pennsylvania Municipality Authorities Act of 1945, P.O. 382, as amended; and

WHEREAS, the Authority intends to undertake as a project (the "Project") the issuance of its Guaranteed Stadium Revenue Bonds, Series 1986 in the aggregate principal amount of \$13,315,000 (the "1986 Bonds"); and

WHEREAS, the 1986 Bonds are to be issued under and pursuant to a trust indenture (the "Trust Indenture") dated as of August 1, 1986, between the Authority and Northeastern Bank of Pennsylvania, as trustee (the "Trustee"); and

WHEREAS, the proceeds derived from the issuance of the 1986 Bonds are to be applied to construct, furnish and equip a multi-purpose stadium facility (the "Stadium Facility"), to be located in the Borough of Moosic, County of Lackawanna, as well as to pay capitalized interest on the 1986 Bonds, to fund certain reserves and pay certain costs of issuance in connection with the 1986 Bonds; and

WHEREAS, the Project will promote the general health and welfare of the residents of the County of Lackawanna; and

WHEREAS, the County desires that the Authority issue the 1986 Bonds and apply the proceeds as aforesaid and is willing to enter into a guaranty agreement (the "1986 Guaranty Agreement") because the Project will promote the purposes of the County at less expense than would otherwise be incurred and in order to enhance the marketability of the 1986 Bonds and thereby achieve interest cost and other savings with respect to the operations of the Authority and as an inducement to the purchase of the 1986 Bonds by all who shall at any time become holders of the 1986 Bonds; and

WHEREAS, the obligation of the County under the 1986 Guaranty Agreement constitutes lease rental debt under the Local Government Unit Debt Act, P.L. 871 of 1972, as amended and re-enacted by P.L. 52 of 1978, as amended (the "Debt Act"); and

WHEREAS, said Debt Act requires certain actions as a pre-requisite to incurring lease rental debt.

NOW, THEREFORE, the Board of County Commissioners of the County of Lackawanna, Pennsylvania, hereby ORDAINS AND ENACTS that:

Section 1. The County hereby authorizes the incurring of lease rental debt in the form of the guaranty contained in the 1986 Guaranty Agreement hereinafter recited, to secure the payment of principal and interest on the 1986 Bonds which the Authority proposes to issue to provide funds for and toward the cost of the Project, all as more fully described in the Bonds Purchase Proposal (the "Bond Purchase Proposal") of PNC Investment Company, for the purchase of the 1986 Bonds, such proposal being dated August 1, 1986, and having been accepted that day by the Authority, and in the Official Statements approved by resolution of the Authority and by resolution of the Board of County Commissioners, adopted concurrently herewith. The description of the Project, as described in the foregoing documents, is hereby incorporated by reference herein and is adopted and approved.

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Section 2. The realistic estimated useful life of the Stadium Facility is hereby declared to be 50 years.

Section 3. The Chairman of the Board and the Administrative Director of the County, or any duly appointed successor to either thereof, as the case may be, are hereby authorized and directed to prepare, certify and file with the Department of Community Affairs, in accordance with the Debt Act, a Debt Statement required by Section 410 thereof and are further hereby authorized and directed to prepare and file any statements required by the Debt Act which are necessary to qualify that portion of the gross lease rental debt of the County securing the payment of principal and interest on the 1986 Bonds which may be excluded from such gross lease rental debt as subsidized or self-liquidating debt, for the purposes of establishing the net lease rental debt of the County and determining its debt limit, and the said Chairman and Administrative Director are hereby authorized and directed to prepare and execute a certificate stating the County's borrowing base, as that term is defined in the Debt Act, for submission to the Department of Community Affairs.

Section 4. Subject to the satisfaction of the conditions of the Bond Proposal by the Authority and the approval of the Department of Community Affairs of the authorization to incur debt, the members of the Board and the Controller and the Treasurer of the County are hereby authorized, and directed to execute, acknowledge and deliver, and the Administrative Director of the County is hereby authorized and directed to affix and attest the corporate seal of the County to a 1986 Guaranty Agreement in substantially the form attached hereto and made a part hereof as Exhibit A, with such changes therein as counsel may advise and the Officers executing the same may approve, their approval to be evidenced by their execution thereof.

Section 5. The 1986 Bonds to be issued by the Authority shall be guaranteed revenue bonds as defined in the Debt Act, to be substantially in the form approved in Exhibit A hereto, maturing, bearing interest, redeemable and payable at the place and on the dates as contained in the form of 1986 Bond and 1986 Guaranty Agreement set forth in Exhibit A hereto.

Section 6. The 1986 Bonds shall be sold at negotiated sale to the firm hereinabove recited.

Section 7. The County intends hereby to incur lease rental debt in accordance with the Debt Act. The County covenants to and with the holders, from time to time, of the 1986 Bonds, that the County: (1) shall include the amount payable in respect to the Guaranty for each fiscal year in which such sums are payable in its budget for that fiscal year, (2) shall appropriate such amounts from its revenues for the payment of the Guaranty, and (3) shall duly and punctually pay or cause to be paid from its revenues or funds the principal of and interest on the 1986 Bonds, to the extent of its obligations as provided in the Guaranty Agreement, and, for such budgeting, appropriation and payment, the County shall and does pledge, irrevocably, its fully faith, credit and taxing power. As provided in the Act, the foregoing covenants of the County shall be specifically enforceable.

Section 8. All prior ordinances or resolutions or parts thereof inconsistent herewith are hereby repealed.

Section 9. The 1986 Guaranty Agreement shall be in substantially the form contained in Exhibit A, the terms and provisions thereof being in all respects adopted fully herein, and the form of the Authority Bonds shall be in substantially the form contained in Exhibit A, and such form is hereby approved.

Section 10. This Ordinance shall become effective August 11, 1986.

DULY ADOPTED, by the Governing Body of this County, in lawful session duly assembled, this 1st day of August, 1986.

COUNTY OF LACKAWANNA, PENNSYLVANIA

Ray A. Alberigi
Ray A. Alberigi

Joseph J. Corcoran
Joseph J. Corcoran

ATTEST:

Gerald L. Stanvitch
Gerald L. Stanvitch
Administrative Director

Charles Luger
Charles Luger

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COUNTY GUARANTY AGREEMENT

This Agreement (the "Agreement"), made as of August 1, 1986 by and among THE COUNTY OF LACKAWANNA, a body politic of the Commonwealth of Pennsylvania, with offices at 200 Adams Avenue, Scranton, Pennsylvania (the "Guarantor"), the MULTI-PURPOSE STADIUM AUTHORITY OF LACKAWANNA COUNTY, a body politic and corporate of the Commonwealth of Pennsylvania, with offices at 200 Adams Avenue, Scranton, Pennsylvania (the "Authority") and NORTHEASTERN BANK OF PENNSYLVANIA, a banking institution organized and existing under and by virtue of the laws of the United States and having its principal corporate trust office at Penn Avenue and Spruce Street, Scranton, Pennsylvania 18501 (the "Trustee"), together with any successor at the time serving as such under the Trust Indenture hereinafter defined,

WITNESSETH:

WHEREAS, the Authority intends to undertake the issuance and sale of its Guaranteed Stadium Revenue Bonds, Series 1986 in the aggregate principal amount of \$13,315,000 (the "1986 Bonds"); and
 WHEREAS, the 1986 Bonds are to be issued under and pursuant to a trust indenture dated as of August 15, 1986, between the Authority and the Trustee (the "Trust Indenture"); and
 WHEREAS, the proceeds derived from the issuance of the 1986 Bonds are to be applied to design, construct, furnish and equip a multi-purpose stadium facility (the "Stadium Facility"), to be located in the Borough of Moosic, County of Lackawanna, as well as to fund certain reserves and pay capitalized interest and certain costs of issuance in connection with the 1986 Bonds; and
 WHEREAS, the Project will promote the general health and welfare of the residents of the County of Lackawanna; and
 WHEREAS, the Guarantor desires that the Authority issue the 1986 Bonds and apply the proceeds as aforesaid and is willing to enter into this Agreement because the Project will promote the purposes of the County at less expense than would otherwise be incurred and in order to enhance the marketability of the 1986 Bonds and thereby achieve interest cost and other savings with respect to the operations of the Authority and as an inducement to the purchase of the 1986 Bonds by all who shall at any time become holders of the 1986 Bonds;
 NOW, THEREFORE, in consideration of the premises herein contained, the Guarantor does hereby, subject to the terms hereof, covenant and agree with the Authority and the Trustee as follows:

GUARANTY

Section 1.01. In consideration of and in order to induce the purchase of the 1986 Bonds at the interest rate provided for therein, in consideration of and in order to induce the Authority to issue the 1986 Bonds and to provide the financing thereby contemplated, in consideration of the benefits which will accrue to the Guarantor as a result of the financing of the Project by the Authority, and intending to be legally bound, the Guarantor, subject to the provisions contained herein, hereby unconditionally guarantees to the Trustee for the benefit of the holders, at any time and from time to time, of the 1986 Bonds: (a) the full and prompt payment of the principal or redemption price (together with any applicable premium) of every 1986 Bond when and as the same shall become due, whether at the stated maturity thereof, by acceleration or call for redemption or otherwise, and (b) the full and prompt payment of any accrued interest on every 1986 Bond when and as the same shall become due. The amounts specified in subparagraphs (a) and (b) above, hereinafter collectively called the "Indebtedness", shall be paid in the manner set forth in Section 1.07(c) hereof. All payments by the Guarantor shall be paid to the Trustee in lawful money of the United States of America. Each and every default in payment of the Indebtedness shall give rise to a separate cause of action hereunder, and separate suits may be brought hereunder as each cause of action arises.

Section 1.02. Except as provided herein, the obligations of the Guarantor under this Agreement shall be independent, absolute and unconditional and shall remain in full force and effect until the Indebtedness shall have been paid in full or otherwise defeased as provided in Article XIV of the Trust Indenture, and such obligations

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shall not be affected, modified or impaired upon the happening from time to time of any event, including, without limitation, any of the following, whether or not with notice to, or the consent of, the Guarantor:

- (a) The failure by the Authority to continue operation of the Stadium Facility or failure to otherwise perform any obligation contained in the Trust Indenture or any other agreement entered into pursuant thereto, for any reason whatsoever, including, without limiting the generality of the foregoing, insufficiency of funds, negligence or willful misconduct on the part of the Authority, the Guarantor, or any other guarantor or surety, their agents, or independent contractors, legal action of any nature which prohibits or delays operation of the Stadium Facility, labor disputes, war, insurrection, natural catastrophe or laws, rules or regulations of any body, governmental or otherwise;
- (b) the compromise, settlement, release or termination of any or all of the obligations, covenants or agreements of the Authority under the Trust Indenture, whether or not pursuant to the terms thereof;
- (c) the failure to give notice to the Guarantor of the occurrence of an event of default under the terms and provisions of this Agreement or the Trust Indenture;
- (d) the assignment, pledge, mortgaging or purported assignment of all or any part of the interest of the Authority in the Stadium Facility or any failure of title with respect to the Authority's interest in the Stadium Facility;
- (e) the waiver of the payment, performance or observance by the Authority of any of the obligations and covenants of the Authority contained in the Trust Indenture, or by the Guarantor of obligations and covenants contained in this Agreement;
- (f) the extension of the time for payment of the Indebtedness, or any part thereof, or of the time for performance of any other obligations, covenants or agreements under or arising out of any of the aforementioned documents or the extension or the renewal of any thereof;
- (g) the modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in the aforementioned documents;
- (h) the taking or the omission of any of the actions referred to in the aforementioned documents, including this Agreement;
- (i) any failure, omission, delay or lack on the part of the Authority or the Trustee to enforce, assert or exercise any right, power or remedy conferred on the Authority or the Trustee in the aforementioned documents, or any other act or acts on the part of the Authority, the Trustee or any of the holders from time to time of the 1986 Bonds, either directly or by or through their duly authorized representatives;
- (j) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all of the assets, marshalling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment of, or other similar proceedings affecting the Guarantor or the Authority or any of the assets of either of them or any allegation or contest of the validity of this Agreement in any such proceeding;
- (k) to the extent permitted by law, the release or discharge of the Guarantor from the performance or observance of any obligation, covenant, or agreement contained in this Agreement by operation of law;
- (l) the default or failure of the Guarantor fully to perform any of the obligations set forth in this Agreement; or
- (m) the damage or partial or total destruction of the Stadium Facility, or the taking of title to or the temporary use of the Stadium Facility by any lawful authority.

Section 1.03. No set-off, counterclaim, reduction, or diminution of any obligation, or any defense of any kind or nature which the Guarantor has or may come to have against the Authority or the Trustee shall be available hereunder to the Guarantor; provided that nothing contained herein shall prohibit the Guarantor from asserting any claim against the Authority or the Trustee in a separate proceeding, which proceeding shall in no way delay the prompt performance by the Guarantor of its obligations hereunder.

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Section 1.04. Before taking any action hereunder, the Trustee may require that a satisfactory indemnity bond be furnished by the Authority for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful default by reason of any action so taken.

The Guarantor agrees to pay all costs, expenses and fees, including, to the extent permitted by law, all reasonable attorneys' fees which may be incurred by the Trustee in enforcing or attempting to enforce this Agreement following any default on the part of the Guarantor hereunder, whether the same shall be enforced by suit or otherwise.

Section 1.05. The Guarantor hereby expressly waives notice in writing or otherwise from the Trustee or the holders at any time or from time to time of any of the 1986 Bonds of their acceptance and reliance on this Agreement.

Section 1.06. This Agreement is entered into by the Guarantor for the benefit of the Trustee and the holders from time to time of the 1986 Bonds and any successor trustees and their respective successors and assigns under the Trust Indenture, all of whom shall be entitled to enforce performance and observance of this Agreement and the guarantees and other provisions herein contained.

Section 1.07. The obligation of the Guarantor under this Agreement shall constitute a guaranty as defined in Section 102(c)(7.1) of the Pennsylvania Local Government Unit Debt Act (the "Act"), 53 P.S. § 6780-2(c)(7.1), and shall be subject to the provisions for enforcement of such a guaranty, as provided in the Act, including, but not limited to, the provisions of Section 1201 thereof. The Guarantor hereby covenants with the holders of the 1986 Bonds that it will:

(a) include the amounts payable for the benefit of the holders of the 1986 Bonds pursuant to this Agreement in its budget for the applicable fiscal year or years of the Guarantor;

(b) appropriate such amounts from its revenues for the payment of such amounts pursuant to this Agreement; and

(c) following written notice from the Trustee on or before the seventh (7th) day preceding any Bond Payment Date, as defined in the Indenture, informing the Guarantor of the amount by which moneys on deposit in the Revenue Fund and moneys constituting capitalized interest on deposit in the Project Fund are less than the amounts due and owing to holders of the 1986 Bonds on such Bond Payment Date, duly pay or cause to be paid to the Trustee the amount of such shortfalls, in accordance with this Agreement, on or prior to the third (3rd) day preceding such Bond Payment Date.

For the purposes of complying with the covenants of this paragraph, the Guarantor shall budget the amounts set forth in Exhibit A hereto, being the debt service payments on the 1986 Bonds, for the year in which such amounts are payable, less a credit, subject to the express approval of the Trustee, in the amount of revenues which the County expects to be received pursuant to, and as more fully set forth in, the Trust Indenture available to pay such debt service.

The Guarantor pledges hereby its full faith, credit and taxing power in support of the covenants contained in this Section, and such covenants shall be specifically enforceable.

Section 1.08. Anything contained in this Agreement to the contrary notwithstanding, except as provided herein with respect to expenses incurred in connection with the enforcement hereof, the obligations of the Guarantor hereunder shall be satisfied in full and discharged when the Indebtedness has been paid in full; or has been defeased pursuant to Article XIV of the Trust Indenture.

MISCELLANEOUS

Section 2.01. The Guarantor covenants that while the Indebtedness, or any portion thereof, remains unpaid, it will not dissolve or otherwise dispose of all or substantially all of its assets.

Section 2.02. No remedy herein conferred upon or reserved to the Trustee is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given in this Agreement or now or hereafter existing at law or in equity. No delay or omission to

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exercise any right or power accruing upon any default, omission or failure of performance hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice to the Guarantor or the Authority, prior to the demand for payment other than such notice as may be herein expressly required. In the event any provision contained in this Agreement should be breached by the Guarantor and thereafter duly waived by the Trustee, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. No waiver, amendment, release or modification of any of the terms of this Agreement shall be established by conduct, custom or course of dealing.

Section 2.03. In the event of a default under the terms and provisions of the Trust Indenture, the Trustee shall nevertheless continue to enjoy all the rights and remedies provided in this Agreement.

Section 2.04. Except as provided in Section 1.02 herein, no amendment, change modification, alteration or termination of the Trust Indenture shall be effective which would in any way increase the Guarantor's obligations under this Agreement without the prior written consent of the Guarantor first had and obtained.

Section 2.05. The obligations of the Guarantor hereunder shall arise absolutely and unconditionally when any of the 1986 Bonds shall have been issued, sold and delivered by the Authority.

Section 2.06. The Agreement constitutes the entire agreement, and supercedes all prior agreements and understandings both written and oral, among the parties with respect to the subject matter hereof and may be executed simultaneously in several counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

Section 2.07. The invalidity or unenforceability of any one or more provisions in this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part thereof.

Section 2.08. This Agreement shall not be amended by the parties except in writing signed by all the parties hereto.

Section 2.09. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

Section 2.10. This Agreement shall be in full force and effect as of the date first above written.

IN WITNESS WHEREOF, the Guarantor has caused this Agreement to be executed and delivered and this Agreement has been accepted by the Authority and the Trustee.

LACKAWANNA COUNTY
BOARD OF COMMISSIONERS

Ray A. Allmeyer

Joseph J. Corcoran

Attest:

[Signature]

Administrative Director

Approved as to Form:

Council for Lackawanna County

Controller

Treasurer

Accepted: MULTI-PURPOSE STADIUM
AUTHORITY OF LACKAWANNA
COUNTY

Accepted: NORTHEASTERN BANK OF
PENNSYLVANIA, as Trustee

Chairman

Chairman

EXHIBIT ADEBT SERVICE ON THE
1986 BONDS

Interest start date: 08/15/86
First Interest Payment: 02/15/87

DEBT SERVICE SCHEDULE

PERIOD ENDING	PRINCIPAL	ANNUAL RATE	INTEREST	TOTAL
1. 8/15/87	0.00		\$1,127,805.00	\$1,127,805.00
2. 8/15/88	210,000.00	7.000	1,127,805.00	1,337,805.00
3. 8/15/89	225,000.00	7.200	1,113,105.00	1,338,105.00
4. 8/15/90	240,000.00	7.400	1,096,905.00	1,336,905.00
5. 8/15/91	260,000.00	7.500	1,079,145.00	1,339,145.00
6. 8/15/92	280,000.00	7.600	1,059,645.00	1,339,645.00
7. 8/15/93	300,000.00	7.700	1,038,365.00	1,338,365.00
8. 8/15/94	320,000.00	7.800	1,015,265.00	1,335,265.00
9. 8/15/95	345,000.00	7.900	990,305.00	1,335,305.00
10. 8/15/96	375,000.00	8.000	963,050.00	1,338,050.00
11. 8/15/97	405,000.00	8.625	933,050.00	1,338,050.00
12. 8/15/98	430,000.00	8.625	898,118.75	1,328,118.75
13. 8/15/99	465,000.00	8.625	861,031.25	1,326,031.25
14. 8/15/00	505,000.00	8.625	820,925.00	1,325,925.00
15. 8/15/01	545,000.00	8.625	777,368.75	1,322,368.75
16. 8/15/02	590,000.00	8.625	730,362.50	1,320,362.50
17. 8/15/03	645,000.00	8.625	679,475.00	1,324,475.00
18. 8/15/04	700,000.00	8.625	623,843.75	1,323,843.75
19. 8/15/05	755,000.00	8.625	563,468.75	1,318,468.75
20. 8/15/06	825,000.00	8.625	498,350.00	1,323,350.00
21. 8/15/07	895,000.00	8.625	427,193.75	1,322,193.75
22. 8/15/08	875,000.00	8.750	350,000.00	1,225,000.00
23. 8/15/09	950,000.00	8.750	273,437.50	1,223,437.50
24. 8/15/10	1,040,000.00	8.750	190,312.50	1,230,312.50
25. 8/15/11	1,135,000.00	8.750	99,312.50	1,234,312.50
TOTAL	<u>\$13,315,000.00</u>		<u>\$19,337,645.00</u>	<u>\$32,652,645.00</u>

DEBT SERVICE ON THE 1986 BONDS (TO COME)

(FORM OF THE 1986 BONDS)

**MULTI-PURPOSE STADIUM AUTHORITY OF LACKAWANNA COUNTAY
Revenue Bond-Series 1986**

Multi-Purpose Stadium Authority of Lackawanna County (the "Authority"), a body politic and corporate of the Commonwealth of Pennsylvania, for value received, hereby promises to pay, but only out of the revenues, rentals and moneys described in the Indenture hereinafter mentioned to _____, or registered assigns, on the ____ day of _____, unless this bond shall have been previously called for redemption and payment of the redemption price shall have been duly made or provided for, upon surrender hereof, the principal sum of _____ Dollars (\$_____) and to pay, but only out of said revenues, rentals and moneys, interest thereon from July 1, 1986, at the rate of _____ percent (____%) per annum, payable semi-annually on January 1, and July 1 of each year, commencing January 1, 1987 until maturity or prior redemption to the registered owner hereof by check or draft mailed to the registered owner at the address as it appears on the bond register, from the interest payment date next proceeding the date hereof, or if the date hereof shall be prior to _____, then from _____, unless, however, the date hereof shall be an interest payment date, in which case, from the date hereof. Principal and premium, if any, are payable at the principal corporate trust office of _____ Bank, Scranton, Pennsylvania, as trustee, or of any successor trustee appointed under the Indenture hereinafter mentioned ("Trustee") or at the designated office of any appointed alternate or successor paying agent or agents in any coin or currency of the United States of America which, at the respective times of payment, is legal tender for the payment of public and private debts.

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This bond is one of a duly authorized issue of \$_____ principal amount of bonds of the Authority, known as "Multi-Purpose Authority of Lackawanna County, Pennsylvania Revenue Bonds-Series 1986" (the "Bonds"), all of like tenor. The Bonds are issued under a trust indenture ("Indenture"), dated as of July 1, 1986, executed and delivered by the Authority to the Trustee, and are equally and ratably secured thereunder, except as otherwise provided in the Indenture, by a pledge and assignment to the Trustee of, and are payable from the Trust Revenues and any other moneys and property held under the Indenture by or on behalf of the Trustee, including amounts, if any, payable under an agreement among the Authority, the Trustee and the County of Lackawanna, dated as of July 1, 1986 (the "County Guaranty Agreement"). Unless otherwise provided herein, all capitalized terms herein shall have the same meaning as set forth in the Indenture.

Reference is made to the Indenture, an executed counterpart of which is on file at the principal corporate trust office of the Trustee, for (i) a statement of the purposes for which the Bonds are issued, (ii) a description of the Trust Revenues assigned and pledged for the payment of the principal of, and interest and premium, if any, on the Bonds, (iii) the provisions relating to the issuance of additional bonds under the Indenture, (iv) the terms and conditions under which the Indenture may be amended or modified, (v) a description of the duties, obligations and rights of the Authority, the Trustee and the holders of the Bonds, and (vi) the terms and conditions under which the Bonds are issued and secured, to all of which provisions the holder hereof, by acceptance of this Bond, consents.

The Indenture provides, inter alia, that the Bonds issued thereunder may be for various principal amounts, may bear different dates, may mature at different times, may bear interest at different rates, may differ as to security or source of payment, and may otherwise vary as permitted in the Indenture.

The Indenture prescribes the manner and the terms under which the lien of the Indenture may be discharged and also includes a provision that if, subject to certain conditions of the Indenture, the Authority deposits with, or to the satisfaction of the Trustee makes available to, the Trustee funds, including, at the option of the Authority, interest or income to be earned on the deposit or investment of such funds, which funds may be either (i) Government Obligations as defined in the Indenture or certificates of deposit fully secured by Government Obligations, which, when due, will be sufficient to pay the principal of, premium, if any, and interest on any Bonds issued under the Indenture, at maturity or on a date fixed for redemption, or (ii) moneys sufficient to make the payments due on the Bonds, then interest on such Bonds shall cease to accrue on such maturity or redemption date, as applicable, such bonds shall be deemed to be paid and, thereafter, from the date of such deposit, the holders of such Bonds shall be restricted to the funds so deposited for payment thereof, as provided in the Indenture.

Neither the credit nor the the taxing power of the United States, the County of Lackawanna (except as so provided in the County Guaranty Agreement) or the Commonwealth of Pennsylvania or of any political subdivision thereof is pledged for the payment of the principal of, the interest on, or the premium, if any, payable upon the redemption of this Bond; nor shall this Bond be deemed an obligation of the United States, said County or Commonwealth or of any political subdivision thereof, nor shall the United States, said County (except as so provided in the County Guaranty Agreement) or Commonwealth or any political subdivision thereof be liable for the payment of such principal, interest or premium. The Authority's liability on this Bond is limited to payment from the sources described in the Indenture.

The Bonds are subject to redemption prior to maturity on _____ and _____ of the appropriate Bond Years in chronological order of maturity if more than one maturity and within a maturity by lot, at par plus accrued interest, from certain investment earnings when accumulated and deposited in the Principal Account of the Bond Fund ("Amortization Payments").

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In addition to redemption of the Bonds from Amortization Payments (as described above), the Bonds shall be subject to redemption at such times and at the Redemption Price of 100% of the principal amount (except as otherwise provided herein), plus accrued interest to the redemption date, as hereinafter set forth: (to be discussed)

The Bonds are subject to optional redemption prior to maturity, in whole, at any time, or in part, on any January 1 or July 1, on or after _____, by lot, any such redemption to be made from the proceeds of refunding bonds or from (sources to be discussed) at the Redemption Prices shown below as a percentage of the principal amount of the Bonds to be redeemed in the then current calendar year, plus accrued interest to the redemption date.

<u>PERIOD DURING WHICH REDEEMED</u>	<u>REDEMPTION PRICE</u>
_____ through _____	_____ %
_____ through _____	_____ %
_____ through _____	_____ %
_____ through _____	_____ %
_____ and thereafter	_____ %

If less than all Outstanding Bonds of a maturity shall be called for redemption under any of the foregoing provisions, then the particular Bonds of a maturity to be so called shall be chosen by lot by the Trustee at such time as will permit the notice hereinafter provided for. At least thirty (30) but no more than sixty (60) days prior to the redemption date of any Bonds the Trustee shall cause a notice of any such redemption, either in whole or in part, signed by the Trustee, to be mailed, postage prepaid to each registered owner of the Bonds or portions of the Bonds to be redeemed at his address as it appears on the bond register of the Authority kept by the Trustee, as provided in the Indenture, but failure so to mail any such notice or a defect in such notice shall not affect the validity of the redemption of Bonds with respect to which notice was duly made as aforesaid. On the date designated for redemption, notice having been given as aforesaid, the Bonds or portions of Bonds so called for redemption shall become and be due and payable at the Redemption Price provided for redemption of such Bonds or such portions thereof on such date, and, if moneys for payment of the Redemption Price and the accrued interest are held by the Trustee, as provided in the Indenture, interest on such Bonds or such portions thereof so called for redemption shall cease to accrue, such Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture, and the registered owners thereof shall have no rights in respect of such Bonds or such portions thereof so called for redemption except to receive payment of the Redemption Price thereof and the accrued interest so held by the Trustee. If a fully registered Bond in a denomination in excess of \$5,000 is so redeemed, then, upon the surrender of such Bond, there shall be issued to the registered owner thereof, without charge therefore, fully registered Bonds for the unredeemed balance of the principal amount of such Bond, of like series, designation, maturity and interest rate in any of the authorized denominations.

If at any time of the giving of notice of redemption, the Authority shall not have deposited with the Trustee, or the Trustee shall not have transferred under the Indenture moneys sufficient to redeem all the Bonds called for redemption, such notice may state that it is conditional, that is, subject to the deposit of the redemption moneys with the Trustee or the transfer under the Indenture of such moneys not later than the opening of business on the redemption date, and such notice shall be of no effect unless such moneys are so deposited or transferred.

The Authority and the Trustee may treat the person in whose name this Bond is registered as the absolute owner hereof, whether or not this Bond or any installment of interest shall be overdue, for the purpose of receiving payment thereof and for all other purposes whatsoever, and shall not be affected by any notice to the contrary.

In case of an event of default, as defined in the Indenture, shall occur, the principal of all Bonds of all series then outstanding under the Indenture may be declared or may become due and payable upon the conditions and in the manner and with the effect provided in the Indenture, subject, however, to the right under certain circumstances of the holders of a majority in principal amount of such Bonds to annul such declaration.

ORDINANCE NO. 39

The Authority, solely for the convenience of the Bondholders, has caused CUSIP (Committee on Uniform Security Identification Procedures) numbers to be printed on the Bonds and has directed the Trustee to use CUSIP numbers in notices of redemption. No representation is made as to the accuracy of such numbers, either as printed on the Bonds or as contained in any notice of redemption, and the Authority shall have no liability of any sort with respect thereto. Reliance with respect to redemption notices may be placed only on the identification number, prefixed "R", printed hereon.

The holder of this Bond shall have no right to enforce provisions of this Bond or the Indenture, except as provided in the Indenture.

No recourse shall be had for the payment of the principal of, or the interest or premium, if any, on this Bond or for any claim based hereon or on the Indenture or on any indenture supplemental thereto, against any member, officer or employee, past, present or future, of the Authority, or of any successor body, either directly or through the Authority, or any such successor body, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability of such members, officers or employees being released as a condition of and as consideration for the execution of the Indenture and the issuance of this Bond.

This Bond is transferable as provided in the Indenture by the registered owner hereof or the owner's attorney duly authorized in writing at the corporate trust office of the Trustee, upon surrender of this Bond accompanied by a duly executed instrument of transfer, in form and with guarantee of signature satisfactory to the Authority and the Trustee, and upon payment of such governmental charges or taxes as may be imposed. Upon any such transfer a new fully registered Bond or Bonds of the same series, maturity and in the same aggregate principal amount and bearing the same rate of the interest will be issued to the transferee. Neither the Authority nor the Trustee shall be required: (a) to issue, register, transfer or exchange Bonds for a period of ten business days next preceding any selection by lots of Bonds to be redeemed; or (b) to issue, register, transfer or exchange Bonds called or being called for redemption.

The Bonds are issued in the form of registered bonds without coupons in the denomination of \$5,000 each or any whole multiple thereof.

In like manner and subject to the same requirements for payment of taxes or governmental charges for the first exchange and for payment of all costs associated with subsequent exchanges, subject to the same time limitations with respect to interest payment date or dates for selection of the redemption of Bonds, Bonds upon the surrender thereof at the principal corporate trust office of the Trustee, with a written instrument of transfer, in form and with guarantee of signature satisfactory to the Authority and the Trustee, duly executed by the registered owner or the owner's attorney duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of registered bonds without coupons of other authorized denominations, of the same series, maturity and interest rate.

This Bond shall not be entitled to any benefit under the Indenture or be valid or become obligatory for any purpose unless the Trustee's Authentication Certificate printed hereon is duly executed.

IN WITNESS WHEREOF, Multi-Purpose Stadium Authority of Lackawanna County has caused this Bond to be signed in its name and on its behalf by the facsimile signature of its Chairman and a facsimile of its corporate seal to be printed hereon, duly attested by the manual signature of its Secretary, all as of the 1st day of July, 1986.

ATTEST:
(Seal)

MULTI-PURPOSE STADIUM AUTHORITY
OF LACKAWANNA COUNTY

No transfer of this Bond shall be valid unless made on the books of the Authority kept for such purpose at the principal corporate trust office of the Trustee by the registered owner in person or by his duly authorized attorney or legal representative and noted upon said books and hereon by the Trustee on behalf of the Authority.

ORDINANCE NO. 39

TRUSTEE'S AUTHENTICATION CERTIFICATE

This Bond is one of the Bonds of the Series designated therein described in the within mentioned Indenture. Printed on the reverse hereof is a complete text of the opinion of Finley, Kumble, Wagner, Heine, Underberg, Manley, Myerson & Casey, New York, New York, a signed original of which is on file with the undersigned, delivered and dated on the date of the original delivery of, and payment for, the Bonds of said Series.

_____ Bank, as Trustee

By _____
Authorized Officer

(FORM OF CERTIFICATE OF REGISTRATION)

NOTICE: NO WRITING HEREON EXCEPT BY AN AUTHORIZED OFFICE OF THE TRUSTEE ON BEHALF OF THE AUTHORITY.

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer said Bond on the Books of the within named Trustee, with full power of substitution in the premises.

Dated: _____ 19 _____

NOTICE: The signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.