

03-1797-CD
LEVERAGE LEASTING CO. et al. vs. JOHNSON BROTHERS COAL CO., et al

LEVERAGE LEASING CO., a division of
CARLSON SYSTEMS CORPORATION,

Plaintiff

vs.

JOHNSON BROTHERS COAL CO., LESLIE P.
JOHNSON, and NORMAN JOHNSON,

Defendants

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION - LAW

NO. 2003 GN *03-1197-CD*

COMPLAINT

Filed on behalf of Plaintiff

Counsel of record for this party:

John W. Heslop, Jr., Esquire
Attorney I.D. #32299

GOLDSTEIN, HESLOP, STEELE,
CLAPPER, OSWALT & STOEHR
414 N. Logan Boulevard
Altoona, PA 16602

(814) 946-4391

JURY TRIAL DEMANDED

FILED

DEC 05 2003

William A. Straw
Prothonotary/Clerk of Courts

LEVERAGE LEASING CO., a division of
CARLSON SYSTEMS CORPORATION,

Plaintiff

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: IN THE COURT OF COMMON PLEAS OF
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: CIVIL DIVISION - LAW

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N O T I C E

You have been sued in Court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this Complaint and Notice are served, by entering a written appearance personally or by attorney and filing in writing with the Court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the Court without further notice for any money claimed in the Complaint or for any other claim or relief requested by the Plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.

IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

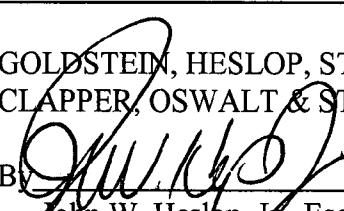
DAVID S. MEHOLICK, COURT ADMINISTRATOR

PHONE: (814) 765-2641 EXT. 5982

CLEARFIELD COUNTY COURTHOUSE, CLEARFIELD, PA 16830

GOLDSTEIN, HESLOP, STEELE,
CLAPPER, OSWALT & STOEHR

By


John W. Heslop, Esquire
Attorney for Plaintiff
Attorney I.D. #32299

414 N. Logan Boulevard
Altoona, PA 16602
(814) 946-4391

LEVERAGE LEASING CO., a division of
CARLSON SYSTEMS CORPORATION,

: IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA

Plaintiff

: CIVIL DIVISION - LAW

vs.

: NO. 2003 GN

JOHNSON BROTHERS COAL CO., LESLIE P.
JOHNSON, and NORMAN JOHNSON,

:
:
:
:

Defendants

: JURY TRIAL DEMANDED

COMPLAINT

AND NOW, comes the Plaintiff, **LEVERAGE LEASING CO.**, by its counsel, Goldstein, Heslop, Steele, Clapper, Oswalt & Stoehr, and files this Complaint against the Defendants and avers as follows:

1. Plaintiff, **LEVERAGE LEASING CO.**, is a division of Carlson Systems Corporation which is a corporation having a mailing address of P.O. Box 3918, Omaha, Nebraska 68103.
2. Defendant, **JOHNSON BROTHERS COAL CO.**, (hereinafter "Johnson Brothers") is a Pennsylvania business corporation with an address of R.D.#1, Box 580, Mahaffey, Pennsylvania 15757.
3. Defendant, **LESLIE P. JOHNSON**, is an adult individual having a mailing address of 1390 Lee Run Road, Mahaffey, Pennsylvania 15757-9433.
4. Defendant, **NORMAN JOHNSON**, is an adult individual having a mailing address of 1937 Bell Run Road, Grampian, Pennsylvania 16838.
5. In June of 2000, Plaintiff entered into a written Equipment Lease with Johnson Brothers at which time Plaintiff agreed to lease a hydralift block saw model TB 138-15 to Defendant Johnson Brothers and Johnson Brothers agreed to make regular monthly payments to the Plaintiff in order to lease the equipment.
6. In June of 2000 the equipment was delivered to Johnson Brothers.
7. Between June of 2000 and September of 2003, Johnson Brothers did not adhere to the monthly payment schedule in that several payments were made late and other payments were not made at all.

8. As of September 2003, the Lease entered into in the year 2000 was substantially in default and Johnson Brothers owed Plaintiff a substantial amount of money under the terms of the Lease.

9. In September 2003, as a result of the above situation, Johnson Brothers and the Plaintiff agreed to enter into a "rewrite" meaning that an additional written Lease would be entered into in September 2003 for the same piece of equipment. The new (or rewritten) Lease would extend the term for payments (48 payments) and also reduce the monthly payment to the sum of \$936.25 plus tax. Johnson Brothers represented that it would be able to afford the lower monthly payment.

10. The new written Lease was entered into by Plaintiff and Johnson Brothers in September of 2003 and a copy of same is attached hereto, incorporated herein by reference as if fully set forth at length and marked as Exhibit "A".

11. Pursuant to the terms of Exhibit "A" and/or pursuant to the understanding of the parties, the first payment pursuant to Exhibit "A" was due on or before October 1, 2003, with each monthly payment due the first of the month thereafter.

12. Defendant, Johnson Brothers, has defaulted under the terms of Exhibit "A" by failing to make any payments to the Plaintiff pursuant to the written Lease of September 2003.

13. As of the date of the preparation of this Complaint two payments are past-due; therefore, pursuant to Paragraph 15 of the aforesaid Lease two late charges in the amount of \$94.00 each are also due and payable.

14. Pursuant to Paragraph 16 of the aforesaid Lease, Plaintiff hereby accelerates all lease payments pursuant to Exhibit "A" such that the same are immediately due and payable.

15. Pursuant to Paragraph 16 of Exhibit "A", Plaintiff also claims the revisionary value of the equipment (15% of the aggregate rent to be paid over the full term of the Lease) which is \$7,145.50.

16. In September of 2003, Plaintiff indicated to Defendants Norman Johnson and Leslie Johnson that Plaintiff would not rewrite the Lease to extend the term of payment and to reduce the monthly

payments unless Defendants Norman Johnson and Leslie Johnson both executed personal guarantees guaranteeing the obligations of Johnson Brothers under the Lease.

17. Defendants Norman Johnson and Leslie Johnson both agreed to execute Personal Guaranties so that Johnson Brothers would be able to enter into a new Lease Agreement on more favorable financial terms.

18. A copy of the Personal Guaranty of Norman Johnson to Plaintiff is attached hereto, incorporated herein by reference as if fully set forth at length and marked as Exhibit "B".

19. A copy of the Personal Guaranty executed by Leslie Johnson is located on Page 4 of Exhibit "A".

20. Pursuant to Paragraph 20 of Exhibit "A" and pursuant to the Guaranties executed by both Leslie Johnson and Norman Johnson, Plaintiff is entitled to recover reasonable attorneys fees, and other costs and expenses incurred in pursuing collection of amounts due. Plaintiff hereby claims all reasonable attorneys fees, costs and other expenses incurred in pursuing collection of the amounts set forth in this Complaint.

21. Notice of Default was mailed to Defendant Johnson Brothers on November 21, 2003. A copy of said Notice of Default is attached hereto, incorporated herein by reference as if fully set forth at length and marked as Exhibit "C".

22. Defendant Johnson Brothers did not positively respond to the Notice of Default by remedying default.

COUNT I

LEVERAGE LEASING CO., a division of CARLSON SYSTEMS CORPORATION v. JOHNSON BROTHERS COAL CO.

23. Plaintiff hereby incorporates by reference as if fully set forth at length Paragraphs 1 through 22, inclusive, of this Complaint.

WHEREFORE, Plaintiff demands judgment against Defendant, **JOHNSON BROTHERS COAL CO.**, in the amount of \$54,970.14 plus reasonable attorneys fees, plus the costs of this action, plus interest at the legal rate beginning as of the date of the filing of this Complaint.

COUNT II

LEVERAGE LEASING CO., a division of CARLSON SYSTEMS CORPORATION v.
LESLIE P. JOHNSON

24. Plaintiff hereby incorporates by reference as if fully set forth at length Paragraphs 1 through 23, inclusive, of this Complaint.

WHEREFORE, Plaintiff demands judgment against Defendant, **LESLIE P. JOHNSON**, in the amount of \$54,970.14 plus reasonable attorneys fees, plus the costs of this action, plus interest at the legal rate beginning as of the date of the filing of this Complaint.

COUNT III

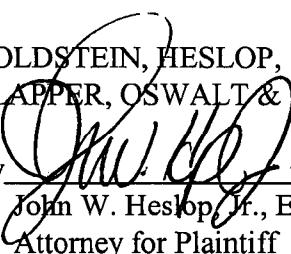
LEVERAGE LEASING CO., a division of CARLSON SYSTEMS CORPORATION v.
NORMAN JOHNSON

25. Plaintiff hereby incorporates by reference as if fully set forth at length Paragraphs 1 through 24, inclusive, of this Complaint.

WHEREFORE, Plaintiff demands judgment against Defendant, **NORMAN JOHNSON**, in the amount of \$54,970.14 plus reasonable attorneys fees, plus the costs of this action, plus interest at the legal rate beginning as of the date of the filing of this Complaint.

GOLDSTEIN, HESLOP, STEELE,
CLAPPER, OSWALT & STOEHR

By


John W. Heslop Jr., Esquire
Attorney for Plaintiff
Attorney I.D. #32299

414 N. Logan Boulevard
Altoona, PA 16602
(814) 946-4391

Date: 12-4-03

LEVERAGE LEASING CO.

a Division of Carlson Systems Corporation

NAME AND ADDRESS OF LESSEE

(Complete Legal Name)

Johnson Bros. Coal Company

Rural Drive 1, Box 580 (390 LEE RUN ROAD

Mahaffey, PA 15757

LEASE NUMBER

0021764A

CUSTOMER NUMBER

41396

SUPPLIER OF EQUIPMENT

(Complete Address)

Rewrite Lessor# 0021764

Les Johnson

814-277-6215

PERSON TO CONTACT

TELEPHONE NO.

SALESPERSON

TELEPHONE NO.

DESCRIPTION OF EQUIPMENT LEASED/ (include make, year, model, identification and model numbers or marks)

1. Park Industries Hydrasplit Block Saw Model TB 138-15

COUNTY AND PHYSICAL LOCATION OF EQUIPMENT

Same

TERMS AND CONDITIONS OF EQUIPMENT LEASE AGREEMENT ("LEASE")

SCHEDULE OF LEASE PAYMENTS DURING INITIAL TERM OF LEASE.

| TERM OF LEASE | NO. OF PAYMENTS | AMOUNT OF EACH LEASE PAYMENT (PLUS APPLICABLE SALES TAX) | TOTAL INITIAL PAYMENT | INITIAL PAYMENT REPRESENTING PAYMENT FOR FIRST AND LAST X ONE TWO THREE FOUR (OTHER) MOS. |
|---------------|-----------------|---|-----------------------|--|
| 48 | 48 | 936.25 plus tax | \$992.43 | |

ADDITIONAL PROVISIONS

TERMS AND CONDITIONS

The undersigned LESSEE hereby requests LESSOR to lease the personal property described above or on any schedule attached hereto (herein called "EQUIPMENT") to be used for business or commercial purposes on the terms and conditions of the lease set forth above and on the reverse-side hereof. This offer to lease shall not be valid and enforceable until written acceptance hereof shall be signed at LESSOR's

home office in Nebraska by an authorized employee of LESSOR. Upon such signed acceptance, LESSOR agrees to lease the EQUIPMENT to LESSEE. All Lease Payments, Lease Deposit and other amounts due and to become due, shall be payable to Leverage Leasing Co. at its home office, P.O. Box 3918, Omaha, Nebraska 68103 unless LESSOR directs otherwise.

(Continued on Next Page)

Leverage Leasing Co. (Lessor)

SIGNATURE By X

LESSOR

DATE

9-22-03

TITLE

Collection Manager

Johnson Bros. Coal Company

LESSEE (Full Legal Name)

SIGNATURE By X

LESSEE

DATE

9-17-03

TITLE

President

SEE PAGES 2, 3 AND 4 FOR ADDITIONAL TERMS AND
CONDITIONS WHICH ARE PART OF THE LEASE.

IMPORTANT: Supplier and its representatives
are not the agents of the Lessor.

LESSEE HAS READ AND AGREES TO ALL ITEMS ON THIS

PAGE 1 OF 4

L.P.J.

Initials

EXHIBIT

A

1. SELECTION OF EQUIPMENT.

(a) LESSEE acknowledges that LESSOR has not participated in any way in LESSEE'S selection of the EQUIPMENT or the supplier. LESSEE has selected the supplier from whom LESSOR is to purchase the EQUIPMENT, and (either by itself or with the assistance of such supplier) has further selected the EQUIPMENT. In the event the supplier has assisted in the selection of the EQUIPMENT, LESSEE agrees that the supplier was acting on its own behalf and not on behalf of LESSOR, and LESSOR shall have no responsibility therefor.

(b) LESSEE agrees to inspect the EQUIPMENT and to execute an acceptance notice, in form provided by LESSOR, after the EQUIPMENT has been received and after the LESSEE is satisfied the EQUIPMENT is satisfactory in every respect.

2. THERE ARE NO WARRANTIES BY OR ON BEHALF OF LESSOR, ANY WARRANTIES RUN SOLELY FROM THE SUPPLIER OR MANUFACTURER. LESSEE ACKNOWLEDGES AND WARRANTS BY HIS SIGNATURE BELOW AS FOLLOWS:

(a) LESSEE understands the LESSOR MAKES NO WARRANTIES EITHER EXPRESS OR IMPLIED AS TO THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY, ITS FITNESS OR SUITABILITY FOR ANY PARTICULAR PURPOSE, ITS DESIGN, ITS CAPACITY, ITS QUALITY OR WITH RESPECT TO ANY CHARACTERISTICS.

(b) LESSEE has fully inspected the EQUIPMENT and LESSEE has requested LESSOR to acquire and lease to LESSEE, and it is in good condition and the EQUIPMENT is suitable and fit for LESSEE's purposes.

(c) LESSEE leases the EQUIPMENT "as is" and with all faults.

(d) If EQUIPMENT is not properly installed, does not operate as represented or warranted by the supplier or manufacturer, or is unsatisfactory for any reason, regardless of cause or consequence, LESSEE'S only remedy, if any, shall be against the supplier or manufacturer of the EQUIPMENT, and not against LESSOR. LESSOR hereby assigns to LESSEE any warranties made by the supplier or the manufacturer of the EQUIPMENT. NO DEFECT, DAMAGE OR UNFITNESS OF THE EQUIPMENT FOR ANY PURPOSE SHALL RELIEVE LESSEE OF THE OBLIGATION TO PAY RENT OR RELIEVE LESSEE OF ANY OTHER OBLIGATION UNDER THIS LEASE.

(e) LESSOR shall not be liable to LESSEE for any loss, damage or expense of any kind or nature caused, directly or indirectly, by any equipment leased hereunder, or the use thereof, or the failure or operation thereof, or the repair, service or adjustment thereof, or by any delay or failure to provide any such maintenance, repairs, service or adjustment, or by any interruption of service or loss of use thereof or for any loss of business howsoever caused. LESSOR shall not be liable for any consequential damages however such term is used or defined.

3. TERM AND RENT. This lease is noncancelable for the term stated above and will be in effect upon acceptance by the LESSOR. Payments shall commence upon the Date of Acceptance of the lease and shall continue for the period specified as the "term" stated above. If one or more advance rentals are payable, the total amount of such advance rentals shall be set forth in the Advance Rental Payment(s) section above and shall be due upon acceptance by the LESSOR of this lease. Advance rentals, when received by LESSOR, shall be applied to the first rental payment for the EQUIPMENT and the balance of the advance rental shall be applied to the final rental payment or payments for said EQUIPMENT. In no event shall any advance rent or any other rent payment be refunded to LESSEE.

4. NONCANCELLABLE LEASE. This lease cannot be cancelled or terminated except as expressly provided herein.

5. LOCATION. The EQUIPMENT shall be kept at the location specified above, or, if none is specified, at LESSEE'S address as set forth above, and shall not be removed therefrom without LESSOR'S prior written consent.

6. USE. LESSEE shall use the EQUIPMENT in a careful manner, make all necessary repairs at LESSEE'S expense, and shall comply with all laws relating to its possession, use or maintenance and shall not make any alterations, additions or improvements to the EQUIPMENT without LESSOR'S prior written consent. All additions, repairs or improvements made to the EQUIPMENT shall belong to the LESSOR.

7. OWNERSHIP-PERSONALITY. The EQUIPMENT is, and shall remain, the property of LESSOR and LESSEE shall have no right, title or interest therein or thereto except as expressly set forth in this Lease. The EQUIPMENT shall remain personal property even though installed in or attached to real property.

8. SURRENDER. By this Lease, LESSEE acquires no ownership rights in the EQUIPMENT and has no option to purchase same. Upon the expiration or earlier termination of this Lease, LESSEE at its expense, shall return the EQUIPMENT in good repair, ordinary wear and tear resulting from proper use thereof alone excepted, by delivering it, packed and ready for shipment to such place or carrier as LESSOR may specify.

9. RENEWAL. Unless LESSEE, sixty (60) days prior to the expiration of the Lease, notifies LESSOR in writing of its intentions to terminate this Lease at its expiration date, then this Lease shall automatically be extended upon all the terms and conditions as stated herein for a period of one month from its expiration date without the necessity of the execution of any further instrument or document and shall continue from month to month thereafter under the same terms and conditions until terminated.

10. LOSS AND DAMAGE. Upon shipment of EQUIPMENT to LESSEE, the LESSEE hereby assumes and shall bear the entire risk of loss and damage to EQUIPMENT from any and every cause whatsoever.

11. INSURANCE. During the term of this Lease as to each item of EQUIPMENT, LESSEE shall at its sole cost and expense, obtain and maintain in force (a) "All Risk" physical damage insurance in an amount at least equal to the full replacement value of the EQUIPMENT and effective F.O.B. point of shipment; and (b) Comprehensive General Liability insurance when applicable, including Blanket Contractual coverage, and Automobile liability insurance when applicable, including Automobile Contractual Liability, insuring against liability for bodily injury and property damage with a minimum limit of \$500,000 combined single limit. Such "All Risk" physical damage and liability insurance shall be in form and substance issued by insurance carrier reasonably satisfactory to LESSOR, shall designate LESSOR and any assignee as additional insured on all liability policies and as additional named insured on all physical damage policies and as loss payee including a lender's loss payable endorsement, and shall provide coverage that may not be cancelled or materially altered without at least thirty (30) days prior written notice to LESSOR. LESSEE shall provide to LESSOR certificate(s) of insurance evidencing the issuance of a policy or policies to LESSEE complying with the above requirements. LESSOR shall be under no duty to ascertain the evidence of or to examine any policy of insurance or to advise LESSEE in the event any such policy shall not comply with the requirements hereof.

LESSEE hereby appoints LESSOR as LESSEE's attorney-in-fact to make claims for, receive payment of, and execute and endorse all documents, checks or drafts for loss or damage to the EQUIPMENT under the Property Insurance Policy.

(Continued on Next Page)

LESSEE HAS READ AND AGREES TO ALL ITEMS ON THIS

PAGE 2 OF 4

L.P.J.

Initials

12. INDEMNITY. LESSEE SHALL INDEMNIFY LESSOR AGAINST AND HOLD LESSOR HARMLESS FROM ANY AND ALL CLAIMS, ACTIONS, DAMAGES, INCLUDING REASONABLE ATTORNEY'S FEES, OBLIGATIONS, LIABILITIES AND LIENS (INCLUDING ANY OF THE FOREGOING ARISING OR IMPOSED WITHOUT LESSOR'S FAULT OR NEGLIGENCE, OR UNDER THE DOCTRINE OF "STRICT LIABILITY"), ARISING OUT OF THE MANUFACTURE, PURCHASE, LEASE, POSSESSION, OPERATION, CONDITION, RETURN OR USE OF EQUIPMENT, OR BY OPERATION OF LAW. LESSEE AGREES THAT UPON WRITTEN NOTICE BY LESSOR OF THE ASSERTION OF SUCH A CLAIM, ACTION, DAMAGE, OBLIGATION, LIABILITY OR LIEN, LESSEE SHALL ASSUME FULL RESPONSIBILITY FOR THE DEFENSE THEREOF. THE PROVISIONS OF THIS PARAGRAPH SHALL SURVIVE TERMINATION OF THIS LEASE.

13. TAXES, FEES AND ASSESSMENTS. LESSEE shall pay directly, or to LESSOR, all license fees, registration fees, assessments and taxes (including penalties and interest) which may now or hereafter be imposed upon the ownership, sale (if authorized), possession or use of the EQUIPMENT, excepting only those based on LESSOR'S income, and shall keep the EQUIPMENT free and clear of all levies, liens or encumbrances arising therefrom. LESSEE shall make all filings as to and pay when due all property taxes on the EQUIPMENT, in behalf of LESSOR, with all appropriate government agencies, except where LESSOR is notified by the taxing jurisdiction that LESSOR must pay the tax direct, and within not more than sixty (60) days after the due date of such filing to send LESSOR a confirmation of such filing. If LESSEE fails to pay any said fees, assessments or taxes, LESSOR shall have the right, but not the obligation to pay the same and such amount, including penalties, interest and costs, which shall be repayable to LESSOR with the next installation of rent and if not so paid shall be the same as failure to pay any installment of rent due hereunder. If LESSOR is required by law to pay any fees, assessments or taxes with respect to the EQUIPMENT directly, LESSEE shall reimburse LESSOR's for said amounts within thirty (30) days of notice from LESSOR requesting reimbursement. LESSOR shall not be responsible for contesting any valuation of or tax imposed on the EQUIPMENT but may do so strictly as an accommodation to LESSEE and shall not be liable or accountable to LESSEE therefore.

14. ASSIGNMENT; OFFSET. Without LESSOR'S prior written consent, LESSEE shall not (a) assign, transfer, pledge, hypothecate or otherwise dispose of this lease, EQUIPMENT, or any interest therein, or (b) sublet or lend EQUIPMENT or permit it to be used by anyone other than LESSEE or LESSEE'S employees.

LESSOR may assign this lease or mortgage EQUIPMENT, or both, in whole or in part without notice to LESSEE. If LESSEE is given notice of such assignment it agrees to acknowledge receipt thereof in writing. Each such assignee and/or mortgagee shall have all of the right, but none of the obligations, of LESSOR under this lease. LESSEE shall not assert against assignee and/or mortgagee any defense, counterclaims or offset that LESSEE may have against LESSOR, notwithstanding any such assignment. LESSOR warrants that LESSEE shall quietly enjoy use of EQUIPMENT subject to the terms and conditions of this lease. Subject to the foregoing, this lease inures to the benefit of and is binding upon the heirs, legatees, personal representatives, successors and assigns of the parties hereto.

15. SERVICE CHARGE. The LESSEE is required to make payments directly to the LESSOR within five (5) days of the due date of these payments.

Should LESSEE fail to pay any part of the rent herein reserved within five (5) days after the due date thereof, LESSEE shall pay unto LESSOR a late charge equal to the larger of ten percent (10%) of the payment due for each month the delinquency continues or a minimum amount of \$5.00 for each month the delinquency continues. It is expressly understood that the charge herein is not an interest charge but a charge to cover the additional expenses involved in such delinquencies.

In the event any check delivered by LESSEE for any payment hereunder is returned because of insufficient funds, LESSEE shall pay LESSOR, as liquidated damages for the extra handling of LESSOR involved, in addition to any actual additional expenses incurred as provided in the sentence preceding, the sum of \$25.00 per check.

In addition, LESSEE shall pay to LESSOR any actual additional expenses incurred by LESSOR in collection efforts, including but not limited to long distance telephone charges and travel expenses.

Further, LESSEE shall pay to LESSOR interest on any such delinquent payment from the due date thereof until paid, at the lesser of the maximum rate of interest allowed by law or eighteen percent (18%) per annum.

16. DEFAULT

(a) If LESSEE fails to pay when due any Lease Payment or other amount required herein to be paid by LESSEE, or if LESSEE fails to perform any other provisions hereof within ten (10) days after LESSOR shall have demanded in writing performance thereof, or if for any reason LESSEE makes a bulk transfer of furniture, furnishings, fixtures or other equipment or inventory, or if LESSEE makes an assignment for the benefit of creditors, whether voluntary or involuntary, or if a petition is filed by or against LESSEE under the Bankruptcy Act, or if LESSEE has breached any other lease agreement between LESSEE and LESSOR, LESSOR shall have the right to exercise any one or more of the following remedies:

(i) LESSOR may recover from LESSEE all Lease Payments and other amounts then due and as they shall thereafter become due hereunder.

(ii) LESSOR may take possession of any or all items of EQUIPMENT. Wherever same may be located, without demand or notice, without any court order or other process of law and without liability to LESSEE for any damages occasioned by such taking of possession. Any such taking of possession shall not constitute a termination of this lease.

(iii) LESSOR may recover from LESSEE, with respect to any and all items of EQUIPMENT, and with or without repossessing EQUIPMENT, the sum of (1) all Lease Payments and other amounts due and to become due, all said amounts being accelerated and immediately due and payable upon default; and (2) the reversionary value of EQUIPMENT at the end of the current term which for purposes of this paragraph shall be fifteen percent (15%) of the aggregate rent to be paid over the full term of the lease; provided, however, that upon repossession or surrender of EQUIPMENT, LESSOR may sell or otherwise dispose of EQUIPMENT within a reasonable time, with or without notice and at public or private sale and apply the net proceeds thereof (after deducting all expenses, including attorney's fees, incurred in connection therewith), to the sum of (1) and (2) above. In the event LESSOR is unable to sell or otherwise dispose of EQUIPMENT within a reasonable time, LESSOR may recover from LESSEE an amount not less than the sum of the Lease Payments and other amounts as set forth in (1) above and all expenses, including attorney's fees, incurred in taking possession of EQUIPMENT.

(iv) As to any item or items of EQUIPMENT with respect to which this lease is terminated by LESSOR, LESSOR may recover from LESSEE as to each said item the worth at the time of such termination of the excess, if any, of the amount of Lease Payments reserved herein for said item for the balance of the term hereof over the then reasonable rental value of said item for the same period of time.

(Continued on Next Page)

LESSEE HAS READ AND AGREES TO ALL ITEMS ON THIS

PAGE 3 OF 4

L. P. J.

Initials

(v) LESSOR may pursue any other remedy at law or in equity.

(b) A termination hereunder shall occur only upon written notice by LESSOR to LESSEE and only with respect to such item or items of EQUIPMENT as LESSOR specifically elects to terminate in such notice. Except as to such item or items with respect to which there is a termination, this lease shall continue in full force and effect and LESSEE shall be obligated to perform all acts and to pay all Lease Payments and other amounts required under this lease.

(c) No right or remedy herein conferred upon or reserved to LESSOR is exclusive of any right or remedy herein or by law or equity provided or permitted; but each shall be cumulative of every other right or remedy given hereunder or now or hereafter existing at law or in equity or by status or otherwise, and may be enforced concurrently therewith or from time to time.

17. SPECIAL POWER OF ATTORNEY. LESSOR is hereby authorized by LESSEE, at LESSEE'S expense, to cause this Lease, or any statement or other instrument in respect of this Lease showing the interest of LESSOR in the EQUIPMENT, including Uniform Commercial Code Financing Statements, to be filed or recorded and refiled and re-recorded and grant to LESSOR the right to execute LESSEE'S name thereto. LESSEE agrees to execute and deliver any statement or instrument requested by LESSOR for such filing, recordings or stamp fees or taxes arising from the filing or recording of any such instrument or statement. However, no filing of a financing statement shall be deemed evidence of any intention to create a security interest under the Uniform Commercial Code, it being the intention of the parties hereto that this Lease be construed as a lease and not as a security agreement.

18. MULTIPLE LESSEES. LESSOR may, with the consent of any one of the LESSEES hereunder modify or change any of the terms hereof without consent of knowledge of the others, without in any way releasing, waiving or impairing any right granted LESSOR against the others in the event there is more than one (1) LESSEE hereunder. Each LESSEE shall be jointly and severally liable for all obligations of LESSEE hereunder.

19. CHOICE OF LAW. This lease shall not be effective until signed by LESSOR. This lease shall be considered to have been made in the State of Nebraska and shall be interpreted in accordance with the laws and regulations of the State of Nebraska.

LESSEE agrees to Nebraska jurisdiction in any action, suit or proceeding arising out of this Lease, and concedes that it, and each of them, transacted business in the State of Nebraska by entering into this Lease. In the event of legal action to enforce this Lease, LESSEE agrees that venue may be laid in any court in Douglas County, Nebraska.

20. EXPENSE OF ENFORCEMENT. If enforcement or collection action is taken by LESSOR to enforce any term of this Lease, LESSOR shall be entitled to reasonable attorney's fees, including attorney's fees incurred at trial, on appeal and review, or incurred without action, suit or proceeding, together with all costs and expenses incurred in pursuit thereof.

21. ENTIRE AGREEMENTS: WAIVER. This instrument constitutes the entire agreement between LESSOR and LESSEE. No provision of this Lease shall be modified unless in writing signed by an authorized representative of LESSOR. Waiver by LESSOR of any provision hereof in one instance shall not constitute a waiver as to any other instance.

22. FINANCE LEASE. This Lease is a "Finance Lease" as defined by the Uniform Commercial Code. LESSEE acknowledges either: (a) that LESSEE has reviewed and approved any written Supply Contract (as defined by the Uniform Commercial Code) covering the equipment purchased from the Supplier (as defined by the Uniform Commercial Code) thereof for lease to LESSEE; (b) that LESSOR has informed or advised LESSEE, in writing, either previously or by this Lease of the following: (1) the identity of the Supplier; (2) that the LESSEE may have rights under the Supply Contract; and (3) that the LESSEE may contact

the Supplier for a description of any rights LESSEE may have under the Supply Contract.

LESSOR and LESSEE agree that if Article 2A - Leases of the Uniform Commercial Code is deemed to apply to this Lease, this Lease will be considered a Finance Lease as that term is defined in Article 2A.

23. CREDIT INFORMATION. Throughout the term of this lease, LESSEE consents to any reasonable credit investigation and review by LESSOR. LESSEE and/or guarantor(s) specifically agree(s) to provide updated financial information regarding LESSEE and/or guarantor(s) to LESSOR at any time at the request of LESSOR.

GUARANTY

To induce LESSOR to enter into this Lease the undersigned unconditionally guarantees to LESSOR the prompt payment when due of all LESSEE'S present and future obligations to LESSOR. LESSOR shall not be required to proceed against LESSEE or the EQUIPMENT or enforce any other remedy before proceeding against the undersigned. The undersigned agrees to pay all attorney's fees and other expenses incurred by LESSOR by reason of default by the LESSEE or the undersigned. The undersigned waives notice of acceptance hereof and of all other notices or demands of any kind to which the undersigned may be entitled. The undersigned consents to any extensions or modification granted to LESSEE and the release and/or compromise of any obligations hereunder. This is a continuing Guaranty and shall not be discharged or affected by death of the undersigned, shall bind the heirs, administrators, representatives, successors and assigns of guarantor, and may be enforced by or for the benefit of any assignee or successor of LESSOR. This guaranty shall be governed by laws of the state of Nebraska. The undersigned consents to the competent jurisdiction and venue of the courts located in Douglas County, Nebraska.

SIGNATURE  (NO TITLE)
PERSONAL GUARANTOR 1390 LEE RUN RORI

RES. ADDRESS Rural Drive 1, Box 580, Mahaffey, PA 15757

SS# 195-42-9415

RES. PHONE 814-277-6215

DATE 9-17-03

CERTIFICATE OF ACKNOWLEDGEMENT AND ACCEPTANCE OF LEASED EQUIPMENT: LESSEE hereby acknowledges receipt of the EQUIPMENT described in its Lease with LESSOR (the "EQUIPMENT") and accepts the EQUIPMENT after full inspection thereof as satisfactory for all purposes of the Lease.

SIGNATURE X

TITLE

DELIVERY DATE

LESSEE HAS READ AND AGREES TO ALL ITEMS ON THIS

PAGE 4 OF 4

A. P. J.
Initials


Leverage Leasing Co.
a Division of Carlson Systems Corporation

P.O. Box 3918, Omaha, NE 68103-0918 • 1-800-345-6134 • Fax: 1-800-563-2059

Personal Guaranty to Leverage Leasing Co.

For valuable consideration, receipt of which is hereby acknowledged, the undersigned (hereafter called "Guarantors"), jointly and severally requests that Leverage Leasing Co. extend credit to, or otherwise do business with:

Johnson Brothers Coal Company

hereinafter called "Lessee", and in consideration thereof and of benefits to accrue to (each of us) therefrom, (we) the undersigned as primary obligor, severally and jointly unconditionally guarantee to you that Lessee will fully and promptly perform, pay and discharge all its present and future obligations to Leverage Leasing Co., irrespective of any invalidity therein, or the unenforceability thereof, and agree without your first having to proceed against Lessee or to liquidate any security therefore, to pay on demand all sums due and to become due from Lessee and all losses, costs, attorney's fees or expenses, which may be suffered by you by reason of Lessee's default or default of the undersigned.

(We) the undersigned waive notice of acceptance hereof and of presentment, demand, protest and notice of nonpayment of protest as to any note or obligation signed, accepted, endorsed or assigned to Leverage Leasing Co. by said Lessee, and all exemptions and Homestead Laws and any other demands and notices required by law, and (we), the undersigned waive all defenses, setoffs and counterclaims. You may, without notice to the undersigned, renew or extend any obligation of Lessee or of co-guarantors, accept partial payments thereon or settle, release by operation of law or otherwise, compound, compromise, collect, consent to the release or transfer of such security and bid and purchase at any sale without affecting of impairing the obligation of the undersigned hereunder.

All liabilities of Lessee shall mature immediately upon insolvency of the Lessee, or the filing by or against the Lessee of any insolvency proceeding, or the calling of a meeting of Lessee's creditors, or the death of Lessee, if an individual.

This Guaranty is entered into and performable in Omaha, Douglas County, Nebraska and shall be subject to and construed and enforced in accordance with the laws of the State of Nebraska.

This guaranty shall bind (our) respective heirs, administrators, personal representatives, successors and assigns, and shall inure to your successors and assigns. All of your rights hereunder are cumulative and not alternative.

Throughout the term of this lease, LESSEE consents to any reasonable credit investigation and review by LESSOR. LESSEE and/or guarantor(s) specifically agree(s) to provide updated financial information regarding LESSEE and/or guarantor(s) to LESSOR at any time at the request of LESSOR.

IN WITNESS WHEREOF, (we) the undersigned have executed this Guaranty this 17th day of September, 2003.

Individual Guarantor:Name Norman JohnsonSignature Home Address RR 1, Box 304 1937 REAL RUN ROADCity Grampian State PA Zip 16838SS# 195-38-1368Witness Debbie Johnson**Individual Guarantor:**

Name _____ Signature _____

Home Address _____

City _____ State _____ Zip _____

SS# _____

Witness _____

Sworn to before me and subscribed in my presence this 17th day of September, 2003.By: Deborah L. Johnson

Notary Public



A Division of Carlson Systems

10-00

| |
|--|
| Notarial Seal Deborah L. Johnson, Notary Public Greenwood Twp., Clearfield County My Commission Expires February 26, 2005 |
|--|

Member, Pennsylvania Association of Notaries

EXHIBIT

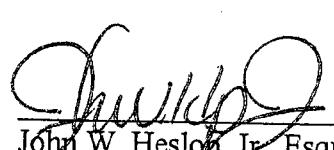
B

NOTICE OF DEFAULT

TO: JOHNSON BROTHERS COAL CO.

You are hereby in default of the Lease Agreement entered into with Leverage Leasing Co. on September 17, 2003. You are in default because you have failed to make the payment due October 1, 2003, in the amount of \$992.43. You are also in default because you have failed to make the payment due November 1, 2003, in the amount of \$992.43. A late charge in the amount of \$94.00 is due for both defaults. You must pay Leverage Leasing Co. within ten days of the date of this Notice the sum of \$2,172.86 in order to cure the default. Failure to do so will result in Leverage Leasing Co. taking any and all legal action available to it.

Date: Nov 21, 2003



John W. Heslop, Jr., Esquire
Attorney for Leverage Leasing Co.

EXHIBIT

C

VERIFICATION OF CORPORATE PARTY

I, Michael Carlson, hereby certify that I have read the foregoing Complaint. The averments of fact made therein are true and correct to the best of my knowledge, information and belief. I am authorized to sign this verification on behalf of Leverage Leasing Co. because of my position as President.

I understand that false statements herein are made subject to penalty of 18 Pa. C.S.A. §4904 relating to unsworn falsification to authorities.

LEVERAGE LEASING CO.

By Michael Carlson
Authorized Corporate Officer President

Dated: 12-1-03

In The Court of Common Pleas of Clearfield County, Pennsylvania

LEVERAGE LEASING CO.

VS.

JOHNSON BROTHERS COAL CO., LESLIE P. JOHNSON & NORMAN JOHN

COMPLAINT

Sheriff Docket # 14901

03-1797-CD

SHERIFF RETURNS

NOW DECEMBER 17, 2003 AT 10:28 AM SERVED THE WITHIN COMPLAINT ON LESLIE P. JOHNSON, DEFENDANT AT RESIDENCE, 1390 LEE RUN ROAD, MAHAFFEY, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO DEBBIE JOHNSON, WIFE A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT AND MADE KNOWN TO HER THE CONTENTS THEREOF.

SERVED BY: DAVIS/MORGILLO

NOW DECEMBER 17, 2003 AT 10:28 AM SERVED THE WITHIN COMPLAINT ON JOHNSON BROTHERS COAL CO., DEFENDANT AT RESIDENCE, 1390 LEE RUN ROAD, MAHAFFEY, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO DEBBIE JOHNSON, WIFE OF LESLIE P. JOHNSON A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT AND MADE KNOWN TO HER THE CONTENTS THEREOF.

SERVED BY: DAVIS/MORGILLO

NOW DECEMBER 17, 2003 AT 10:45 AM SERVED THE WITHIN COMPLAINT ON NORMAN JOHNSON, DEFENDANT AT RESIDENCE, 1937 BELL RUN ROAD, GRAMPIAN, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO NORMAN JOHNSON A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT AND MADE KNOWN TO HIM THE CONTENTS THEREOF.

SERVED BY: DAVIS/MORGILLO

Return Costs

| Cost | Description |
|-------|---|
| 54.85 | SHERIFF HAWKINS PAID BY: ATTY CK# 14127 |
| 30.00 | SURCHARGE PAID BY: ATTY. |

Sworn to Before Me This

12th Day Of Feb. 2004

WILLIAM A. SHAW
Prothonotary
My Commission Expires
1st Monday in Jan. 2006
Clearfield Co., Clearfield, PA

So Answers,

Chester A. Hawkins
Chester A. Hawkins
Sheriff

FILED
01/30/04
FEB 12 2004

William A. Shaw
Prothonotary/Clerk of Courts

LEVERAGE LEASING CO., a division of
CARLSON SYSTEMS CORPORATION,

Plaintiff

vs.

JOHNSON BROTHERS COAL CO.,
LESLIE P. JOHNSON, and
NORMAN JOHNSON,

Defendants

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION - LAW

NO. 03-1797-CD

**PRAEICE FOR ENTRY OF DEFAULT
JUDGMENT**

Filed on behalf of Plaintiff

Counsel of record for this party:

John W. Heslop, Jr., Esquire
Attorney I.D. #32299

GOLDSTEIN, HESLOP, STEELE,
CLAPPER, OSWALT & STOEHR
414 N. Logan Boulevard
Altoona, PA 16602

(814) 946-4391

FILED

FEB 19 2004

William A. Heslop
Attorney

LEVERAGE LEASING CO., a division of
CARLSON SYSTEMS CORPORATION, : IN THE COURT OF COMMON PLEAS OF
Plaintiff : CLEARFIELD COUNTY, PENNSYLVANIA
vs. : CIVIL DIVISION - LAW
JOHNSON BROTHERS COAL CO., : NO. 03-1797-CD
LESLIE P. JOHNSON, and :
NORMAN JOHNSON, :
Defendants : JURY TRIAL DEMANDED

PRAECIPE FOR ENTRY OF DEFAULT JUDGMENT

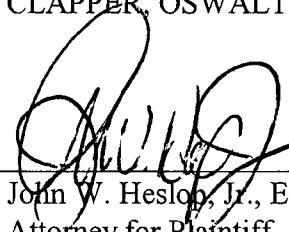
TO THE PROTHONOTARY:

Please enter judgment in favor of the above-named Plaintiff and against the above-named Defendants for failure to file a responsive pleading to the Complaint filed by the Plaintiff, which Complaint contained a Notice to Plead and assess damages as follows:

| | |
|----------------------|--|
| Principal | \$54,970.14 |
| Attorney's Fees | \$ |
| Interest to be added | \$ |
| Costs of Suit | \$ |
| Total | \$54,970.14 plus attorney's fees, interest and costs |

GOLDSTEIN, HESLOP, STEELE,
CLAPPER, OSWALT & STOEHR

By


John W. Heslop, Jr., Esquire
Attorney for Plaintiff
I.D. No. 32299

414 N. Logan Boulevard
Altoona, PA 16602
(814) 946-4391

DATED 3/18/04

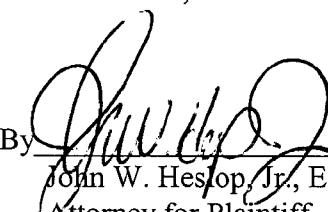
LEVERAGE LEASING CO., a division of : IN THE COURT OF COMMON PLEAS OF
CARLSON SYSTEMS CORPORATION, : CLEARFIELD COUNTY, PENNSYLVANIA
Plaintiff :
vs. : CIVIL DIVISION - LAW
JOHNSON BROTHERS COAL CO., :
LESLIE P. JOHNSON, and :
NORMAN JOHNSON, :
Defendants : JURY TRIAL DEMANDED

CERTIFICATE OF MAILING

The undersigned hereby certifies that the attached Notice of Intention to File Praeclipe for Entry of Default Judgment was mailed to the party against whom judgment is to be entered by default after the default occurred and at least 10 days prior to the date of the filing of the within Praeclipe for Entry of Default Judgment.

GOLDSTEIN, HESLOP, STEELE,
CLAPPER, OSWALT & STOEHR

By


John W. Heslop, Jr., Esquire
Attorney for Plaintiff
I.D. No. 32299

414 N. Logan Boulevard
Altoona, PA 16602
(814) 946-4391

DATED 2/18/04

LEVERAGE LEASING CO., a division of
CARLSON SYSTEMS CORPORATION, : IN THE COURT OF COMMON PLEAS OF
Plaintiff : CLEARFIELD COUNTY, PENNSYLVANIA
vs. : CIVIL DIVISION - LAW
JOHNSON BROTHERS COAL CO.,
LESLIE P. JOHNSON, and
NORMAN JOHNSON, : NO. 03-1797-CD
Defendants : JURY TRIAL DEMANDED

**NOTICE OF INTENTION TO FILE
PRAECIPE FOR ENTRY OF DEFAULT JUDGMENT**

TO: LESLIE P. JOHNSON
DATE OF NOTICE: JANUARY 12, 2004

IMPORTANT NOTICE

YOU ARE IN DEFAULT BECAUSE YOU HAVE FAILED TO ENTER A WRITTEN APPEARANCE PERSONALLY OR BY ATTORNEY AND FILE IN WRITING WITH THE COURT YOUR DEFENSES OR OBJECTIONS TO THE CLAIMS SET FORTH AGAINST YOU. UNLESS YOU ACT WITHIN TEN (10) DAYS FROM THE DATE OF THIS NOTICE, A JUDGMENT MAY BE ENTERED AGAINST YOU WITHOUT A HEARING AND YOU MAY LOSE YOUR PROPERTY OR OTHER IMPORTANT RIGHTS.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.

IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

DAVID S. MEHOLICK
COURT ADMINISTRATOR
CLEARFIELD COUNTY COURTHOUSE
CLEARFIELD, PA 16830
PHONE: (814) 765-2641 EXT. 5982

GOLDSTEIN, HESLOP, STEELE,
CLAPPER & OSWALT

By


John W. Heslop, Jr., Esquire
Attorney for Plaintiff
I.D. No. 32299
414 N. Logan Boulevard
Altoona, PA 16602
(814) 946-4391

DATED Jan 12, 2004

LEVERAGE LEASING CO., a division of : IN THE COURT OF COMMON PLEAS OF
CARLSON SYSTEMS CORPORATION, : CLEARFIELD COUNTY, PENNSYLVANIA
Plaintiff : CIVIL DIVISION - LAW
vs. : NO. 03-1797-CD
JOHNSON BROTHERS COAL CO., :
LESLIE P. JOHNSON, and :
NORMAN JOHNSON, :
Defendants : JURY TRIAL DEMANDED

**NOTICE OF INTENTION TO FILE
PRAECIPE FOR ENTRY OF DEFAULT JUDGMENT**

TO: NORMAN JOHNSON

DATE OF NOTICE: JANUARY 12, 2004

IMPORTANT NOTICE

YOU ARE IN DEFAULT BECAUSE YOU HAVE FAILED TO ENTER A WRITTEN APPEARANCE PERSONALLY OR BY ATTORNEY AND FILE IN WRITING WITH THE COURT YOUR DEFENSES OR OBJECTIONS TO THE CLAIMS SET FORTH AGAINST YOU. UNLESS YOU ACT WITHIN TEN (10) DAYS FROM THE DATE OF THIS NOTICE, A JUDGMENT MAY BE ENTERED AGAINST YOU WITHOUT A HEARING AND YOU MAY LOSE YOUR PROPERTY OR OTHER IMPORTANT RIGHTS.

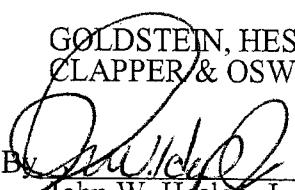
YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.

IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

DAVID S. MEHOLICK
COURT ADMINISTRATOR
CLEARFIELD COUNTY COURTHOUSE
CLEARFIELD, PA 16830
PHONE: (814) 765-2641 EXT. 5982

GOLDSTEIN, HESLOP, STEELE,
CLAPPER & OSWALT

By


John W. Heslop, Jr., Esquire
Attorney for Plaintiff
I.D. No. 32299
414 N. Logan Boulevard
Altoona, PA 16602
(814) 946-4391

DATED Jan 12, 2004

LEVERAGE LEASING CO., a division of
CARLSON SYSTEMS CORPORATION,

Plaintiff

vs.

JOHNSON BROTHERS COAL CO.,
LESLIE P. JOHNSON, and
NORMAN JOHNSON,

Defendants

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION - LAW

NO. 03-1797-CD

JURY TRIAL DEMANDED

**NOTICE OF INTENTION TO FILE
PRAECIPE FOR ENTRY OF DEFAULT JUDGMENT**

TO: JOHNSON BROTHERS COAL CO.

DATE OF NOTICE: JANUARY 20, 2004

IMPORTANT NOTICE

YOU ARE IN DEFAULT BECAUSE YOU HAVE FAILED TO ENTER A WRITTEN APPEARANCE PERSONALLY OR BY ATTORNEY AND FILE IN WRITING WITH THE COURT YOUR DEFENSES OR OBJECTIONS TO THE CLAIMS SET FORTH AGAINST YOU. UNLESS YOU ACT WITHIN TEN (10) DAYS FROM THE DATE OF THIS NOTICE, A JUDGMENT MAY BE ENTERED AGAINST YOU WITHOUT A HEARING AND YOU MAY LOSE YOUR PROPERTY OR OTHER IMPORTANT RIGHTS.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.

IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

DAVID S. MEHOLICK
COURT ADMINISTRATOR
CLEARFIELD COUNTY COURTHOUSE
CLEARFIELD, PA 16830
PHONE: (814) 765-2641 EXT. 5982

GOLDSTEIN, HESLOP, STEELE,
CLAPPER & OSWALT

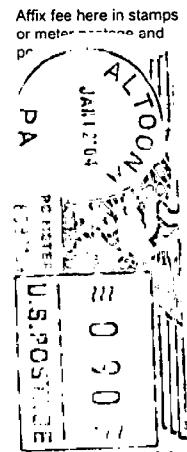
By

John W. Heslop, Jr., Esquire
Attorney for Plaintiff
I.D. No. 32299
414 N. Logan Boulevard
Altoona, PA 16602
(814) 946-4391

DATED

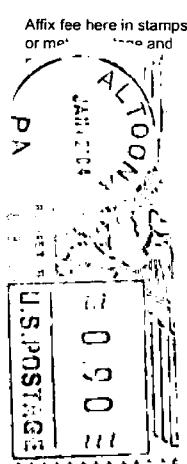
Jan 20, 2004

| | | |
|--|--|------------------------|
| U.S. POSTAL SERVICE | | CERTIFICATE OF MAILING |
| MAY BE USED FOR DOMESTIC AND INTERNATIONAL MAIL, DOES NOT PROVIDE FOR INSURANCE-POSTMASTER | | |
| Received From: <u>John W. Heslop, Jr., Esquire</u> <u>414 N. Logan Boulevard</u> <u>Altoona, PA 16602</u> | | |
| One piece of ordinary mail addressed to: <u>Leslie P. Johnson</u> <u>1390 Lee Run Road</u> <u>Mahaffey, PA 15757-9433</u> | | |



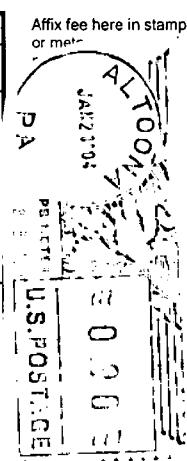
PS Form 3817, January 2001

| | | |
|---|--|------------------------|
| U.S. POSTAL SERVICE | | CERTIFICATE OF MAILING |
| MAY BE USED FOR DOMESTIC AND INTERNATIONAL MAIL, DOES NOT PROVIDE FOR INSURANCE-POSTMASTER | | |
| Received From: <u>John W. Heslop, Jr., Esquire</u> <u>414 N. Logan Boulevard</u> <u>Altoona, PA 16602</u> | | |
| One piece of ordinary mail addressed to: <u>Norman Johnson</u> <u>1937 Bell Run Road</u> <u>Grampian, PA 16838</u> | | |



PS Form 3817, January 2001

| | | |
|--|--|------------------------|
| U.S. POSTAL SERVICE | | CERTIFICATE OF MAILING |
| MAY BE USED FOR DOMESTIC AND INTERNATIONAL MAIL, DOES NOT PROVIDE FOR INSURANCE-POSTMASTER | | |
| Received From: <u>John W. Heslop, Jr., Esquire</u> <u>414 N. Logan Boulevard</u> <u>Altoona, PA 16602</u> | | |
| One piece of ordinary mail addressed to: <u>Johnson Brothers Coal Company</u> <u>1390 Lee Run Road</u> <u>Mahaffey, PA 15757-9433</u> | | |



PS Form 3817, January 2001

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

Leverage Leasing Co.
Carlson Systems Corporation
Plaintiff(s)

No.: 2003-01797-CD

Real Debt: \$54,970.14

Atty's Comm: \$

Vs.

Costs: \$

Int. From: \$

Johnson Brothers Coal Co.
Leslie P. Johnson
Norman Johnson
Defendant(s)

Entry: \$20.00

Instrument: Default Judgment

Date of Entry: February 19, 2004

Expires: February 19, 2009

Certified from the record this 19th day of February, 2004

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

U

TO: Leslie P. Johnson
1390 Lee Run Road
Mahaffey, PA 15757-9433

THE COMMONWEALTH OF PENNSYLVANIA NOW REQUIRES THAT NOTICE OF THE ENTRY OF ANY MONEY JUDGMENT BE GIVEN TO THE PARTY AGAINST WHOM THE JUDGMENT IS ENTERED. THEREFORE, PURSUANT TO PENNSYLVANIA RULES OF CIVIL PROCEDURE NO. 236, YOU ARE HEREBY NOTIFIED OF THE ENTRY OF JUDGMENT, FINAL ORDER OR DECREE AS INDICATED BELOW IN THE OFFICE OF THE PROTHONOTARY OF BLAIR COUNTY, PENNSYLVANIA.

| | | |
|-------------------------------------|---|--|
| LEVERAGE LEASING CO., a division of | : | IN THE COURT OF COMMON PLEAS OF |
| CARLSON SYSTEMS CORPORATION, | : | CLEARFIELD COUNTY, PENNSYLVANIA |
| | : | |
| Plaintiff | : | CIVIL DIVISION - LAW |
| | : | |
| vs. | : | NO. 03-1797-CD |
| | : | |
| JOHNSON BROTHERS COAL CO., | : | |
| LESLIE P. JOHNSON, and | : | |
| NORMAN JOHNSON, | : | |
| | : | |
| Defendants | : | JUDGMENT IN THE AMOUNT OF \$54,970.14 plus |
| | : | attorney's fees, interest and costs |
| | : | |
| | : | FILED: |

I hereby certify this to be a true
and attested copy of the original
statement filed in this case.

FEB 19 2004

Attest.

William L. Hause
Prothonotary/
Clerk of Courts

TO: Johnson Brothers Coal Company,
1390 Lee Run Road
Mahaffey, PA 15757-9433

THE COMMONWEALTH OF PENNSYLVANIA NOW REQUIRES THAT NOTICE OF THE ENTRY OF ANY MONEY JUDGMENT BE GIVEN TO THE PARTY AGAINST WHOM THE JUDGMENT IS ENTERED. THEREFORE, PURSUANT TO PENNSYLVANIA RULES OF CIVIL PROCEDURE NO. 236, YOU ARE HEREBY NOTIFIED OF THE ENTRY OF JUDGMENT, FINAL ORDER OR DECREE AS INDICATED BELOW IN THE OFFICE OF THE PROTHONOTARY OF BLAIR COUNTY, PENNSYLVANIA.

| | | |
|---|---|---|
| LEVERAGE LEASING CO., a division of CARLSON SYSTEMS CORPORATION, | : | IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA |
| Plaintiff | : | CIVIL DIVISION - LAW |
| vs. | : | NO. 03-1797-CD |
| JOHNSON BROTHERS COAL CO., LESLIE P. JOHNSON, and NORMAN JOHNSON, | : | |
| Defendants | : | JUDGMENT IN THE AMOUNT OF \$54,970.14 plus attorney's fees, interest and costs |
| | : | FILED: |

I hereby certify this to be a true
and attested copy of the original
statement filed in this case.

FEB 19 2004

Attest.

William L. Brown
Prothonotary/
Clerk of Courts

TO: Norman Johnson
1937 Bell Run Road
Grampian, PA 16838

THE COMMONWEALTH OF PENNSYLVANIA NOW REQUIRES THAT NOTICE OF THE ENTRY OF ANY MONEY JUDGMENT BE GIVEN TO THE PARTY AGAINST WHOM THE JUDGMENT IS ENTERED. THEREFORE, PURSUANT TO PENNSYLVANIA RULES OF CIVIL PROCEDURE NO. 236, YOU ARE HEREBY NOTIFIED OF THE ENTRY OF JUDGMENT, FINAL ORDER OR DECREE AS INDICATED BELOW IN THE OFFICE OF THE PROTHONOTARY OF BLAIR COUNTY, PENNSYLVANIA.

| | | |
|-------------------------------------|---|--|
| LEVERAGE LEASING CO., a division of | : | IN THE COURT OF COMMON PLEAS OF |
| CARLSON SYSTEMS CORPORATION, | : | CLEARFIELD COUNTY, PENNSYLVANIA |
| Plaintiff | : | CIVIL DIVISION - LAW |
| vs. | : | NO. 03-1797-CD |
| JOHNSON BROTHERS COAL CO., | : | |
| LESLIE P. JOHNSON, and | : | |
| NORMAN JOHNSON, | : | |
| Defendants | : | JUDGMENT IN THE AMOUNT OF \$54,970.14 plus |
| | : | attorney's fees, interest and costs |
| | : | FILED: |

I hereby certify this to be a true
and attested copy of the original
statement filed in this case.

FEB 19 2004

Attest.

William L. Brown
Prothonotary/
Clerk of Courts

LEVERAGE LEASING CO., a division of
CARLSON SYSTEMS CORPORATION,

Plaintiff

vs.

JOHNSON BROTHERS COAL CO.,
LESLIE P. JOHNSON, and
NORMAN JOHNSON,

Defendants

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION - LAW

NO. 03-1797-CD

Defendants

PRAECIPE FOR WRIT OF EXECUTION

Filed on behalf of Plaintiff

Counsel of record for this party:

John W. Heslop, Jr., Esquire
Attorney I.D. #32299

GOLDSTEIN, HESLOP, STEELE,
CLAPPER & OSWALT
414 North Logan Boulevard
Altoona, PA 16602

(814) 946-4391

(6K)
Atty pd.
nat 3:35 pd 20.00
OCT 28 2005 ICC@LE
Wants to
Shff

LEVERAGE LEASING CO., a division of
CARLSON SYSTEMS CORPORATION, : IN THE COURT OF COMMON PLEAS OF
Plaintiff : CLEARFIELD COUNTY, PENNSYLVANIA
vs. :
: CIVIL DIVISION - LAW
JOHNSON BROTHERS COAL CO., :
LESLIE P. JOHNSON, and :
NORMAN JOHNSON, :
Defendants : NO. 03-1797-CD
: :
: JURY TRIAL DEMANDED

PRAECIPE FOR WRIT OF EXECUTION

TO THE PROTHONOTARY:

Please issue a Writ of Execution in the above matter:

- (1) directed to the Sheriff of Clearfield County;
- (2) against Johnson Brothers Coal Co., Leslie P. Johnson, and Norman Johnson, Defendants, and
- (3) against County National Bank, garnishees;
- (4) index this Writ;
 - (a) against, Johnson Brothers Coal Co., Leslie P. Johnson, and Norman Johnson, Defendants,
 - (b) against County National Bank, garnishees,

as lis pendens against real and personal property of Defendants at the following addresses: For Defendant, Johnson Brothers Coal Co. at R.D.#1, Box 580, Mahaffey, Pennsylvania 15757, Clearfield County, Pennsylvania; For Defendant, Leslie P. Johnson at 1390 Lee Run Road, Mahaffey, Clearfield County, Pennsylvania 15757-9433; For Defendant, Norman Johnson at 1937 Bell Run Road, Grampian, Clearfield County, Pennsylvania 16838.

| | |
|----------------|------------|
| (5) Principal | \$4,439.72 |
| Attorneys Fees | \$ |
| Costs | \$ _____ |

\$4,439.72 plus attorney's fees and costs
~~125.00~~ **Prothonotary costs**

GOLDSTEIN, HESLOP, STEELE,
CLAPPER & OSWALT

By 

John W. Heslop, Jr., Esquire
Attorney for Plaintiff
Attorney I.D. #32299

414 N. Logan Boulevard
Altoona, PA 16602
(814) 946-4391

Date: 10/26/05

**WRIT OF EXECUTION and/or ATTACHMENT
COMMONWEALTH OF PENNSYLVANIA, COUNTY OF CLEARFIELD
CIVIL ACTION – LAW**

Leverage Leasing Co., a division of
Carlson Systems Corporation



Copy

Vs.

NO.: 2003-01797-CD

Johnson Brothers Coal Co., Leslie P. Johnson,
and Norman Johnson

County National Bank
Garnishee

TO THE SHERIFF OF CLEARFIELD COUNTY:

To satisfy the debt, interest and costs due LEVERAGE LEASING CO., a division of CARLSON SYSTEMS CORPORATION, Plaintiff(s) from JOHNSON BROTHERS COAL CO., LESLIE P. JOHNSON, and NORMAN JOHNSON, Defendant(s):

(1) You are directed to levy upon the property of the defendant(s) and to sell interest(s) therein:

Against real and personal property of Defendants: For Defendant, Johnson Brothers Coal Co. at RD 1, Box 580, Mahaffey, Pennsylvania, 15757, Clearfield County, Pennsylvania; For Defendant, Leslie P. Johnson at 1390 Lee Run Road, Mahaffey, Clearfield County, Pennsylvania 15757-9433; For Defendant, Norma Johnson at 1937 Bell Run Road, Grampian, Clearfield County, Pennsylvania 16838

(2) You are also directed to attach the property of the defendant(s) not levied upon in the possession of:

County National Bank

Garnishee(s) as follows:

and to notify the garnishee(s) that: (a) an attachment has been issued; (b) the garnishee(s) is/are enjoined from paying any debt to or for the account of the defendant(s) and from delivering any property of the defendant(s) or otherwise disposing thereof;

(3) If property of the defendant(s) not levied upon and subject to attachment is found in the possession of anyone other than a named garnishee, you are directed to notify him/her that he/she has been added as a garnishee and is enjoined as above stated.

AMOUNT DUE/PRINCIPAL: \$4,439.72

PAID: \$125.00

INTEREST: \$

SHERIFF: \$

PROTH. COSTS: \$

OTHER COSTS: \$

ATTY'S COMM: \$

DATE: 10/28/2005

Received this writ this _____ day
of _____ A.D. _____
At _____ A.M./P.M.

Sheriff

William A. Shaw
Prothonotary/Clerk Civil Division

Requesting Party: John W. Heslop, Jr., Esq.
414 N. Logan Boulevard
Altoona, PA 16602
(814) 946-4391

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

LEVERAGE LEASING CO., a division of
CARLSON SYSTEMS CORPORATION,
Plaintiff

vs.

JOHNSON BROTHERS COAL CO.,
LESLIE P. JOHNSON and
NORMAN JOHNSON,
Defendants

and

COUNTY NATIONAL BANK
1 South Second Street, P. O. Box 42
Clearfield, PA 16830

Garnishee

: No. 03-1797-CD

FILED
10/15/2005

NOV 14 2005

William A. Shaw
Prothonotary

CERTIFICATE OF SERVICE

I, Peter F. Smith, attorney for County National Bank in the above-captioned matter, hereby certify that I served the Answers to Interrogatories filed in this matter on the Attorney for the Plaintiff by U. S. First Class Mail and a true and correct copy of the Answers to Interrogatories on the Defendants by U.S. Certified Mail as follows:

U. S. FIRST CLASS MAIL

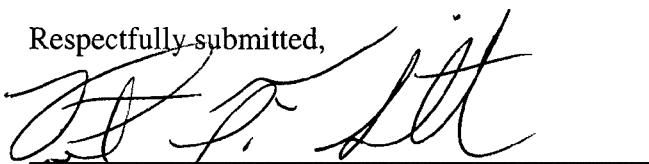
John W. Heslop, Jr., Esquire
Goldstein, Heslop, Steele, Clapper & Oswalt
414 N. Logan Boulevard
Altoona, PA 16602

CERTIFIED MAIL

Johnson Brothers Coal Co.
Leslie P. Johnson
Norman Johnson
1390 Lee Run Road
Mahaffey, PA 15757-9433

Date: November 10, 2005

Respectfully submitted,



Peter F. Smith, Esquire
Attorney for the Garnishee
P.O. Box 130, 30 South Second Street
Clearfield, PA 16830
(814) 765-5595

LEVERAGE LEASING CO., a division of
CARLSON SYSTEMS CORPORATION,

Plaintiff

vs.

JOHNSON BROTHERS COAL CO.,
LESLIE P. JOHNSON, and
NORMAN JOHNSON,

Defendants

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION - LAW

NO. 03-1797-CD

**PRAECIPE FOR DISCONTINUANCE OF
ATTACHMENT**

Filed on behalf of Plaintiff

Counsel of record for this party:

John W. Heslop, Jr., Esquire
Attorney I.D. #32299

GOLDSTEIN, HESLOP, STEELE,
CLAPPER & OSWALT
414 N. Logan Boulevard
Altoona, PA 16602

(814) 946-4391

FILED *noc*
m12:35pm
NOV 16 2005
S

William A. Shaw
Prothonotary/Clerk of Courts

LEVERAGE LEASING CO., a division of : IN THE COURT OF COMMON PLEAS OF
CARLSON SYSTEMS CORPORATION, : CLEARFIELD COUNTY, PENNSYLVANIA
Plaintiff :
vs. : CIVIL DIVISION - LAW
: NO. 03-1797-CD
JOHNSON BROTHERS COAL CO., :
LESLIE P. JOHNSON, and :
NORMAN JOHNSON, :
Defendants : JURY TRIAL DEMANDED

PRAECIPE FOR DISCONTINUANCE OF ATTACHMENT

TO THE PROTHONOTARY:

Please mark the attachment against County National Bank with respect to the above matter as discontinued and ended without prejudice.

GOLDSTEIN, HESLOP, STEELE,
CLAPPER & OSWALT

By 
John W. Heslop, Jr., Esquire
Attorney for Plaintiff
I.D. No. 32299

414 N. Logan Boulevard
Altoona, PA 16602
(814) 946-4391

DATED Nov 15, 2005

LEVERAGE LEASING CO., a division of : IN THE COURT OF COMMON PLEAS OF
CARLSON SYSTEMS CORPORATION, : CLEARFIELD COUNTY, PENNSYLVANIA
Plaintiff :
vs. : CIVIL DIVISION - LAW
: NO. 03-1797-CD
JOHNSON BROTHERS COAL CO., :
LESLIE P. JOHNSON, and :
NORMAN JOHNSON, :
Defendants : JURY TRIAL DEMANDED

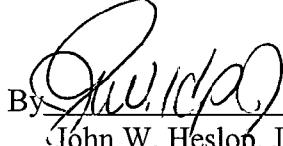
CERTIFICATE OF SERVICE

This is to certify that I, John W. Heslop, Jr., Esquire, served a copy of the Praeclipe for
Discontinuance of Attachment on the 15th day of November, 2005, via First Class United States
Mail, postage prepaid and addressed to the following:

Peter F. Smith, Esquire
30 South Second Street
P.O. Box 130
Clearfield, PA 16830

Johnson Brothers Coal Co.
Leslie P. Johnson
Norman Johnson
1390 Lee Run Road
Mahaffey, PA 15757-9433

GOLDSTEIN, HESLOP, STEELE,
CLAPPER & OSWALT

By 
John W. Heslop, Jr., Esquire
Attorney for Plaintiff
Attorney I.D. #32299

414 N. Logan Boulevard
Altoona, PA 16602
(814) 946-4391

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 100948
NO: 03-1797-CD
SERVICE # 1 OF 1
WRIT OF EXECUTION, INTERROGATORIES

PLAINTIFF: LEVERAGE LEASING CO. a div. of Carlson Systems Corp.

vs.

DEFENDANT: JOHNSON BROTHERS COAL CO., LESLIE P. JOHNSON, and NORMAN JOHNSON
TO: COUNTY NATIONAL BANK, GARNISHEE

SHERIFF RETURN

NOW, November 08, 2005 AT 1:19 PM SERVED THE WITHIN WRIT OF EXECUTION, INTERROGATORIES ON COUNTY NATIONAL BANK DEFENDANT AT ONE SOUTH SECOND ST., CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO CINDY PIERCE, RECEPTIONIST A TRUE AND ATTESTED COPY OF THE ORIGINAL WRIT OF EXECUTION, INTERROGATORIES AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: HUNTER / NEVLING

0104/04/05
DEC 15 2005
Clerk of Courts
William A. Shaw
Preliminary Clerk of Courts

| PURPOSE | VENDOR | CHECK # | AMOUNT |
|-----------------|-----------|---------|--------|
| SURCHARGE | GOLDSTEIN | 4438 | 10.00 |
| SHERIFF HAWKINS | GOLDSTEIN | 4438 | 20.37 |

Sworn to Before Me This

So Answers,

____ Day of _____ 2005

*Chester A. Hawkins
by Marilyn Harris*
Chester A. Hawkins
Sheriff

**WRIT OF EXECUTION and/or ATTACHMENT
COMMONWEALTH OF PENNSYLVANIA, COUNTY OF CLEARFIELD
CIVIL ACTION – LAW**

Leverage Leasing Co., a division of
Carlson Systems Corporation

Vs.

NO.: 2003-01797-CD

Johnson Brothers Coal Co., Leslie P. Johnson,
and Norman Johnson

County National Bank
Garnishee

TO THE SHERIFF OF CLEARFIELD COUNTY:

To satisfy the debt, interest and costs due LEVERAGE LEASING CO., a division of CARLSON SYSTEMS CORPORATION, Plaintiff(s) from JOHNSON BROTHERS COAL CO., LESLIE P. JOHNSON, and NORMAN JOHNSON, Defendant(s):

(1) You are directed to levy upon the property of the defendant(s) and to sell interest(s) therein:

Against real and personal property of Defendants: For Defendant, Johnson Brothers Coal Co. at RD 1, Box 580, Mahaffey, Pennsylvania, 15757, Clearfield County, Pennsylvania; For Defendant, Leslie P. Johnson at 1390 Lee Run Road, Mahaffey, Clearfield County, Pennsylvania 15757-9433; For Defendant, Norma Johnson at 1937 Bell Run Road, Grampian, Clearfield County, Pennsylvania 16838

(2) You are also directed to attach the property of the defendant(s) not levied upon in the possession of:

County National Bank
Garnishee(s) as follows:

and to notify the garnishee(s) that: (a) an attachment has been issued; (b) the garnishee(s) is/are enjoined from paying any debt to or for the account of the defendant(s) and from delivering any property of the defendant(s) or otherwise disposing thereof;

(3) If property of the defendant(s) not levied upon and subject to attachment is found in the possession of anyone other than a named garnishee, you are directed to notify him/her that he/she has been added as a garnishee and is enjoined as above stated.

AMOUNT DUE/PRINCIPAL: \$4,439.72

PAID: \$125.00

INTEREST: \$

SHERIFF: \$

PROTH. COSTS: \$

OTHER COSTS: \$

ATTY'S COMM: \$

DATE: 10/28/2005



William A. Shaw
Prothonotary/Clerk Civil Division

Received this writ this 31 day
of Oct A.D. 2001
At 3:00 A.M./P.M.

Requesting Party: John W. Heslop, Jr., Esq.
414 N. Logan Boulevard
Altoona, PA 16602
(814) 946-4391

Chesler A. Hamlin
Sheriff by Marilyn Hamlin

COPY

LEVERAGE LEASING CO., a division of
CARLSON SYSTEMS CORPORATION,

Plaintiff

vs.

JOHNSON BROTHERS COAL CO.,
LESLIE P. JOHNSON, and
NORMAN JOHNSON,

Defendants

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION - LAW

NO. 03-1797-CD

**INTERROGATORIES IN ATTACHMENT -
COUNTY NATIONAL BANK**

Filed on behalf of Plaintiff

Counsel of record for this party:

John W. Heslop, Jr., Esquire
Attorney I.D. #32299

(814) 946-4391

LEVERAGE LEASING CO., a division of
CARLSON SYSTEMS CORPORATION,

Plaintiff

vs.

JOHNSON BROTHERS COAL CO.,
LESLIE P. JOHNSON, and
NORMAN JOHNSON,

Defendants

: IN THE COURT OF COMMON PLEAS OF
: CLEARFIELD COUNTY, PENNSYLVANIA
:
: CIVIL DIVISION - LAW
:
: NO. 03-1797-CD
:
:
: JURY TRIAL DEMANDED

INTERROGATORIES IN ATTACHMENT

TO: County National Bank
One South Second Street
Clearfield, PA 16830

You are required to file answers to the following interrogatories within twenty (20) days after service upon you. Failure to do so may result in judgment against you:

1. At the time you were served or at any subsequent time did you owe the Defendants any money or were you liable to them on any negotiable or other written instrument, or did they claim that you owed them any money or were liable to them for any reason?

ANSWER:

2. At the time you were served or at any subsequent time was there in your possession, custody or control or in the joint possession, custody or control of yourself and one or more other persons any property of any nature owned solely or in part by the Defendants? If so, describe the above property including, but not limited to, type of bank account (if applicable), account number (if applicable), and amount of money in said account.

ANSWER:

3. At the time you were served or at any subsequent time did you hold legal title to any property of any nature owned solely or in part by the Defendants or in which Defendants held or claimed any interest? If so, please describe the property and if applicable, state the type of account, account number, and amount in account.

ANSWER:

4. At the time you were served or at any subsequent time did you hold as fiduciary any property in which the Defendants had an interest? If the answer to the above interrogatory is yes, please describe the property and if applicable, state the type of account, account number, and amount in account.

ANSWER:

5. At any time before or after you were served did the Defendants transfer or deliver any property to you or to any person or place pursuant to your direction or consent and if so describe the property, describe the transfer, describe the consideration therefor, and indicate the amount of the transfer.

ANSWER:

6. At any time after you were served did you pay, transfer or deliver any money or property to the Defendants or to any person or place pursuant to his direction or otherwise discharge any claim of the Defendants against you? If the answer is yes, please describe the transfer, the date of the transfer and the amount transferred.

ANSWER:

GOLDSTEIN, HESLOP, STEELE,
CLAPPER & OSWALT

By


John W. Heslop, Jr., Esquire
Attorney for Plaintiff
Attorney I.D. #32299

414 N. Logan Boulevard
Altoona, PA 16602
(814) 946-4391

Date: 10/26/05

VERIFICATION OF CORPORATE ANSWERING PARTY

I certify that I am (title) _____ of COUNTY NATIONAL BANK, and am the authorized agent of the corporation for the purposes of answering the interrogatories served upon the attorneys for said corporation in this action. I am authorized to sign this verification.

I have read the foregoing answers to interrogatories and certify that the answers and statements made by me on behalf of myself and the said corporation are true. I am aware that false statements herein made are subject to the penalties of 18 Pa.C.S.A. §4904 relating to unsworn falsification to authorities.

COUNTY NATIONAL BANK

DATE: _____ By _____
Authorized Corporate Officer

Address:

LEVERAGE LEASING CO., a division of
CARLSON SYSTEMS CORPORATION,

Plaintiff

vs.

JOHNSON BROTHERS COAL CO.,
LESLIE P. JOHNSON, and
NORMAN JOHNSON,

Defendants

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION - LAW

NO. 03-1797-CD

PRAECIPE FOR SATISFACTION

Filed on behalf of Plaintiff

Counsel of record for this party:

John W. Heslop, Jr., Esquire
Attorney I.D. #32299

GOLDSTEIN, HESLOP, STEELE,
CLAPPER & OSWALT
414 N. Logan Boulevard
Altoona, PA 16602

(814) 946-4391

APR 07 2007 Atty
FILED 107.00 Atty
M/11:55 AM ICC + 1 Cert of
APR 03 2007 Sat issued to
William A. Shaw
Prothonotary/Clerk of Courts

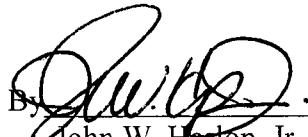
LEVERAGE LEASING CO., a division of : IN THE COURT OF COMMON PLEAS OF
CARLSON SYSTEMS CORPORATION, : CLEARFIELD COUNTY, PENNSYLVANIA
: Plaintiff : CIVIL DIVISION - LAW
: vs. : NO. 03-1797-CD
: JOHN BROTHERS COAL CO., :
: LESLIE P. JOHNSON, and :
: NORMAN JOHNSON, :
: Defendants : JURY TRIAL DEMANDED

PRAECLPICE FOR SATISFACTION

TO THE PROTHONOTARY:

Please mark the above Judgment as satisfied.

GOLDSTEIN, HESLOP, STEELE,
CLAPPER & OSWALT

By 
John W. Heslop, Jr., Esquire
Attorney for Plaintiff
I.D. No. 32299

414 N. Logan Boulevard
Altoona, PA 16602
(814) 946-4391

DATED April 2, 2007

LEVERAGE LEASING CO., a division of : IN THE COURT OF COMMON PLEAS OF
CARLSON SYSTEMS CORPORATION, : CLEARFIELD COUNTY, PENNSYLVANIA
:
Plaintiff : CIVIL DIVISION - LAW
:
vs. : NO. 03-1797-CD
:
JOHNSON BROTHERS COAL CO., :
LESLIE P. JOHNSON, and :
NORMAN JOHNSON, :
:
Defendants : JURY TRIAL DEMANDED

CERTIFICATE OF SERVICE

This is to certify that I, John W. Heslop, Jr., Esquire, served a copy of the Praeclipe for
Satisfaction on the 2nd day of Apr: 1, 2007, via First Class United States Mail,
postage prepaid and addressed to the following:

Johnson Brothers Coal Co.
Leslie P. Johnson
Norman Johnson
1390 Lee Run Road
Mahaffey, PA 15757-9433

GOLDSTEIN, HESLOP, STEELE,
CLAPPER & OSWALT

By 
John W. Heslop, Jr., Esquire
Attorney for Plaintiff
Attorney I.D. #32299

414 N. Logan Boulevard
Altoona, PA 16602
(814) 946-4391

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA

COPY

CIVIL DIVISION

CERTIFICATE OF SATISFACTION OF JUDGMENT

No.: 2003-01797-CD

Leverage Leasing Co.
Carlson Systems Corporation

Debt: \$4439.72

Vs.

Atty's Comm.:

Johnson Brothers Coal Co.
Leslie P. Johnson
Norman Johnson

Interest From:

County National Bank

Cost: \$7.00

NOW, Tuesday, April 03, 2007 , directions for satisfaction having been received, and all costs having been paid, SATISFACTION was entered of record.

Certified from the record this 3rd day of April, A.D. 2007.

William H. Harman

Prothonotary