

SOUTH BEAVER TOWNSHIP

ORDINANCE NO. 63

AN ORDINANCE OF THE TOWNSHIP OF SOUTH BEAVER SITUATE IN THE COUNTY OF BEAVER AND COMMONWEALTH OF PENNSYLVANIA, AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INCREASING THE INDEBTEDNESS OF SOUTH BEAVER TOWNSHIP IN THE AMOUNT OF \$216,000.00 BY THE ISSUANCE OF THREE GENERAL OBLIGATION NOTES OF THE TOWNSHIP OF SOUTH BEAVER IN THE SEPARATE AMOUNTS OF [1] \$100,000.00 UNTO THE PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY, VOLUNTEER LOAN ASSISTANCE PROGRAM, FOR THE PURPOSE OF ACQUISITION OF A FIRE TRUCK; [2] \$68,000.00 UNTO REEVES BANK ALSO FOR THE PURPOSE OF ACQUISITION OF SAID FIRE TRUCK, AND [3] \$48,000.00 UNTO REEVES BANK FOR THE PURPOSE OF ACQUISITION OF A DUMP TRUCK; FIXING THE FORM, DATE, INTEREST AND MATURITY OF SAID GENERAL OBLIGATION NOTES; MAKING OF A COVENANT FOR THE PAYMENT OF THE DEBT SERVICE OF SAID GENERAL OBLIGATION NOTES; PROVIDING FOR THE FILING OF THE REQUIRED DOCUMENTS AS TO SAID INCURRENCE OF DEBT; PROVIDING FOR THE APPOINTMENT AND CREATION OF SINKING FUND DEPOSITORIES FOR SAID GENERAL OBLIGATION NOTES; AND AUTHORIZING THE EXECUTION, SALE AND DELIVERY THEREOF.

WHEREAS, the Township of South Beaver together with the South Beaver Township Volunteer Fire Department for the purpose of providing protection to the citizens of and properties within South Beaver Township have selected for acquisition of a capital asset project, a new pumper fire truck at a projected acquisition cost of \$330,000.00, which pumper fire truck has an estimated useful life of thirty years or more;

WHEREAS, the Township of South Beaver for the purpose of maintenance of the public streets and roads of the Township has selected for acquisition of a capital asset project, a new 4x2 dump truck equipped with snowplow and spreader at a projected acquisition cost of \$88,000.00, which dump truck has an estimated useful life of fifteen years or more;

WHEREAS, to acquire said capital assets, as it is necessary that a portion of the purchase price of same be financed, application therefor has been made to the Emergency Management Agency of the Commonwealth of Pennsylvania by the South Beaver Township Volunteer Fire Department for a \$100,000.00 low interest loan which the Township shall repay, and the Township of South Beaver Township in accordance to Section 8161(a) of the Local Government Unit Debt Act and its Resolution No. 4 of 2001, has negotiated loans for the additional amount of \$116,000.00 for the purpose of consummating the acquisition of said capital assets; and

WHEREAS, said proposed increased indebtedness together with its lease rental indebtedness presently outstanding will not cause the limitations of the Local Government Unit Debt Act applicable to the Township of South Beaver to be exceeded, thus enabling the Township to incur such increased indebtedness pursuant to constitutional and statutory provisions.

NOW THEREFORE, BE IT ENACTED AND ORDAINED, and it is hereby enacted and ordained, by the Board of Supervisors of South Beaver Township pursuant to the provisions and authority existing under the Second Class Township Code, the General Municipal Code, and the Local Government Unit Debt Act, the following:

Section 1. Subject to the approval of the Pennsylvania Department of Community and Economic Development, indebtedness by and of the Township of South Beaver shall be incurred, increased and set, and is hereby approved, authorized and directed to be incurred by the Board of Supervisors of South Beaver Township in the amount of Two Hundred Sixteen Thousand and No/100 (\$216,000.00) Dollars, which debt obligation is a nonelectoral debt obligation to be paid from the general funds of the Township of South Beaver, which debt amount is the aggregate total of three loans by the following general obligation notes, and which indebtedness is to be evidenced by general obligation promissory notes as follows, namely:

A. A "Promissory Note of the South Beaver Township Volunteer Fire Company and South Beaver Township" unto the Pennsylvania Emergency Management Agency, Volunteer Loan Assistance Program, Harrisburg, Pennsylvania, for the principal debt sum of One Hundred Thousand and No/100 (\$100,000.00) Dollars, at and with two (2%) percent per annum on the unpaid principal balance, to be amortized over not more than fifteen (15) years by consecutive monthly payment of principal and interest of \$643.51 for the first 179 months and a final monthly payment of principal and interest of \$643.29 on the 180th month, with the first monthly payment being due and payable 30 days from the earliest date of possible issuance of said Promissory Note, with provision of a late penalty charge of 6% on any monthly

repayment that is 30 or more days after of the original due date, and the right of prepayment without penalty, the whole or any part of said debt granted unto the Township and/or the Fire Department as the "Maker" of said Promissory Note.

1. The form of said Promissory Note shall be substantially as set forth in Exhibit "1-a" of the attached Addendum 1.

2. Said Promissory Note shall mature and be paid in monthly installments detailed as aforesaid, the Amortization Schedule of which is set forth in Exhibit "1-b" of the attached Addendum 1.

3. The proceeds of said Promissory Note are pledged and authorized for application to and on account of the purchase price of the aforesaid new pumper fire truck and for no other purpose.

B. A "Promissory Note of the Township of South Beaver" unto Reeves Bank for the principal debt sum of Sixty-Eight Thousand and No/100 (\$68,000.00) Dollars, at and with five and thirty-seven hundredths (5.37%) percent per annum on the unpaid principal balance, to be amortized over not more than ten (10) years by consecutive monthly payment of principal and interest of \$733.61 for the first 119 months and a final monthly payment of principal and interest of \$733.03 on the 120th month, with the first monthly payment being due and payable 30 days from the earliest date of possible issuance of said Promissory Note, and with the right of prepayment by the Township without penalty, the whole or any part of said debt granted unto the Township as the "Maker" of said Promissory Note.

1. The form of said Promissory Note shall be substantially as set forth in Exhibit "2-a" of the attached Addendum 2.

2. Said Promissory Note shall mature and be paid in monthly installments detailed as aforesaid, the Amortization Schedule of which is set forth in Exhibit "2-b" of the attached Addendum 2.

3. The proceeds of said Promissory Note are pledged and authorized for application to and on account of the purchase price of the aforesaid new pumper fire

truck and for no other purpose.

C. A "Promissory Note of the Township of South Beaver" unto Reeves Bank for the principal debt sum of Forty-Eight Thousand and No/100 (\$48,000.00) Dollars, at and with five and thirty-seven hundredths (5.37%) percent per annum on the unpaid principal balance, to be amortized over not more than ten (10) years by consecutive monthly payment of principal and interest of \$517.84 for the first 119 months and a final monthly payment of principal and interest of \$517.75 on the 120th month, with the first monthly payment being due and payable 30 days from the earliest date of possible issuance of said Promissory Note, and with the right of prepayment by the Township without penalty, the whole or any part of said debt granted unto the Township as the "Maker" of said Promissory Note.

1. The form of said Promissory Note shall be substantially as set forth in Exhibit "3-a" of the attached Addendum 3.

2. Said Promissory Note shall mature and be paid in monthly installments detailed as aforesaid, the Amortization Schedule of which is set forth in Exhibit "3-b" of the attached Addendum 3.

3. The proceeds of said Promissory Note are pledged and authorized for application to and on account of the purchase price of the aforesaid new dump truck and for no other purpose.

As to each general obligation note South Beaver Township reserves the right to anticipate any or all installments of principal or any payment of interest at any time prior to the respective payment dates thereof, without notice or penalty.

The principal and interest of said Promissory Notes shall be payable at the office of the sinking fund depository selected for each of said Promissory Notes as herein after provided.

Section 2. The said Promissory Notes are hereby declared to be general obligations of the Township of South Beaver as situate in Beaver County, Pennsylvania. For and in the purpose of fulfilling its pledge and guarantee as a debtor, South Beaver Township hereby covenants that it shall:

A. Include the amount of debt service on said Promissory Notes in the annual fiscal budgets of South Beaver Township for and during each fiscal year in which sums are payable per said Promissory Notes;

B. Appropriate such amounts to and for the payment of the debt service of said Promissory Notes;

C. Duly and punctually pay or cause to be paid the principal of said Promissory Notes and the interest thereon at the dates and places and in the manner stated in the Promissory Notes according to the true intent and meaning thereof.

For such proper budgeting, appropriation, and payment, the full faith, credit and taxing power of South Beaver Township are hereby irrevocably pledged. The amounts which the Township of South Beaver hereby covenants to budget and pay in each of its fiscal years, being also calendar years, on the basis of the interest rates of said Promissory Notes are set forth and included on Addendum No. 4 hereto attached and made part hereof.

Section 3. Subject to and following approval by the Pennsylvania Department of Community and Economic Development, said Promissory Notes shall be executed by and in the name and under the corporate seal of South Beaver Township by the Chairman or Vice-Chairman of the Board of Supervisors and attested to by the Secretary of the Township. Thereafter, the Township Treasurer is hereby authorized and directed to deliver the executed Promissory Notes to the respective purchaser thereof, and to receive payment therefor on behalf of South Beaver Township and/or the South Beaver Township Volunteer Fire Company, with the principal sums to be applied as aforesaid and for no other purpose.

Section 4. The Reeves Bank, or its successor, is hereby designated as the Sinking Fund Depository for each of the Promissory Notes herein and hereby authorized. There are created and established hereby three (3) sinking funds to be separately known and designated as:

A. "Sinking Fund 2001 VLAP Promissory Note," created for the purpose of making and delivering the payment for the principal and interest due on the \$100,000.00 Promissory Note of the South Beaver Township Volunteer Fire Company and South Beaver Township unto the Pennsylvania Emergency Management Agency, Volunteer Loan Assistance Program, Harrisburg, Pennsylvania. Said Sinking Fund shall be maintained until the obligation of said Promissory Note is paid in full.

1. For the payment of the principal and interest due on said \$100,000.00 Promissory Note, the Treasurer of South Beaver Township shall deposit into said Sinking Fund sufficient amounts of cash for payment of principal and interest on the obligation thereof no later than the date upon which such payments shall be due.

2. The said Sinking Fund Depository as and when said payments are due and without further action by South Beaver Township shall withdraw or otherwise debit moneys from said Sinking Fund, applying same to the payment of the monthly principal and interest due the said Pennsylvania Emergency Management Agency, Volunteer Loan Assistance Program, of Harrisburg, Pennsylvania.

B. "Sinking Fund 2001 Reeves Bank Promissory Note - Fire Truck," created for the purpose of making and delivering the payment for the principal and interest due on the \$68,000.00 Promissory Note of South Beaver Township unto Reeves Bank. Said Sinking Fund shall be maintained until the obligation of said Promissory Note is paid in full.

1. For the payment of the principal and interest due on said \$68,000.00 Promissory Note, the Treasurer of South Beaver Township shall deposit into said Sinking Fund sufficient amounts of cash for payment of principal and interest on the obligation thereof no later than the date upon which such payments shall be due.

2. The said Sinking Fund Depository as and when said payments are due and without further action by South Beaver Township shall withdraw or otherwise debit moneys from said Sinking Fund, applying same to the payment of the monthly principal and interest due Reeves Bank.

C. "Sinking Fund 2001 Reeves Bank Promissory Note - Dump Truck," created for the purpose of making and delivering the payment for the principal and interest due on the \$48,000.00 Promissory Note of South Beaver Township unto Reeves Bank. Said Sinking Fund shall be maintained until the obligation of said Promissory Note is paid in full.

1. For the payment of the principal and interest due on said \$48,000.00 Promissory Note, the Treasurer of South Beaver Township shall deposit into said Sinking Fund sufficient amounts of cash for payment of principal and interest on the obligation thereof no later than the date upon which such payments shall be due.

2. The said Sinking Fund Depository as and when said payments are due and without further action by South Beaver Township shall withdraw or otherwise debit moneys from said Sinking Fund, applying same to the payment of the monthly principal and interest due Reeves Bank.

The Board of Supervisors, by its Chairman or Vice-Chairman, attested to by the Secretary of the Township, are hereby authorized to contract with Reeves Bank for its services as Sinking Fund Depository as herein designated as to the subject Promissory Notes and paying agent for the same. The Sinking Funds hereby created shall be administered in accordance with the requirements of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania and shall be interest bearing accounts.

Section 5. The periods of useful life of the capital assets for which the aforesaid Promissory Notes are hereby authorized to be made and executed by and on behalf of South Beaver Township are estimated as follows:

A. The pumper fire truck has an estimated useful life of thirty years or more;
and

B. The dump truck has an estimated useful life of fifteen years or more.

Section 6. In compliance with Section 8161 of the Local Government Unit Debt Act and per Resolution No. 4 of 2001 attached hereto and made part hereof as Addendum No. 5, the Board of Supervisors of South Beaver Township have determined that a private sale by negotiation rather than public sale is in the best financial interest of South Beaver Township. Therefore:

A. The general obligation note captioned "Promissory Note of the South Beaver Township Volunteer Fire Company and South Beaver Township" in the amount of One Hundred Thousand and No/100 (\$100,000.00) Dollars, herein authorized to be issued and sold is hereby awarded and sold to the Pennsylvania Emergency Management Agency, Volunteer Loan Assistance Program, Harrisburg, Pennsylvania, in accordance to its proposal to the South Beaver Township Volunteer Fire Company and South Beaver Township to purchase said Promissory Note at par, provided said Promissory Note is dated the same as the date of the delivery thereof to the said Pennsylvania Emergency Management Agency, Volunteer Loan Assistance Program, Harrisburg, Pennsylvania, and is substantially in the form as set forth in this Ordinance as Exhibit "1-a" of Addendum 1.

B. The general obligation note captioned "Promissory Note of South Beaver Township" in the amount of Sixty-Eight Thousand and No/100 (\$68,000.00) Dollars, herein authorized to be issued and sold is hereby awarded and sold to Reeves Bank, in accordance to its proposal to South Beaver Township to purchase said Promissory Note at par, provided said Promissory Note is dated the same as the date of the delivery thereof to the said Reeves Bank, and is substantially in the form as set forth in this Ordinance as Exhibit "2-a" of Addendum 2.

C. The general obligation note captioned "Promissory Note of South Beaver Township" in the amount of Forty-Eight Thousand and No/100 (\$48,000.00) Dollars, herein authorized to be issued and sold is hereby awarded and sold to Reeves Bank, in accordance to its proposal to South Beaver Township to purchase said Promissory Note at par, provided said Promissory Note is dated the same as the date of the delivery thereof to the said Reeves Bank, and is substantially in the form as set forth in this Ordinance as Exhibit "3-a" of Addendum 3.

Section 7. The Chairman or the Vice-Chairman of the Board of Supervisors and the Secretary of South Beaver Township are hereby authorized, empowered and directed to take any required, necessary and/or appropriate action to implement the provisions of this Ordinance, and to sign any document necessary for and in accordance herewith, including but not limited to the payment of any filing fees and the preparation and signing of any and all debt statements as required by Section 8110 of the Local Government Unit Debt Act, and/or any other certifications or other required filings or submission of documents to and with the Pennsylvania Department of Community and Economic Development as to the authorizing and entering into the aforesaid indebtedness by South Beaver Township.

Section 8. The action of the proper officers and the advertising of a summary of this Ordinance as required by law in the Beaver County Times, a newspaper of general circulation within the Township of South Beaver, are ratified and confirmed. The advertisement in said newspaper of the enactment of this Ordinance is hereby directed within fifteen (15) days following the enactment of this Ordinance.

Section 9. In the event any provision, section, clause, sentence or part of this Ordinance shall be held invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part hereof not specifically declared invalid by a court of competent jurisdiction; it is the intent of the Board of Supervisors of South Beaver Township that the remainder parts, portions, sections, sentences and provisions of this Ordinance shall be and shall remain in full force and effect.

Section 10. This Ordinance and the provisions hereof shall be valid and effective for all purposes on the fifth day after the second advertisement in accordance and pursuant to Section 8003 of the Local Government Unit Debt Act.

DULY ENACTED AND ADOPTED this 24th day of April, 2001.

BOARD OF SUPERVISORS OF
SOUTH BEAVER TOWNSHIP

Attest:

Carol Miller
Secretary

Robert S Long
Supervisor

Matthew P. Bolie
Supervisor

David T. Shuman
Supervisor

ADDENDUM 1

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY
STATE FIRE COMMISSIONER'S OFFICE
VOLUNTEER LOAN ASSISTANCE PROGRAM
2605 INTERSTATE DR
HARRISBURG, PENNSYLVANIA 17110

**PROMISSORY NOTE
OF THE**

ORGANIZATION and MUNICIPALITY _____

DATED: _____

FINAL MATURITY DATE: _____

AMOUNT

(Vehicles and/or Equipment)

For value received and intending to be legally bound hereby, the undersigned

_____ duly organized and existing under laws of the Commonwealth of Pennsylvania, with its principal place of business in _____, County of _____, Commonwealth of Pennsylvania (the "MAKER"), does hereby promise to pay to the order of the Pennsylvania Emergency Management Agency, Volunteer Loan Assistance Program, Harrisburg, Pennsylvania (the "AGENCY"), which AGENCY and any subsequent transferee hereof is sometimes referred to herein as the "HOLDER", at the principal office of the AGENCY or at such other place as the HOLDER hereof may, from time to time, direct in writing, the sum of _____ Dollars (_____), lawful money of the United States of America, together with interest on the unpaid principal hereof from the date hereof at the rate of two percent (2%) per annum, as follows:

The principal sum of _____ Dollars (_____), together with interest thereon at the rate of two percent (2%) per annum, in monthly installments of _____ (_____), the first monthly installment to be made on _____, and on the first day of each month thereafter to and including _____. Any payments made after the tenth (10th) day of each month, shall be considered a default. The remedies for default as set forth in the Agreement for Act 208 Loan Assistance, Security Agreement or Mortgage shall apply and are incorporated here.

IN ADDITION, the MAKER agrees to pay a penalty charge of six percent (6%) of any monthly repayment that is thirty (30) or more days late of the original due date.

The MAKER shall have the privilege, at any time, of prepaying the NOTE without premium or penalty, in whole or in part, provided that such prepayment shall be accompanied by accrued interest on the amount prepaid. Any partial prepayment shall be applied against the installment of principal last (by date) due and payable, and shall not postpone or interrupt payments of future installments of principal and interest which shall continue to be due and payable monthly thereafter until the NOTE is paid in full. Multiple installments of principal and interest shall be acceptable and shall result in the next monthly installment being due and payable immediately following the completion of the time period that was covered by the receipt of the multiple installment.

Interest is to be computed on a 360 days per year basis.

The Agency shall have a lien upon and security interest in: _____ **Specifications on file. Vehicle ID#** _____. Described more fully in the Security Agreement of even date between the Agency and the Volunteer Company to secure payment of the Note and any renewals, extensions and modifications hereof.

In case of an "event of default", as set forth in the Agreement for Act 208 Loan Assistance, Security Agreement or Mortgage, should occur, the principal amount outstanding on this NOTE may be declared or may become due and payable upon conditions, in manner and with the effect provided in this NOTE as follows:

- a. Whenever any event of default shall occur, the Agency may declare a default hereunder by giving not less than ten (10) days' written notice to the MAKER and thereafter any one or more of the following remedial steps may be taken, if at such time said event of default remains uncured.
- b. By written notice delivered to the MAKER, declare all payments of the Loan to be immediately due and payable, whereupon the same immediately shall be due and payable, anything herein to the contrary notwithstanding.
- c. Take any action at law or in equity to collect the payment or payments then due and thereafter to become due, or to secure possession, or to enforce performance and observance of any obligation, agreement or covenant of the MAKER hereunder.
- d. In case of an event of default, MAKER hereby irrevocably authorizes and empowers any attorney of any court of record of Pennsylvania or elsewhere to appear for and confess judgment against MAKER for all amounts for which MAKER may be or become liable to the Agency or its assignee under this Agreement, as evidenced by an affidavit signed by an officer of the Agency or of said assignee setting forth the amounts then due, including interest thereon plus 5% as an attorney's fee and together with costs of suit and release of errors. Such authority shall not be exhausted by any one exercise thereof, but judgment may be confessed as aforesaid from time to time as often as there is an event of default hereunder.
- e. The procedure above shall conform to the Pennsylvania Rules of Civil Procedure governing confession of judgment for money.
- f. The MAKER hereby waives and releases all errors, defects and imperfections whatsoever of a purely procedural nature in the entering of any judgment or any process or proceedings arising out of this NOTE. MAKER also waives the benefit of any laws which now or hereafter might authorize the stay of any execution to be issued on any judgment recovered hereunder.
- g. No right or remedy herein conferred upon or reserved to the Agency is intended to be exclusive of any other right or remedy, but each shall be cumulative and in addition to every other right or remedy herein given now or hereafter existing at law or in equity or by statute. In order to entitle the Agency to exercise any right or remedy reserved to it herein, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

Notwithstanding any provision or obligation to the contrary in the foregoing, the liability of the MAKER for the payment of this NOTE or performance of obligations under the Security Agreement or for costs, fees, penalties, taxes, interest, charges and other payments of any kind, nature or description provided for therein, shall be limited to the Property described in the Security Agreement and the lien on any judgment shall be restricted thereto.

The MAKER intends this to be a sealed instrument and to be legally bound hereby.

All issues arising hereunder shall be governed by laws of the Commonwealth of Pennsylvania.

This NOTE is issued by the MAKER to aid in the financing of the purchase of fire fighting apparatus equipment, ambulances, and/or rescue vehicles, protective and/or communications equipment, and/or any other accessory equipment necessary for the proper performance of such organizations' duties, as such terms are defined in the Volunteer Fire Company, Ambulance Service, Rescue Squad Assistance Act, P.L. 208 (1976), (72 P.S. 3943.1 et seq.), to accomplish the public purposes of the Act.

This obligation shall bind the MAKER and its successors and assigns, and the benefits hereof shall inure to the AGENCY and its successors and assigns.

IN WITNESS WHEREOF, _____ has caused this NOTE to be signed in its name and in its behalf by _____, and its seal to be affixed hereto, duly attested by its Authorized Officer, all as of the _____ day of _____.

ATTEST:

 Authorized Officer

 Title

 Volunteer Company

 Authorized Officer

 Title

(SEAL)

 Authorized Official (name & title)

 Municipality

(SEAL)

(PROSAMPDCED)

AMORTIZATION SCHEDULE				
No #	Interest	Principal	\$100,000.00 Payment	2.00% 180 months Balance
1	166.67	476.84	643.51	\$99,523.16
2	165.87	477.64	643.51	\$99,045.52
3	165.08	478.43	643.51	\$98,567.09
4	164.28	479.23	643.51	\$98,087.86
5	163.48	480.03	643.51	\$97,607.83
6	162.68	480.83	643.51	\$97,127.00
7	161.88	481.63	643.51	\$96,645.37
8	161.08	482.43	643.51	\$96,162.94
9	160.27	483.24	643.51	\$95,679.70
10	159.47	484.04	643.51	\$95,195.66
11	158.66	484.85	643.51	\$94,710.81
12	157.85	485.66	643.51	\$94,225.15
13	157.04	486.47	643.51	\$93,738.68
14	156.23	487.28	643.51	\$93,251.40
15	155.42	488.09	643.51	\$92,763.31
16	154.61	488.90	643.51	\$92,274.41
17	153.79	489.72	643.51	\$91,784.69
18	152.97	490.54	643.51	\$91,294.15
19	152.16	491.35	643.51	\$90,802.80
20	151.34	492.17	643.51	\$90,310.63
21	150.52	492.99	643.51	\$89,817.64
22	149.70	493.81	643.51	\$89,323.83
23	148.87	494.64	643.51	\$88,829.19
24	148.05	495.46	643.51	\$88,333.73
25	147.22	496.29	643.51	\$87,837.44
26	146.40	497.11	643.51	\$87,340.33
27	145.57	497.94	643.51	\$86,842.39
28	144.74	498.77	643.51	\$86,343.62
29	143.91	499.60	643.51	\$85,844.02
30	143.07	500.44	643.51	\$85,343.58
31	142.24	501.27	643.51	\$84,842.31
32	141.40	502.11	643.51	\$84,340.20
33	140.57	502.94	643.51	\$83,837.26
34	139.73	503.78	643.51	\$83,333.48
35	138.89	504.62	643.51	\$82,828.86
36	138.05	505.46	643.51	\$82,323.40
37	137.21	506.30	643.51	\$81,817.10
38	136.36	507.15	643.51	\$81,309.95
39	135.52	507.99	643.51	\$80,801.96
40	134.67	508.84	643.51	\$80,293.12
41	133.82	509.69	643.51	\$79,783.43
42	132.97	510.54	643.51	\$79,272.89
43	132.12	511.39	643.51	\$78,761.50
44	131.27	512.24	643.51	\$78,249.26
45	130.42	513.09	643.51	\$77,736.17
46	129.56	513.95	643.51	\$77,222.22
47	128.70	514.81	643.51	\$76,707.41
48	127.85	515.66	643.51	\$76,191.75
49	126.99	516.52	643.51	\$75,675.23
50	126.13	517.38	643.51	\$75,157.85
51	125.26	518.25	643.51	\$74,639.60
52	124.40	519.11	643.51	\$74,120.49
53	123.53	519.98	643.51	\$73,600.51

AMORTIZATION SCHEDULE				
No #	Interest	Principal	\$100,000.00 Payment	2.00% 180 months Balance
54	122.67	520.84	643.51	\$73,079.67
55	121.80	521.71	643.51	\$72,557.96
56	120.93	522.58	643.51	\$72,035.38
57	120.06	523.45	643.51	\$71,511.93
58	119.19	524.32	643.51	\$70,987.61
59	118.31	525.20	643.51	\$70,462.41
60	117.44	526.07	643.51	\$69,936.34
61	116.56	526.95	643.51	\$69,409.39
62	115.68	527.83	643.51	\$68,881.56
63	114.80	528.71	643.51	\$68,352.85
64	113.92	529.59	643.51	\$67,823.26
65	113.04	530.47	643.51	\$67,292.79
66	112.15	531.36	643.51	\$66,761.43
67	111.27	532.24	643.51	\$66,229.19
68	110.38	533.13	643.51	\$65,696.06
69	109.49	534.02	643.51	\$65,162.04
70	108.60	534.91	643.51	\$64,627.13
71	107.71	535.80	643.51	\$64,091.33
72	106.82	536.69	643.51	\$63,554.64
73	105.92	537.59	643.51	\$63,017.05
74	105.03	538.48	643.51	\$62,478.57
75	104.13	539.38	643.51	\$61,939.19
76	103.23	540.28	643.51	\$61,398.91
77	102.33	541.18	643.51	\$60,857.73
78	101.43	542.08	643.51	\$60,315.65
79	100.53	542.98	643.51	\$59,772.67
80	99.62	543.89	643.51	\$59,228.78
81	98.71	544.80	643.51	\$58,683.98
82	97.81	545.70	643.51	\$58,138.28
83	96.90	546.61	643.51	\$57,591.67
84	95.99	547.52	643.51	\$57,044.15
85	95.07	548.44	643.51	\$56,495.71
86	94.16	549.35	643.51	\$55,946.36
87	93.24	550.27	643.51	\$55,396.09
88	92.33	551.18	643.51	\$54,844.91
89	91.41	552.10	643.51	\$54,292.81
90	90.49	553.02	643.51	\$53,739.79
91	89.57	553.94	643.51	\$53,185.85
92	88.64	554.87	643.51	\$52,630.98
93	87.72	555.79	643.51	\$52,075.19
94	86.79	556.72	643.51	\$51,518.47
95	85.86	557.65	643.51	\$50,960.82
96	84.93	558.58	643.51	\$50,402.24
97	84.00	559.51	643.51	\$49,842.73
98	83.07	560.44	643.51	\$49,282.29
99	82.14	561.37	643.51	\$48,720.92
100	81.20	562.31	643.51	\$48,158.61
101	80.26	563.25	643.51	\$47,595.36
102	79.33	564.18	643.51	\$47,031.18
103	78.39	565.12	643.51	\$46,466.06
104	77.44	566.07	643.51	\$45,899.99
105	76.50	567.01	643.51	\$45,332.98
106	75.55	567.96	643.51	\$44,765.02

Exhibit "1-b" of Addendum 1 continued.

AMORTIZATION SCHEDULE				
No #	Interest	Principal	\$100,000.00 Payment	2.00% 180 months Balance
107	74.61	568.90	643.51	\$44,196.12
108	73.66	569.85	643.51	\$43,626.27
109	72.71	570.80	643.51	\$43,055.47
110	71.76	571.75	643.51	\$42,483.72
111	70.81	572.70	643.51	\$41,911.02
112	69.85	573.66	643.51	\$41,337.36
113	68.90	574.61	643.51	\$40,762.75
114	67.94	575.57	643.51	\$40,187.18
115	66.98	576.53	643.51	\$39,610.65
116	66.02	577.49	643.51	\$39,033.16
117	65.06	578.45	643.51	\$38,454.71
118	64.09	579.42	643.51	\$37,875.29
119	63.13	580.38	643.51	\$37,294.91
120	62.16	581.35	643.51	\$36,713.56
121	61.19	582.32	643.51	\$36,131.24
122	60.22	583.29	643.51	\$35,547.95
123	59.25	584.26	643.51	\$34,963.69
124	58.27	585.24	643.51	\$34,378.45
125	57.30	586.21	643.51	\$33,792.24
126	56.32	587.19	643.51	\$33,205.05
127	55.34	588.17	643.51	\$32,616.88
128	54.36	589.15	643.51	\$32,027.73
129	53.38	590.13	643.51	\$31,437.60
130	52.40	591.11	643.51	\$30,846.49
131	51.41	592.10	643.51	\$30,254.39
132	50.42	593.09	643.51	\$29,661.30
133	49.44	594.07	643.51	\$29,067.23
134	48.45	595.06	643.51	\$28,472.17
135	47.45	596.06	643.51	\$27,876.11
136	46.46	597.05	643.51	\$27,279.06
137	45.47	598.04	643.51	\$26,681.02
138	44.47	599.04	643.51	\$26,081.98
139	43.47	600.04	643.51	\$25,481.94
140	42.47	601.04	643.51	\$24,880.90
141	41.47	602.04	643.51	\$24,278.86
142	40.46	603.05	643.51	\$23,675.81
143	39.46	604.05	643.51	\$23,071.76
144	38.45	605.06	643.51	\$22,466.70
145	37.44	606.07	643.51	\$21,860.63
146	36.43	607.08	643.51	\$21,253.55
147	35.42	608.09	643.51	\$20,645.46
148	34.41	609.10	643.51	\$20,036.36
149	33.39	610.12	643.51	\$19,426.24
150	32.38	611.13	643.51	\$18,815.11
151	31.36	612.15	643.51	\$18,202.96
152	30.34	613.17	643.51	\$17,589.79
153	29.32	614.19	643.51	\$16,975.60
154	28.29	615.22	643.51	\$16,360.38
155	27.27	616.24	643.51	\$15,744.14
156	26.24	617.27	643.51	\$15,126.87
157	25.21	618.30	643.51	\$14,508.57
158	24.18	619.33	643.51	\$13,889.24
159	23.15	620.36	643.51	\$13,268.88

Exhibit "1-b" of Addendum 1 continued

AMORTIZATION SCHEDULE				
No #	Interest	Principal	\$100,000.00 Payment	2.00% 180 months Balance
160	22.11	621.40	643.51	\$12,647.48
161	21.08	622.43	643.51	\$12,025.05
162	20.04	623.47	643.51	\$11,401.58
163	19.00	624.51	643.51	\$10,777.07
164	17.96	625.55	643.51	\$10,151.52
165	16.92	626.59	643.51	\$9,524.93
166	15.87	627.64	643.51	\$8,897.29
167	14.83	628.68	643.51	\$8,268.61
168	13.78	629.73	643.51	\$7,638.88
169	12.73	630.78	643.51	\$7,008.10
170	11.68	631.83	643.51	\$6,376.27
171	10.63	632.88	643.51	\$5,743.39
172	9.57	633.94	643.51	\$5,109.45
173	8.52	634.99	643.51	\$4,474.46
174	7.46	636.05	643.51	\$3,838.41
175	6.40	637.11	643.51	\$3,201.30
176	5.34	638.17	643.51	\$2,563.13
177	4.27	639.24	643.51	\$1,923.89
178	3.21	640.30	643.51	\$1,283.59
179	2.14	641.37	643.51	\$642.22
180	1.07	642.22	643.29	\$0.00
Totals	15,831.58	100,000.00	115,831.58	\$0.00

Exhibit "1-b" of Addendum 1 continued/end

ADDENDUM 2

PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No.	Call	Collateral	Account	Officer	Initials

References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item.

Borrower:

(TIN:)

Lender: REEVES BANK
 COMMERCIAL LOANS
 1217 SEVENTH AVENUE
 PO BOX 39
 BEAVER FALLS, PA 15010

Principal Amount:**Rate:****Date of Note:****PROMISE TO PAY.**

Borrower, in lawful money of the United States of America, the principal amount of _____ ("Borrower") promises to pay to REEVES BANK ("Lender"), or together with interest on the unpaid principal balance from _____ Thousand & 00/100 Dollars (\$ _____), until paid in full.

PAYMENT. Subject to any payment changes resulting from changes in the Index, Borrower will pay this loan in 120 payments of \$1,823.60 each payment. Borrower's first payment is due _____, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on _____, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. The annual interest rate for this Note is computed on a 365/360 basis; that is, by applying the ratio of the annual interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing. Unless otherwise agreed or required by applicable law, payments will be applied first to accrued unpaid interest, then to principal, and any remaining amount to any unpaid collection costs and late charges.

PREPAYMENT. Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, they will reduce the principal balance due and may result in Borrower making fewer payments.

LATE CHARGE. If a payment is 16 days or more late, Borrower will be charged 6.000% of the regularly scheduled payment.

DEFAULT. Borrower will be in default if any of the following happens: (a) Borrower fails to make any payment when due. (b) Borrower breaks any promise Borrower has made to Lender, or Borrower fails to comply with or to perform when due any other term, obligation, covenant, or condition contained in this Note or any agreement related to this Note, or in any other agreement or loan Borrower has with Lender. (c) Any representation or statement made or furnished to Lender by Borrower or on Borrower's behalf is false or misleading in any material respect either now or at the time made or furnished. (d) Borrower becomes insolvent, a receiver is appointed for any part of Borrower's property, Borrower makes an assignment for the benefit of creditors, or any proceeding is commenced either by Borrower or against Borrower under any bankruptcy or insolvency laws. (e) Any creditor tries to take any of Borrower's property on or in which Lender has a lien or security interest. This includes a garnishment of any of Borrower's accounts with Lender. (f) Any guarantor dies or any of the other events described in this default section occurs with respect to any guarantor of this Note. (g) A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the indebtedness is impaired. (h) Lender in good faith deems itself insecure.

If any default, other than a default in payment, is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured (and no event of default will have occurred) if Borrower, after receiving written notice from Lender demanding cure of such default: (a) cures the default within fifteen (15) days; or (b) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

LENDER'S RIGHTS. Upon default, Lender may, after giving such notices as required by applicable law, declare the entire unpaid principal balance on this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower also will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law. If judgment is entered in connection with this Note, interest will continue to accrue on this Note after judgment at the interest rate applicable to this Note at the time judgment is entered. This Note has been delivered to Lender and accepted by Lender in the Commonwealth of Pennsylvania. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of BEAVER County, the Commonwealth of Pennsylvania. This Note shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

RIGHT OF SETOFF. Borrower grants to Lender a contractual security interest in, and hereby assigns, conveys, delivers, pledges, and transfers to Lender all Borrower's right, title and interest in and to, Borrower's accounts with Lender (whether checking, savings, or some other account), including without limitation all accounts held jointly with someone else and all accounts Borrower may open in the future, excluding however all IRA and Keogh accounts, and all trust accounts for which the grant of a security interest would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on this Note against any and all such accounts.

GENERAL PROVISIONS. Lender may delay or forego enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, protest and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan, or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. If any portion of this Note is for any reason determined to be unenforceable, it will not affect the enforceability of any other provisions of this Note.

CONFESSION OF JUDGMENT. BORROWER HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY ATTORNEY OR THE PROTHONOTARY OR CLERK OF ANY COURT IN THE COMMONWEALTH OF PENNSYLVANIA, OR ELSEWHERE, TO APPEAR AT ANY TIME FOR BORROWER AFTER A DEFAULT UNDER THIS NOTE, AND WITH OR WITHOUT COMPLAINT FILED, AS OF ANY TERM, CONFESS OR ENTER JUDGMENT AGAINST BORROWER FOR THE ENTIRE PRINCIPAL BALANCE OF THIS NOTE, ALL ACCRUED INTEREST, LATE CHARGES, AND ANY AND ALL AMOUNTS EXPENDED OR ADVANCED BY LENDER RELATING TO ANY COLLATERAL SECURING THIS NOTE TOGETHER WITH INTEREST ON SUCH AMOUNTS, TOGETHER WITH COSTS OF SUIT, AND AN ATTORNEY'S COMMISSION OF TEN PERCENT (10%) OF THE UNPAID PRINCIPAL BALANCE AND ACCRUED INTEREST FOR COLLECTION, BUT IN ANY EVENT NOT LESS THAN FIVE HUNDRED DOLLARS (\$500) ON WHICH JUDGMENT OR JUDGMENTS ONE OR MORE EXECUTIONS MAY ISSUE IMMEDIATELY; AND FOR SO DOING, THIS NOTE OR A COPY OF THIS NOTE VERIFIED BY AFFIDAVIT SHALL BE SUFFICIENT WARRANT. THE AUTHORITY GRANTED IN THIS NOTE TO CONFESS JUDGMENT AGAINST BORROWER SHALL NOT BE EXHAUSTED BY ANY EXERCISE OF THAT AUTHORITY, BUT SHALL CONTINUE FROM TIME TO TIME AND AT ALL TIMES UNTIL PAYMENT IN FULL OF ALL AMOUNTS DUE UNDER THIS NOTE. BORROWER HEREBY WAIVES ANY RIGHT BORROWER MAY HAVE TO NOTICE OR TO A HEARING IN CONNECTION WITH ANY SUCH CONFESSION OF JUDGMENT, EXCEPT ANY NOTICE AND/OR HEARING REQUIRED UNDER APPLICABLE LAW WITH RESPECT TO EXECUTION OF THE JUDGMENT, AND STATES THAT EITHER A REPRESENTATIVE OF LENDER SPECIFICALLY CALLED THIS CONFESSION OF JUDGMENT PROVISION TO BORROWER'S ATTENTION OR BORROWER HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL.

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE VARIABLE INTEREST RATE PROVISIONS. BORROWER AGREES TO THE TERMS OF THE NOTE AND ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THE NOTE.

THIS NOTE HAS BEEN SIGNED AND SEALED BY THE UNDERSIGNED.

BORROWER:

By: COPY (SEAL)
XYZ, President

PRINCIPAL 68,000.00
 INTEREST RATE 5.37 %
 PAYMENT AMT. 733.61

TERM 10 Yrs. :
 1 ST. PAYMENT DUE : 07-01-2001
 TOTAL INTEREST : 20,032.62

PAYMENT NUMBER	INTEREST PAYMENT	PRINCIPAL PAYMENT	LOAN BALANCE	PAYMENT NUMBER	INTEREST PAYMENT	PRINCIPAL PAYMENT	LOAN BALANCE
1	304.30	429.31	67,570.69	62	169.90	563.71	37,402.11
2	302.38	431.23	67,139.46	63	167.37	566.24	36,835.87
3	300.45	433.16	66,706.30	64	164.84	568.77	36,267.10
4	298.51	435.10	66,271.20	65	162.30	571.31	35,695.79
5	296.56	437.05	65,834.15	66	159.74	573.87	35,121.92
6	294.61	439.00	65,395.15	67	157.17	576.44	34,545.48
7	292.64	440.97	64,954.18	68	154.59	579.02	33,966.46
8	290.67	442.94	64,511.24	69	152.00	581.61	33,384.85
9	288.69	444.92	64,066.32	70	149.40	584.21	32,800.64
10	286.70	446.91	63,619.41	71	146.78	586.83	32,213.81
11	284.70	448.91	63,170.50	72	144.16	589.45	31,624.36
12	282.69	450.92	62,719.58	73	141.52	592.09	31,032.27
13	280.67	452.94	62,266.64	74	138.87	594.74	30,437.53
14	278.64	454.97	61,811.67	75	136.21	597.40	29,840.13
15	276.61	457.00	61,354.67	76	133.53	600.08	29,240.05
16	274.56	459.05	60,895.62	77	130.85	602.76	28,637.29
17	272.51	461.10	60,434.52	78	128.15	605.46	28,031.83
18	270.44	463.17	59,971.35	79	125.44	608.17	27,423.66
19	268.37	465.24	59,506.11	80	122.72	610.89	26,812.77
20	266.29	467.32	59,038.79	81	119.99	613.62	26,199.15
21	264.20	469.41	58,569.38	82	117.24	616.37	25,582.78
22	262.10	471.51	58,097.87	83	114.48	619.13	24,963.65
23	259.99	473.62	57,624.25	84	111.71	621.90	24,341.75
24	257.87	475.74	57,148.51	85	108.93	624.68	23,717.07
25	255.74	477.87	56,670.64	86	106.13	627.48	23,089.59
26	253.60	480.01	56,190.63	87	103.33	630.28	22,459.31
27	251.45	482.16	55,708.47	88	100.51	633.10	21,826.21
28	249.30	484.31	55,224.16	89	97.67	635.94	21,190.27
29	247.13	486.48	54,737.68	90	94.83	638.78	20,551.49
30	244.95	488.66	54,249.02	91	91.97	641.64	19,909.85
31	242.76	490.85	53,758.17	92	89.10	644.51	19,265.34
32	240.57	493.04	53,265.13	93	86.21	647.40	18,617.94
33	238.36	495.25	52,769.88	94	83.32	650.29	17,967.65
34	236.15	497.46	52,272.42	95	80.41	653.20	17,314.45
35	233.92	499.69	51,772.73	96	77.48	656.13	16,658.32
36	231.68	501.93	51,270.80	97	74.55	659.06	15,999.26
37	229.44	504.17	50,766.63	98	71.60	662.01	15,337.25
38	227.18	506.43	50,260.20	99	68.63	664.98	14,672.27
39	224.91	508.70	49,751.50	100	65.66	667.95	14,004.32
40	222.64	510.97	49,240.53	101	62.67	670.94	13,333.38
41	220.35	513.26	48,727.27	102	59.67	673.94	12,659.44
42	218.05	515.56	48,211.71	103	56.65	676.96	11,982.48
43	215.75	517.86	47,693.85	104	53.62	679.99	11,302.49
44	213.43	520.18	47,173.67	105	50.58	683.03	10,619.46
45	211.10	522.51	46,651.16	106	47.52	686.09	9,933.37
46	208.76	524.85	46,126.31	107	44.45	689.16	9,244.21
47	206.42	527.19	45,599.12	108	41.37	692.24	8,551.97
48	204.06	529.55	45,069.57	109	38.27	695.34	7,856.63
49	201.69	531.92	44,537.65	110	35.16	698.45	7,158.18
50	199.31	534.30	44,003.35	111	32.03	701.58	6,456.60
51	196.91	536.70	43,466.65	112	28.89	704.72	5,751.88
52	194.51	539.10	42,927.55	113	25.74	707.87	5,044.01
53	192.10	541.51	42,386.04	114	22.57	711.04	4,332.97
54	189.68	543.93	41,842.11	115	19.39	714.22	3,618.75

55	187.24	546.37	41,295.74	116	16.19	717.42	2,901.33
56	184.80	548.81	40,746.93	117	12.98	720.63	2,180.70
57	182.34	551.27	40,195.66	118	9.76	723.85	1,456.85
58	179.88	553.73	39,641.93	119	6.52	727.09	729.76
59	177.40	556.21	39,085.72	*120	3.27	729.76	0.00
60	174.91	558.70	38,527.02				
61	172.41	561.20	37,965.82				

* Final Payment = 733.03

ADDENDUM 3

PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No.	Coll.	Collateral	Account	Office	Initial
							000	

References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item.

Borrower:

(TIN:)

Lender:

REEVES BANK
 COMMERCIAL LOANS
 1217 SEVENTH AVENUE
 PO BOX 39
 BEAVER FALLS, PA 15010

Principal Amount:

Rate:

Date of Note:

PROMISE TO PAY.

order, in lawful money of the United States of America, the principal amount of _____ ("Borrower") promises to pay to REEVES BANK ("Lender"), or together with interest on the unpaid principal balance from _____ until paid in full. Thousand & 00/100 Dollars (\$ _____),

PAYMENT. Subject to any payment changes resulting from changes in the Index, Borrower will pay this loan in 120 payments of \$1,623.60 each payment. Borrower's first payment is due _____, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on _____, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. The annual interest rate for this Note is computed on a 365/360 basis; that is, by applying the ratio of the annual interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing. Unless otherwise agreed or required by applicable law, payments will be applied first to accrued unpaid interest, then to principal, and any remaining amount to any unpaid collection costs and late charges.

PREPAYMENT. Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, they will reduce the principal balance due and may result in Borrower making fewer payments.

LATE CHARGE. If a payment is 16 days or more late, Borrower will be charged 6.000% of the regularly scheduled payment.

DEFAULT. Borrower will be in default if any of the following happens: (a) Borrower fails to make any payment when due. (b) Borrower breaks any promise Borrower has made to Lender, or Borrower fails to comply with or to perform when due any other term, obligation, covenant, or condition contained in this Note or any agreement related to this Note, or in any other agreement or loan Borrower has with Lender. (c) Any representation or statement made or furnished to Lender by Borrower or on Borrower's behalf is false or misleading in any material respect either now or at the time made or furnished. (d) Borrower becomes insolvent, a receiver is appointed for any part of Borrower's property, Borrower makes an assignment for the benefit of creditors, or any proceeding is commenced either by Borrower or against Borrower under any bankruptcy or insolvency laws. (e) Any creditor tries to take any of Borrower's property on or in which Lender has a lien or security interest. This includes a garnishment of any of Borrower's accounts with Lender. (f) Any guarantor dies or any of the other events described in this default section occurs with respect to any guarantor of this Note. (g) A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the indebtedness is impaired. (h) Lender in good faith deems itself insecure.

If any default, other than a default in payment, is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured (and no event of default will have occurred) if Borrower, after receiving written notice from Lender demanding cure of such default: (a) cures the default within fifteen (15) days; or (b) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

LENDER'S RIGHTS. Upon default, Lender may, after giving such notices as required by applicable law, declare the entire unpaid principal balance on this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower also will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law. If judgment is entered in connection with this Note, interest will continue to accrue on this Note after judgment at the interest rate applicable to this Note at the time judgment is entered. This Note has been delivered to Lender and accepted by Lender in the Commonwealth of Pennsylvania. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of BEAVER County, the Commonwealth of Pennsylvania. This Note shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

RIGHT OF SETOFF. Borrower grants to Lender a contractual security interest in, and hereby assigns, conveys, delivers, pledges, and transfers to Lender all Borrower's right, title and interest in and to, Borrower's accounts with Lender (whether checking, savings, or some other account), including without limitation all accounts held jointly with someone else and all accounts Borrower may open in the future, excluding however all IRA and Keogh accounts, and all trust accounts for which the grant of a security interest would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on this Note against any and all such accounts.

GENERAL PROVISIONS. Lender may delay or forego enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, protest and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan, or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. If any portion of this Note is for any reason determined to be unenforceable, it will not affect the enforceability of any other provisions of this Note.

CONFESSION OF JUDGMENT. BORROWER HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY ATTORNEY OR THE PROTHONOTARY OR CLERK OF ANY COURT IN THE COMMONWEALTH OF PENNSYLVANIA, OR ELSEWHERE, TO APPEAR AT ANY TIME FOR BORROWER AFTER A DEFAULT UNDER THIS NOTE, AND WITH OR WITHOUT COMPLAINT FILED, AS OF ANY TERM, CONFESS OR ENTER JUDGMENT AGAINST BORROWER FOR THE ENTIRE PRINCIPAL BALANCE OF THIS NOTE, ALL ACCRUED INTEREST, LATE CHARGES, AND ANY AND ALL AMOUNTS EXPENDED OR ADVANCED BY LENDER RELATING TO ANY COLLATERAL SECURING THIS NOTE TOGETHER WITH INTEREST ON SUCH AMOUNTS, TOGETHER WITH COSTS OF SUIT, AND AN ATTORNEY'S COMMISSION OF TEN PERCENT (10%) OF THE UNPAID PRINCIPAL BALANCE AND ACCRUED INTEREST FOR COLLECTION, BUT IN ANY EVENT NOT LESS THAN FIVE HUNDRED DOLLARS (\$500) ON WHICH JUDGMENT OR JUDGMENTS ONE OR MORE EXECUTIONS MAY ISSUE IMMEDIATELY; AND FOR SO DOING, THIS NOTE OR A COPY OF THIS NOTE VERIFIED BY AFFIDAVIT SHALL BE SUFFICIENT WARRANT. THE AUTHORITY GRANTED IN THIS NOTE TO CONFESS JUDGMENT AGAINST BORROWER SHALL NOT BE EXHAUSTED BY ANY EXERCISE OF THAT AUTHORITY, BUT SHALL CONTINUE FROM TIME TO TIME AND AT ALL TIMES UNTIL PAYMENT IN FULL OF ALL AMOUNTS DUE UNDER THIS NOTE. BORROWER HEREBY WAIVES ANY RIGHT BORROWER MAY HAVE TO NOTICE OR TO A HEARING IN CONNECTION WITH ANY SUCH CONFESSION OF JUDGMENT, EXCEPT ANY NOTICE AND/OR HEARING REQUIRED UNDER APPLICABLE LAW WITH RESPECT TO EXECUTION OF THE JUDGMENT, AND STATES THAT EITHER A REPRESENTATIVE OF LENDER SPECIFICALLY CALLED THIS CONFESSION OF JUDGMENT PROVISION TO BORROWER'S ATTENTION OR BORROWER HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL.

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE VARIABLE INTEREST RATE PROVISIONS. BORROWER AGREES TO THE TERMS OF THE NOTE AND ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THE NOTE.

THIS NOTE HAS BEEN SIGNED AND SEALED BY THE UNDERSIGNED.

BORROWER:

By: COPY _____ (SEAL)
XY Z, President

PRINCIPAL 48,000.00
 INTEREST RATE 5.37 %
 PAYMENT AMT. 517.84

TERM 10 Yrs. :
 1 ST. PAYMENT DUE : 07-01-2001
 TOTAL INTEREST : 14,140.71

PAYMENT NUMBER	INTEREST PAYMENT	PRINCIPAL PAYMENT	LOAN BALANCE	PAYMENT NUMBER	INTEREST PAYMENT	PRINCIPAL PAYMENT	LOAN BALANCE
1	214.80	303.04	47,696.96	62	119.93	397.91	26,401.60
2	213.44	304.40	47,392.56	63	118.15	399.69	26,001.91
3	212.08	305.76	47,086.80	64	116.36	401.48	25,600.43
4	210.71	307.13	46,779.67	65	114.56	403.28	25,197.15
5	209.34	308.50	46,471.17	66	112.76	405.08	24,792.07
6	207.96	309.88	46,161.29	67	110.94	406.90	24,385.17
7	206.57	311.27	45,850.02	68	109.12	408.72	23,976.45
8	205.18	312.66	45,537.36	69	107.29	410.55	23,565.90
9	203.78	314.06	45,223.30	70	105.46	412.38	23,153.52
10	202.37	315.47	44,907.83	71	103.61	414.23	22,739.29
11	200.96	316.88	44,590.95	72	101.76	416.08	22,323.21
12	199.54	318.30	44,272.65	73	99.90	417.94	21,905.27
13	198.12	319.72	43,952.93	74	98.03	419.81	21,485.46
14	196.69	321.15	43,631.78	75	96.15	421.69	21,063.77
15	195.25	322.59	43,309.19	76	94.26	423.58	20,640.19
16	193.81	324.03	42,985.16	77	92.36	425.48	20,214.71
17	192.36	325.48	42,659.68	78	90.46	427.38	19,787.33
18	190.90	326.94	42,332.74	79	88.55	429.29	19,358.04
19	189.44	328.40	42,004.34	80	86.63	431.21	18,926.83
20	187.97	329.87	41,674.47	81	84.70	433.14	18,493.69
21	186.49	331.35	41,343.12	82	82.76	435.08	18,058.61
22	185.01	332.83	41,010.29	83	80.81	437.03	17,621.58
23	183.52	334.32	40,675.97	84	78.86	438.98	17,182.60
24	182.02	335.82	40,340.15	85	76.89	440.95	16,741.65
25	180.52	337.32	40,002.83	86	74.92	442.92	16,298.73
26	179.01	338.83	39,664.00	87	72.94	444.90	15,853.83
27	177.50	340.34	39,323.66	88	70.95	446.89	15,406.94
28	175.97	341.87	38,981.79	89	68.95	448.89	14,958.05
29	174.44	343.40	38,638.39	90	66.94	450.90	14,507.15
30	172.91	344.93	38,293.46	91	64.92	452.92	14,054.23
31	171.36	346.48	37,946.98	92	62.89	454.95	13,599.28
32	169.81	348.03	37,598.95	93	60.86	456.98	13,142.30
33	168.26	349.58	37,249.37	94	58.81	459.03	12,683.27
34	166.69	351.15	36,898.22	95	56.76	461.08	12,222.19
35	165.12	352.72	36,545.50	96	54.69	463.15	11,759.04
36	163.54	354.30	36,191.20	97	52.62	465.22	11,293.82
37	161.96	355.88	35,835.32	98	50.54	467.30	10,826.52
38	160.36	357.48	35,477.84	99	48.45	469.39	10,357.13
39	158.76	359.08	35,118.76	100	46.35	471.49	9,885.64
40	157.16	360.68	34,758.08	101	44.24	473.60	9,412.04
41	155.54	362.30	34,395.78	102	42.12	475.72	8,936.32
42	153.92	363.92	34,031.86	103	39.99	477.85	8,458.47
43	152.29	365.55	33,666.31	104	37.85	479.99	7,978.48
44	150.66	367.18	33,299.13	105	35.70	482.14	7,496.34
45	149.01	368.83	32,930.30	106	33.55	484.29	7,012.05
46	147.36	370.48	32,559.82	107	31.38	486.46	6,525.59
47	145.71	372.13	32,187.69	108	29.20	488.64	6,036.95
48	144.04	373.80	31,813.89	109	27.02	490.82	5,546.13
49	142.37	375.47	31,438.42	110	24.82	493.02	5,053.11
50	140.69	377.15	31,061.27	111	22.61	495.23	4,557.88
51	139.00	378.84	30,682.43	112	20.40	497.44	4,060.44
52	137.30	380.54	30,301.89	113	18.17	499.67	3,560.77
53	135.60	382.24	29,919.65	114	15.93	501.91	3,058.86
54	133.89	383.95	29,535.70	115	13.69	504.15	2,554.71

55	132.17	385.67	29,150.03	116	11.43	506.41	2,048.30
56	130.45	387.39	28,762.64	117	9.17	508.67	1,539.63
57	128.71	389.13	28,373.51	118	6.89	510.95	1,028.68
58	126.97	390.87	27,982.64	119	4.60	513.24	515.44
59	125.22	392.62	27,590.02	*120	2.31	515.44	0.00
60	123.47	394.37	27,195.65				
61	121.70	396.14	26,799.51				

* Final Payment = 517.75

ADDENDUM 4

**TOWNSHIP OF SOUTH BEAVER
COUNTY OF BEAVER
BUDGETED SCHEDULE
OF
TOTAL ANNUAL PAYMENTS**

YEAR	REEVES BANK PAYMENTS (2)		VLAP PAYMENT	TOTAL BUDGET FIGURE
	DUMP TRUCK	FIRE TRUCK		
2001	\$3,107.04	\$4,401.66	\$3,861.06	\$11,369.76
2002	\$6,214.08	\$8,803.32	\$7,722.12	\$22,739.52
2003	\$6,214.08	\$8,803.32	\$7,722.12	\$22,739.52
2004	\$6,214.08	\$8,803.32	\$7,722.12	\$22,739.52
2005	\$6,214.08	\$8,803.32	\$7,722.12	\$22,739.52
2006	\$6,214.08	\$8,803.32	\$7,722.12	\$22,739.52
2007	\$6,214.08	\$8,803.32	\$7,722.12	\$22,739.52
2008	\$6,214.08	\$8,803.32	\$7,722.12	\$22,739.52
2009	\$6,214.08	\$8,803.32	\$7,722.12	\$22,739.52
2010	\$6,214.08	\$8,803.32	\$7,722.12	\$22,739.52
2011	\$3,107.04	\$4,401.66	\$7,722.12	\$15,230.82
2012			\$7,722.12	\$7,722.12
2013			\$7,722.12	\$7,722.12
2014			\$7,722.12	\$7,722.12
2015			\$7,722.12	\$7,722.12
2016			\$3,861.06	\$3,861.06

ADDENDUM 5

SOUTH BEAVER TOWNSHIP

Resolution No. 4 of 2001

WHEREAS, South Beaver Township, in conjunction with the South Beaver Township Volunteer Fire Department, has entered into a contract for purchase of a new American LaFrance Custom Pumper Fire Truck;

WHEREAS, South Beaver Township is in the process of bidding for the purchase of a new dump truck; and

WHEREAS, it is necessary that a portion of the purchase price of said vehicles be financed by the Township of South Beaver in accordance with the provisions of the Local Government Unit Debt Act, including but not limited to the possibility of applying for a low interest loan to the Emergency Management Agency of the Commonwealth of Pennsylvania by the South Beaver Township Volunteer Fire Department pursuant to the Volunteer Loan Assistance Program of the Emergency Management Agency, which low interest loan the Township shall guarantee and pay.

NOW THEREFORE, BE IT RESOLVED and it is hereby resolved by the Board of Supervisors of South Beaver Township:

1. Depending on the availability of a low interest loan to the South Beaver Township Volunteer Fire Department by and from the Emergency Management Agency of the Commonwealth of Pennsylvania, the Township of South Beaver will need to arrange financing of an indebtedness of not less than \$116,000.00 and not more than \$340,000.00.

2. Based on the aforesaid limited amount of indebtedness to be incurred by the Township of South Beaver and the costs/expenses relative to public sale versus private sale, it is the finding and determination by the Board of Supervisors that it is in the best financial interest of the Township to negotiate private placement and/or sale of loan notes or bonds by the Township in lieu of incurring the expenses and costs of a public sale of such municipal notes or bonds of the Township.

3. The Township of South Beaver by its appropriate officials shall solicit and negotiate by private sale, subject to the provisions of the Local Government Unit Debt Act, per a format determined best by such solicitation, the placement and issuance of an indebtedness obligation or obligations of and by South Beaver Township for an aggregate sum of not less than \$125,000.00 and not more than \$340,000.00 in the form of bond or note obligations, together with creation of a sinking fund for payment of such debt, the final terms and conditions of which shall be fixed by Ordinance adopted by the Board of Supervisors of South Beaver Township in accordance with said Local Government Unit Debt Act.

ADOPTED this 13th day of March, 2001.

ATTEST:

Carol Miller
Secretary

SOUTH BEAVER TOWNSHIP

Robert J. Long
Supervisor

Matthew P. Balis
Supervisor

David Shance
Supervisor

I hereby certify this to be a true and correct copy of Resolution No. 4 of 2001 duly adopted by the Board of Supervisors of South Beaver Township at the regular public meeting of said Board held the 13th day of March, 2001.

Carol Miller
Secretary