

01-1727-CD
SPECIALTY LENDERS, LTD -vs- DQL, INC. t/a/b/a QUINTON'S

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

SPECIALTY LENDERS, LTD.,

Plaintiff

CASE NO. 01-1727-CO

vs.

DQI, INC.,
t/d/b/a QUINTON'S

Defendant

COMPLAINT IN CONFESSION
OF JUDGMENT

Filed on behalf of
Specialty Lenders, Ltd.,
Plaintiff

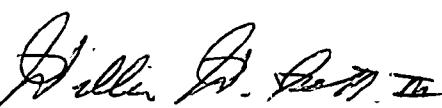
Counsel of Record for
This Party:

William W. Scott, III
Pa. ID #22601

750 Washington Road
Suite 14
Pittsburgh, PA 15228

(412) 531-2555

I certify that this complaint relates
to a commercial transaction and not
a consumer credit transaction.



Attorney for Plaintiff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

SPECIALTY LENDERS, LTD.,
Plaintiff

CASE NO.

vs.

DQI, INC.,
t/d/b/a QUINTON'S

Defendant

COMPLAINT IN CONFESSION OF JUDGMENT

COMES NOW the plaintiff, Specialty Lenders, Ltd., by and through its attorney, William W. Scott, III, and files this Complaint in Confession of Judgment and avers as follows:

1. The plaintiff is Specialty Lenders, Ltd., a Pennsylvania corporation, with its principal place of business located at 3205 McKnight East Drive, Pittsburgh, Allegheny County, Pennsylvania 15237-6423.
2. The defendant is DQI, Inc., a Delaware corporation, t/d/b/a Quinton's, with a principal place of business and last known mailing address located at 1120 South Brady Street, DuBois, Clearfield County, Pennsylvania 15801..
3. On October 10, 2001, the defendant executed a Promissory Note, with Warrant of Attorney to confess judgment (the "instrument") in the principal amount of \$80,759.00. A true and

correct copy of the instrument, which is herein incorporated by reference, is attached hereto and marked Exhibit "A".

4. Judgment by confession is not being entered hereby against a natural person in connection with a consumer credit transaction.
5. The instrument has not been assigned.
6. Judgment has not been entered on the instrument in any jurisdiction.
7. The instrument authorizes confession of judgment without default on the part of the defendant.
8. According to the terms of the instrument, the amount due by defendant to plaintiff is computed as follows:

Principal:	\$ 80,759.00
Attorney's Fees of 15%:	<u>12,113.85</u>
TOTAL:	\$ 92,872.85

WHEREFORE, as authorized by the Warrant of Attorney contained in the instrument, plaintiff demands judgment against the defendant in the amount of \$92,872.85, plus costs and interest.



William W. Scott, III, Esq.
Attorney for Plaintiff

VERIFICATION

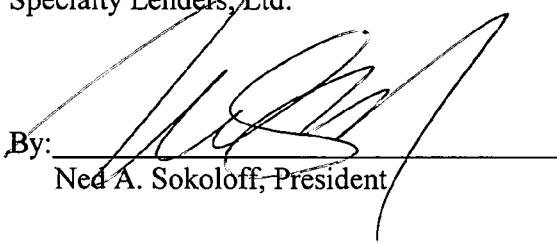
The undersigned does hereby verify, subject to the penalties of 18 Pa. C.S. Sec. 4904, relating to unsworn falsification to authorities, that he is the President of Specialty Lenders, Ltd., the plaintiff herein, that he is duly authorized to make this Verification, and that the facts set forth in the foregoing complaint are true and correct to the best of his knowledge, information, and belief.

Date: 10/10/2001

Specialty Lenders, Ltd.

By:

Ned A. Sokoloff, President

A handwritten signature in black ink, appearing to read "Ned A. Sokoloff", is written over a horizontal line. The signature is fluid and cursive, with a large, stylized 'N' at the beginning.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

Case No.

SPECIALTY LENDERS, LTD.,

Plaintiff

vs.

DQI, INC.,
t/d/b/a QUINTON'S

Defendant

CONFESION OF JUDGMENT

Pursuant to the authority contained in the Warrant of Attorney, the original or a copy of which is attached to the Complaint in Confession of Judgment filed in this action, I appear for the defendant and confess judgment in favor of the plaintiff and against the defendant as follows:

Principal:	\$80,759.00
Attorney's Fees:	<u>12,113.85</u>
TOTAL:	\$92,872.85



William W. Scott, III, Esq.
Attorney for Defendant

PROMISSORY NOTE

\$80,759.00

Date: October 10, 2001

Pittsburgh, PA

FOR VALUE RECEIVED, and intending to be legally bound hereby, DQI, Inc., hereinafter ("Undersigned"), promises to pay to the order of ***SPECIALTY LENDERS, LTD.***, ("Specialty") at such place as the holder hereof may designate in writing, the sum of Eighty Thousand Seven Hundred Fifty-nine Dollars (\$80,759.00) which includes interest as follows: 259 @ \$311; 1 @ \$210 and the entire remaining unpaid balance hereof on October 9, 2006.

This Note shall bear interest calculated at an add on rate on the principal, service charge and all other sums paid to or on behalf of the Undersigned which rate shall be 13.5% per annum for five (5) years.

After maturity of this Note, whether by acceleration, default, or otherwise, the outstanding principal and overdue interest on the unpaid balance shall accrue at the rate of 1.5% per month until all sums due hereunder are paid. This interest shall continue to accrue after the entry of judgment by confession or otherwise, until principal and interest is paid in full.

The Undersigned shall have the right at its option to prepay this Note, in whole or in part. In the event of pre-payment the Undersigned agrees that unearned interest will be rebated based upon the Rule of 78s.

The Undersigned will promptly pay to the holder hereof, any and all sums, fees, costs, expenses, and charges which the holder hereof may pay or incur (1) pursuant to any provision hereof, or of any other agreement between the Undersigned and the payee or holder hereof, or (2) in defending, protecting, preserving, or enforcing payment of this Note or (3) in defending, protecting, preserving or enforcing Specialty's or holder's rights or security interest in any collateral for payment of this Note, or (4) otherwise in connection with the provisions hereof or of any other agreement between the Undersigned and Specialty or the holder hereof; such sums, fees, costs, expenses and charges including but not limited to all search, filing, and recording fees, taxes, attorneys' fees and legal papers, premiums on insurance, bonds and undertakings, fees of marshals, sheriffs, custodians, auctioneers, warehousemen and others, travel expenses, all court costs and collection charges, and all expenses of retaking, holding, preparing for sale or lease, selling, leasing and the like (all of the foregoing, described in this paragraph, hereinafter called the "Costs and Expenses").

The execution, delivery and performance of this Note and any other instrument or agreement at any time given in respect hereof are not in contravention of any agreement of which the Undersigned is a party and, are within the corporate powers of the Undersigned; and this Note and each instrument or agreement represents a binding obligation of the Undersigned enforceable according to its terms.

"Event of Default" for the purposes hereof shall mean any one or more of the following:

EXHIBIT "A"

1. The failure of the Undersigned to make any payment when due of principal or interest;
2. The failure of Undersigned to comply fully with all of the terms, conditions or covenants of this Note;
3. The failure of Undersigned to comply fully with all of the terms, conditions or covenants of the Loan Agreement;
4. Any material adverse change in the financial condition or the structure or organization of the Undersigned or any subsidiary of the Undersigned; or
5. The dissolution, suspension of usual business activity, termination of existence, insolvency, assignment for the benefit of creditors, any act of bankruptcy or the commencement of any bankruptcy, reorganization, liquidation, receivership or insolvency proceedings of, by or against the Undersigned or any subsidiary of the Undersigned.

Upon the occurrence of any of the Events of Default as provided for herein, the Note shall be and become immediately due and payable, at the option of the holder, without demand, presentment, protest, notice of dishonor or notice of default, all of which are hereby expressly waived. The holder hereof shall have the full power and authority to proceed to exercise one or more of the rights accorded to it under this Note, or by the Pennsylvania Uniform Commercial Code or otherwise accorded by law. No delay or failure of the holder in exercising any right, power or privilege hereunder shall affect such right; nor shall any single or partial exercise thereof or any abandonment or discontinuance or steps to enforce such a right, power or privilege preclude any further exercise thereof of any other right, power or privilege. The rights and remedies of the holder are cumulative.

Any waiver, permit, consent or approval of any kind or character on the part of the holder of any breach or default under this Note, or any such waiver of any provision or condition of this Note, must be in writing and shall be effective only to the extent specifically set forth in such writing.

The Undersigned waives presentment, demand, notice of demand, protest, notice of protest, notice on nonpayment or dishonor, and any other notice required to be given under the law to the Undersigned in connection with the delivery, acceptance, performance, default, or enforcement of the Note.

Any notice which may be given to the Undersigned or to the holder thereof under the provisions of the Note shall be deemed to have been given when received by such party.

If any provisions hereof shall for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, but this Note shall be construed as if such invalid or unenforceable provision had never been contained herein.

This Note shall be governed by and construed and enforced under the laws of the Commonwealth of Pennsylvania.

All of the foregoing are the promise of the Undersigned and shall bind the Undersigned and the Undersigned's successors and assigns; provided, however, that the Undersigned may not assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the holder hereof.

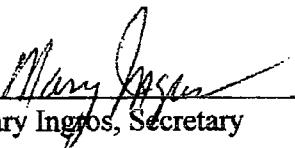
THE UNDERSIGNED HEREBY AUTHORIZES AND EMPOWERS THE PROTHONOTARY OR ANY ATTORNEY OF ANY COURT OR RECORD WITHIN THE UNITED STATES OR ELSEWHERE TO APPEAR FOR THE UNDERSIGNED, AND WITHOUT DEFAULT, WITH OR WITHOUT DECLARATION FILED, CONFESS JUDGMENT AGAINST THE UNDERSIGNED IN FAVOR OF THE HOLDER HEREOF, AS OF ANY TERM, FOR THE UNPAID BALANCE HEREOF, WHETHER BY ACCELERATION OR OTHERWISE WITH COSTS OR SUIT AND AN ATTORNEY'S COMMISSION OF FIFTEEN PERCENT (15%) OR ONE THOUSAND DOLLARS (\$1,000.00), WHICHEVER IS MORE WITH RELEASE OF ERRORS, WAIVING ALL LAWS EXEMPTING REAL OR PERSONAL PROPERTY FROM EXECUTION TO THE EXTENT THAT SUCH LAWS MAY LAWFULLY BE WAIVED BY THE UNDERSIGNED.

NO SINGLE EXERCISE OF THE FOREGOING POWER TO CONFESS JUDGMENT SHALL BE DEEMED TO EXHAUST THE POWER, WHETHER OR NOT ANY SUCH EXERCISE SHALL BE HELD BY ANY COURT TO BE VALID, VOIDABLE OR VOID, BUT THE POWER SHALL CONTINUE UNDIMINISHED AND IT MAY BE EXERCISED FROM TIME TO TIME AS OFTEN AS HOLDER SHALL ELECT, UNTIL SUCH TIME AS HOLDER SHALL HAVE RECEIVED PAYMENT IN FULL OF THE DEBT EVIDENCED HEREBY, TOGETHER WITH INTEREST AND COSTS.

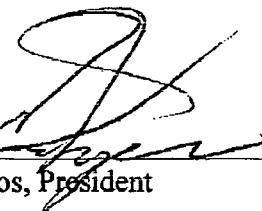
BY SIGNING THIS INSTRUMENT, THE UNDERSIGNED HEREBY ACKNOWLEDGES THAT IT HAS READ, UNDERSTOOD AND AGREES TO THE PROVISIONS CONTAINED HEREIN, INCLUDING THE CONFESS JUDGMENT PROVISION WHICH PROVIDES THAT THIS MAY RESULT IN A

COURT JUDGMENT AGAINST THE UNDERSIGNED WITHOUT PRIOR NOTICE OF HEARING, AND THAT THIS NOTE MAY BE COLLECTED FROM THE UNDERSIGNED REGARDLESS OF ANY CLAIM THE UNDERSIGNED MAY HAVE AGAINST THE HOLDER HEREOF.

WITNESS the due execution and sealing hereof with the intent to be legally bound hereby.

Attest: 
Mary Ingros, Secretary

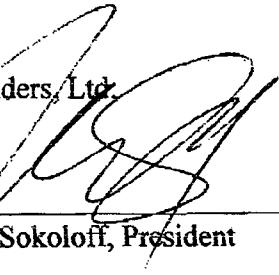
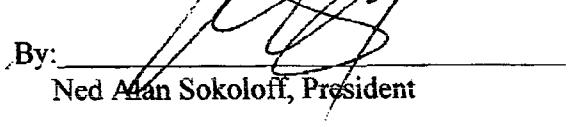
DQI, Inc.

By: 
Dennis Q. Ingros, President

(Corporate Seal)

Business Address:
1120 S. Brady Street
DuBois, PA 15801-3408
Clearfield

This Note and all rights contained herein are hereby assigned to:

Specialty Lenders, Ltd.

By: 
Ned Alan Sokoloff, President

FILED

OCT 17 2001
John H. Scott
William A. "Bill" Scott
Prothonotary
P.D. \$20.00

Not. to Dg.

Statement to atty.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,
PENNSYLVANIA
STATEMENT OF JUDGMENT

COPY

Specialty Lenders, LTD
Plaintiff(s)

No.: 2001-01727-CD

Real Debt: \$92,872.85

Atty's Comm:

Vs.

Costs: \$

Int. From:

DQI, Inc.
Defendant(s)

Entry: \$20.00

Instrument: Confession Judgment

Date of Entry: October 17, 2001

Expires: October 17, 2006

Certified from the record this 17th of October, 2001

William A. Shaw, Prothonotary

SIGN BELOW FOR SATISFACTION

Received on _____, _____, of defendant full satisfaction of this Judgment, Debt, Interest and Costs and Prothonotary is authorized to enter Satisfaction on the same.

Plaintiff/Attorney

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

SPECIALTY LENDERS, LTD.,

CASE NO. 01-1727-CO

Plaintiff

VS.

DQI, INC.,
t/d/b/a QUINTON'S

Defendant

NOTICE OF JUDGMENT BY CONFESSION
PURSUANT TO PA. R.C.P. 236

To: DQI, Inc.
c/o Quinton's
1120 South Brady Street
DuBois, PA 15801

Pursuant to Rule 236 of the Pennsylvania Rules of Civil Procedure, notice is hereby given that a judgment by confession in the amount of \$92,872.85, plus costs and interest, was entered against you on October 17, 2001 in the above-titled action. A copy of the Complaint in Confession of Judgment, with exhibits, is attached hereto.



For the Prothonotary