

05-1323-CD

First Comm Bank vs A. Hopkins

First Commonwealth vs Allen Hopkins et al
2005-1323-CD

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,

CIVIL DIVISION

Plaintiff,

No. 05-1323-CJ

vs.

ALLEN LYNN HOPKINS and
CLAUDIA A. HOPKINS,

Defendants.

COMPLAINT IN
CONFESSION OF JUDGMENT

Filed on Behalf of:
FIRST COMMONWEALTH BANK, Plaintiff

Counsel for Plaintiff:

Thomas E. Reiber, Esquire
Pa I.D. #41825
Angela M. Sheffler, Esquire
Pa. I.D. #90855
TUCKER ARENSBERG, P.C.
Firm #287
1500 One PPG Place
Pittsburgh, PA 15222
(412) 566-1212

BANK_FIN:253916-1 011555-124054

FILED *lm*
m 12:30 PM
AUG 29 2005 85:00

William A. Shaw *ICCA*
Prothonotary/Clerk of Courts to
each def.
Statement to
Atty

ACT 105 OF 2000 NOTICE

A JUDGMENT HAS BEEN ENTERED AGAINST YOU BY CONFESSION OF JUDGMENT.

PURSUANT TO 42 PA. C.S.A. §2737.1, IF YOU WERE INCORRECTLY IDENTIFIED AS A DEFENDANT IN THE COMPLAINT IN CONFESSION OF JUDGMENT, YOU MAY BE ENTITLED TO COSTS AND REASONABLE ATTORNEY FEES AS DETERMINED BY THE COURT.

YOU MAY TAKE ACTION TO STRIKE THE JUDGMENT BY FOLLOWING THE PROCEDURE IN RULE 2959 WHICH IS AS FOLLOWS:

I. Pennsylvania Rule of Civil Procedure 2959 – Striking Off Judgment.

(a) (1) Relief From a judgment by confession shall be sought by petition. Except as provided in subparagraph (2), all grounds for relief whether to strike off the judgment or to open it must be asserted in a single petition. The petition may be filed in the county in which the judgment was originally entered, in any county to which the judgment has been transferred or in any other county in which the sheriff has received a writ of execution directed to the sheriff to enforce the judgment.

(2) The ground that the waiver of the due process rights of notice and hearing was not voluntary, intelligent and knowing shall be raised only

(i) in support of a further request for a stay of execution where the court has stayed execution despite the timely filing of a petition for relief from the judgment and the presentation of prima facie evidence of a defense; and

(ii) as provided by Pennsylvania Rule of Civil Procedure 2958.3 or Rule 2973.3.

(3) If written notice is served upon the petitioner pursuant to Rule 2956.1(c)(2) or Rule 2973.1(c), the petition shall be filed within thirty days after such service. Unless the defendant can demonstrate that there were compelling reasons for the delay, a petition not timely filed shall be denied.

(b) If the petition states prima facie grounds for relief the court shall issue a rule to show cause and may grant a stay of proceedings. After being served with a copy of the petition the plaintiff shall file an answer on or before the return day of the rule. The return day of the rule shall be fixed by the court by local rule or special order.

(c) A party waives all defenses and objections which are not included in the petition or answer.

(d) The petition and the rule to show cause and the answer shall be served as provided in Rule 440 (see text of Rule 440 reprinted below).

(e) The court shall dispose of the rule on petition and answer, and on any testimony, depositions, admissions and other evidence. The court for cause shown may stay proceedings on the petition insofar as it seeks to open the judgment pending disposition of the application to strike off the judgment. If evidence is produced which a jury trial would require the issues to be submitted to the jury the court shall open the judgment.

(f) The lien of the judgment or of any levy or attachment shall be preserved while the proceedings to strike off or open the judgment is pending.

Rule 440. Service of Legal Papers other than Original Process

(a) (1) Copies of all legal papers other than original process filed in an action or served upon any party to an action shall be served upon every other party to the action. Service shall be made

(i) by handing or mailing a copy to or leaving a copy for each party at the address of the party's attorney of record endorsed on an appearance or prior pleading of the party, or at such other address as a party may agree, or

Note: Such other address as a party may agree might include a mailbox in the prothonotary's office or an e-mail address. For electronic service by means other than facsimile transmission, see Rule 205.4(g).

(ii) by transmitting a copy by facsimile to the party's attorney of record as provided by subdivision (d).

(2) (i) If there is no attorney of record, service shall be made by handing a copy to the party or by mailing a copy to or leaving a copy for the party at the address endorsed on an appearance or prior pleading or the residence or place of business of the party, or by transmitting a copy by facsimile as provided by subdivision (d).

(ii) If such service cannot be made, service shall be made by leaving a copy at or mailing a copy to the last known address of the party to be served.

Note: This rule applies to the service upon a party of all legal papers other than original process and includes, but is not limited to, all other pleadings as well as motions, petitions, answers thereto, rules, notices, interrogatories and answers thereto. Original process is served under Rule 400 et seq.

(b) Service by mail of legal papers other than original process is complete upon mailing.

(c) If service of legal papers other than original process is to be made by the sheriff, he shall notify by ordinary mail the party requesting service to be made that service has or has not been made upon a named party or person.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,) CIVIL DIVISION
)
Plaintiff,) No. _____
)
vs.)
)
ALLEN LYNN HOPKINS and)
CLAUDIA A. HOPKINS,)
)
Defendants.)

COMPLAINT IN CONFESSION OF JUDGMENT

Plaintiff, First Commonwealth Bank, by and through its counsel, Tucker Arensberg, P.C., avers as follows:

1. Plaintiff, First Commonwealth Bank, (the "Bank"), is a banking association with business offices at 654 Philadelphia Street, P.O. Box 400, Indiana, Pennsylvania 15701-0400.
2. Defendant, Allen Lynn Hopkins and Claudia A. Hopkins ("Guarantors"), are adult individuals whose last known address is 1472 Viola Pike, P.O. Box 279, Smithmill, PA 16680
3. Hopkins Enterprises Inc. ("Borrower") is a Pennsylvania corporation with a last know address of 1472 Viola Pike, P.O. Box 279, Smithmill, PA 16680.
4. On or about November 21, 2003, Borrower executed and delivered to the Plaintiff a U.S. Small Business Administration Note in the original principal amount of \$25,000.00 (the "Note"). A true and correct copy of the Note is attached hereto, incorporated herein, and labeled as Exhibit "A".

5. On or about November 21, 2003 the Guarantors executed and delivered to the Plaintiff a U.S. Small Business Administration Unconditional Guarantee covering the Note (the "Guaranty"). A true and correct copy of the Guaranty is attached hereto, incorporated herein, and labeled as Exhibit "B".

6. The Guaranty contains a warrant of attorney whereby Guarantors authorized the Bank to act as her lawful agent and attorney-in-fact for the purpose of entering judgment against Guarantors and in favor of Bank, without notice or demand.

7. Guarantors are in default under the Guaranty for failing to make payment on the Note when due.

8. Judgment has not been entered on the Guaranty in any jurisdiction.

9. The Guaranty has not been assigned.

10. JUDGMENT IS NOT BEING ENTERED BY CONFESSION AGAINST A NATURAL PERSON IN CONNECTION WITH A CONSUMER CREDIT TRANSACTION.

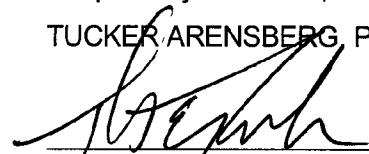
11. As of July 31, 2005, the amount due from Guarantors to Plaintiff pursuant to the Guaranty is Twenty Eight Thousand One Hundred Ninety Six and 92/100 Dollars (\$28,196.92), plus costs of suit and interest, computed as follows:

Principal Debt	\$ 25,000.00
Accrued Interest Through July 31, 2005.....	616.27
(accruing daily in the amount of \$5.308217)	
Late Charges:.....	80.65
Attorney's fees of 10%	2,500.00
Total:.....	\$28,196.92

Plus interest accruing after July 31, 2005 at the contract rate and costs and expenses of suit.

WHEREFORE, Plaintiff demands that judgment be entered in its favor and against Guarantors, Allen Lynn Hopkins and Claudia A. Hopkins, on the Guaranty in the amount of Twenty Eight Thousand One Hundred Ninety Six and 92/100 Dollars (\$28,196.92), plus interest thereon at the contract rate after July 31, 2005, plus costs and expenses of suit and such other relief as this court deems appropriate.

Respectfully submitted,
TUCKER ARENSBERG, P.C.



Thomas E. Reiber, Esquire
Pa. I.D. No. 41825
Angela M. Sheffler, Esquire
Pa. I.D. No. 90855
1500 One PPG Place
Pittsburgh, Pennsylvania 15222
(412) 566-1212
Counsel for First Commonwealth Bank,
Plaintiff

Date: August 5, 2005



NOTE

SBA Loan #	EXP 689-712-4008
SBA Loan Name	Hopkins Comtech
Date	<i>November 21, 2003</i>
Loan Amount	25,000.00
Interest Rate	5.50% variable: WSJ Prime plus 1.50%
Borrower	Hopkins Enterprises Inc.
Operating Company	N/A
Lender	First Commonwealth Bank

1. PROMISE TO PAY:

In return for the Loan, Borrower promises to pay to the order of Lender the amount of

twenty-five thousand and 00/100-----

Dollars,

interest on the unpaid principal balance, and all other amounts required by this Note.

2. DEFINITIONS:

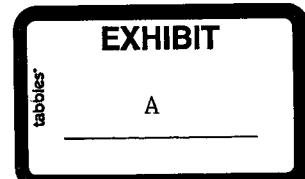
“Collateral” means any property taken as security for payment of this Note or any guarantee of this Note.

“Guarantor” means each person or entity that signs a guarantee of payment of this Note.

“Loan” means the loan evidenced by this Note.

“Loan Documents” means the documents related to this loan signed by Borrower, any Guarantor, or anyone who pledges collateral.

“SBA” means the Small Business Administration, an Agency of the United States of America.



3. PAYMENT TERMS:

Borrower must make all payments at the place Lender designates. The payment terms for this Note are:

The interest rate on this Note will fluctuate. The initial interest rate is 5.50% per year. This initial rate is the prime rate on the date SBA received the loan application, plus 1.50%.

Borrower must pay interest payments monthly, beginning one month from the month of the Note; payments must be made on the first calendar day in the months they are due.

Lender will apply each payment first to pay interest accrued to the day Lender receives the payment, then to bring principal current, then to pay any late fees, and will apply any remaining balance to reduce principal.

The interest rate will be adjusted monthly (the "change period").

The "Prime Rate" is the prime rate in effect on the first business day of the month in which an interest rate change occurs, as published in The Wall Street Journal on the next business day.

The adjusted interest rate will be 1.50% above the Prime Rate. Lender will adjust the interest rate on the first calendar day of each period. The change in interest rate is effective on that day whether or not Lender gives Borrower notice of the change. The initial interest rate must remain in effect until the first change period begins.

If SBA purchases the guaranteed portion of the unpaid balance, the interest rate becomes fixed at the rate in effect at the time of the earliest uncured payment default. If there is no uncured payment default, the rate becomes fixed at the rate in effect at the time of purchase.

This line of credit will mature 13 months from the date of SBA approval. Thereafter, the line of credit will be reviewed annually with the option to renew or term out.

A zero balance to be maintained for a 30-day period annually.

Late Charge: If payment on this Note is more than 10 days late, Lender may charge Borrower a late fee of up to 5 percent of the unpaid portion of the regularly scheduled payment.

4. DEFAULT:

Borrower is in default under this Note if Borrower does not make a payment when due under this Note, or if Borrower or Operating Company:

- A. Fails to do anything required by this Note and other Loan Documents;
- B. Defaults on any other loan with Lender;
- C. Does not preserve, or account to Lender's satisfaction for, any of the Collateral or its proceeds;
- D. Does not disclose, or anyone acting on their behalf does not disclose, any material fact to Lender or SBA;
- E. Makes, or anyone acting on their behalf makes, a materially false or misleading representation to Lender or SBA;
- F. Defaults on any loan or agreement with another creditor, if Lender believes the default may materially affect Borrower's ability to pay this Note;
- G. Fails to pay any taxes when due;
- H. Becomes the subject of a proceeding under any bankruptcy or insolvency law;
- I. Has a receiver or liquidator appointed for any part of their business or property;
- J. Makes an assignment for the benefit of creditors;
- K. Has any adverse change in financial condition or business operation that Lender believes may materially affect Borrower's ability to pay this Note;
- L. Reorganizes, merges, consolidates, or otherwise changes ownership or business structure without Lender's prior written consent; or
- M. Becomes the subject of a civil or criminal action that Lender believes may materially affect Borrower's ability to pay this Note.

5. LENDER'S RIGHTS IF THERE IS A DEFAULT:

Without notice or demand and without giving up any of its rights, Lender may:

- A. Require immediate payment of all amounts owing under this Note;
- B. Collect all amounts owing from any Borrower or Guarantor;
- C. File suit and obtain judgment;
- D. Take possession of any Collateral; or
- E. Sell, lease, or otherwise dispose of, any Collateral at public or private sale, with or without advertisement.

6. LENDER'S GENERAL POWERS:

Without notice and without Borrower's consent, Lender may:

- A. Bid on or buy the Collateral at its sale or the sale of another lienholder, at any price it chooses;
- B. Incur expenses to collect amounts due under this Note, enforce the terms of this Note or any other Loan Document, and preserve or dispose of the Collateral. Among other things, the expenses may include payments for property taxes, prior liens, insurance, appraisals, environmental remediation costs, and reasonable attorney's fees and costs. If Lender incurs such expenses, it may demand immediate repayment from Borrower or add the expenses to the principal balance;
- C. Release anyone obligated to pay this Note;
- D. Compromise, release, renew, extend or substitute any of the Collateral; and
- E. Take any action necessary to protect the Collateral or collect amounts owing on this Note.

7. WHEN FEDERAL LAW APPLIES:

When SBA is the holder, this Note will be interpreted and enforced under federal law, including SBA regulations. Lender or SBA may use state or local procedures for filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using such procedures, SBA does not waive any federal immunity from state or local control, penalty, tax, or liability. As to this Note, Borrower may not claim or assert against SBA any local or state law to deny any obligation, defeat any claim of SBA, or preempt federal law.

8. SUCCESSORS AND ASSIGNS:

Under this Note, Borrower and Operating Company include the successors of each, and Lender includes its successors and assigns.

9. GENERAL PROVISIONS:

- A. All individuals and entities signing this Note are jointly and severally liable.
- B. Borrower waives all suretyship defenses.
- C. Borrower must sign all documents necessary at any time to comply with the Loan Documents and to enable Lender to acquire, perfect, or maintain Lender's liens on Collateral.
- D. Lender may exercise any of its rights separately or together, as many times and in any order it chooses. Lender may delay or forgo enforcing any of its rights without giving up any of them.
- E. Borrower may not use an oral statement of Lender or SBA to contradict or alter the written terms of this Note.
- F. If any part of this Note is unenforceable, all other parts remain in effect.
- G. To the extent allowed by law, Borrower waives all demands and notices in connection with this Note, including presentment, demand, protest, and notice of dishonor. Borrower also waives any defenses based upon any claim that Lender did not obtain any guarantee; did not obtain, perfect, or maintain a lien upon Collateral; impaired Collateral; or did not obtain the fair market value of Collateral at a sale.

10. STATE-SPECIFIC PROVISIONS:

The undersigned hereby authorizes and empowers any attorney or clerk of any court of record in the United States or elsewhere to appear for and, with or without declaration filed, confess judgment against the undersigned in favor of the holder, assignee or successor of holder of this note, at any term, for the full or total amount of this note, together with all "indebtedness" provided for therein, with costs of suit and attorney's commission of ten (10) percent for collection; and the undersigned expressly releases all errors, waives all stay of execution, rights of inquisition and extension upon any levy upon real estate and all exemption of property from levy and sale upon any execution herein, and the undersigned expressly agrees to condemnation and expressly relinquishes all rights to benefits or exemptions under any and all exemption laws now in force or which may hereafter be enacted.

11. BORROWER'S NAME(S) AND SIGNATURE(S):

By signing below, each individual or entity becomes obligated under this Note as Borrower.

Hopkins Enterprises Inc. dba Hopkins Comtech

Allen Lynn Hopkins

Allen Lynn Hopkins, President

11-31-03

Date

DISCLOSURE FOR CONFESSION OF JUDGMENT

Affiant: HOPKINS ENTERPRISES INC.
1472 VIOLA PIKE
SMITHMILL, PA 16680

Lender: FIRST COMMONWEALTH BANK
PO BOX 503
HOLLIDAYSBURG, PA 16648

I AM EXECUTING, THIS 21 DAY OF November, 2003, A PROMISSORY NOTE FOR \$25,000.00 OBLIGATING ME TO REPAY THAT AMOUNT.

A. A REPRESENTATIVE OF FIRST COMMONWEALTH BANK HAS EXPLAINED TO ME THAT THE NOTE CONTAINS WORDING THAT WOULD PERMIT FIRST COMMONWEALTH BANK TO ENTER JUDGMENT AGAINST ME IN COURT, WITHOUT ADVANCE NOTICE TO ME AND WITHOUT OFFERING ME AN OPPORTUNITY TO DEFEND AGAINST THE ENTRY OF JUDGMENT, AND THAT THE JUDGMENT MAY BE COLLECTED IMMEDIATELY BY ANY LEGAL MEANS. IN EXECUTING THE NOTE, BEING FULLY AWARE OF MY RIGHTS TO ADVANCE NOTICE AND TO A HEARING TO CONTEST THE VALIDITY OF ANY JUDGMENT OR OTHER CLAIMS THAT LENDER MAY ASSERT AGAINST ME UNDER THE NOTE, I AM KNOWINGLY, INTELLIGENTLY, AND VOLUNTARILY WAIVING THESE RIGHTS, INCLUDING ANY RIGHT TO ADVANCE NOTICE OF THE ENTRY OF JUDGMENT, AND I EXPRESSLY AGREE AND CONSENT TO LENDER'S ENTERING JUDGMENT AGAINST ME BY CONFESSION AS PROVIDED FOR IN THE CONFESSION OF JUDGMENT PROVISION.

INITIALS: A.L.H.

B. I FURTHER UNDERSTAND THAT IN ADDITION TO GIVING LENDER THE RIGHT TO ENTER JUDGMENT AGAINST ME WITHOUT ADVANCE NOTICE OR A HEARING, THE CONFESSION OF JUDGMENT PROVISION IN THE NOTE ALSO CONTAINS LANGUAGE THAT WOULD PERMIT LENDER, AFTER ENTRY OF JUDGMENT, AGAIN WITHOUT EITHER ADVANCE NOTICE OR A HEARING, TO EXECUTE ON THE JUDGMENT BY FORECLOSING UPON, ATTACHING, LEVYING ON, TAKING POSSESSION OF OR OTHERWISE SEIZING MY PROPERTY, IN FULL OR PARTIAL PAYMENT OF THE JUDGMENT. IN EXECUTING THE NOTE, BEING FULLY AWARE OF MY RIGHTS TO ADVANCE NOTICE AND A HEARING AFTER JUDGMENT IS ENTERED AND BEFORE EXECUTION ON THE JUDGMENT, I AM KNOWINGLY, INTELLIGENTLY AND VOLUNTARILY WAIVING THESE RIGHTS, AND I EXPRESSLY AGREE AND CONSENT TO LENDER'S IMMEDIATELY EXECUTING ON THE JUDGMENT, IN ANY MANNER PERMITTED BY APPLICABLE STATE AND FEDERAL LAW, WITHOUT GIVING LENDER ANY ADVANCE NOTICE.

INITIALS: A.L.H.

C. AFTER HAVING READ AND DETERMINED WHICH OF THE FOLLOWING STATEMENTS ARE APPLICABLE, AND BY PLACING MY INITIALS NEXT TO EACH STATEMENT WHICH APPLIES, I REPRESENT THAT:

INITIALS

A.L.H.

1. I WAS REPRESENTED BY MY OWN INDEPENDENT LEGAL COUNSEL IN CONNECTION WITH THE NOTE.
2. A REPRESENTATIVE OF LENDER SPECIFICALLY CALLED THE CONFESSION OF JUDGMENT PROVISION IN THE NOTE TO MY ATTENTION.

D. I CERTIFY THAT ANNUAL INCOME EXCEEDS \$10,000; THAT THE BLANKS IN THIS DISCLOSURE WERE FILLED IN WHEN I INITIALED AND SIGNED IT; AND THAT I RECEIVED A COPY AT THE TIME OF SIGNING.

THIS DISCLOSURE IS GIVEN UNDER SEAL AND IT IS INTENDED THAT THIS DISCLOSURE IS AND SHALL CONSTITUTE AND HAVE THE EFFECT OF A SEALED INSTRUMENT ACCORDING TO LAW.

AFFIANT:

HOPKINS ENTERPRISES INC.

By: Allen Lynn Hopkins (Seal)
ALLEN LYNN HOPKINS, PRESIDENT

DISCLOSURE FOR CONFESSION OF JUDGMENT

Borrower:

HOPKINS ENTERPRISES INC.
1472 VIOLA PIKE
SMITHMILL, PA 16680

Guarantor:

ALLEN LYNN HOPKINS
1472 VIOLA PIKE
SMITHMILL, PA 16680

Lender:

FIRST COMMONWEALTH BANK
PO BOX 503
HOLLIDAYSBURG, PA 16648

I AM EXECUTING, THIS 21 DAY OF November, 2003, AN UNCONDITIONAL GUARANTEE OF A PROMISSORY NOTE FOR \$25,000.00 OBLIGATING ME TO REPAY THAT AMOUNT.

A. A REPRESENTATIVE OF FIRST COMMONWEALTH BANK HAS EXPLAINED TO ME THAT THE UNCONDITIONAL GUARANTEE CONTAINS WORDING THAT WOULD PERMIT FIRST COMMONWEALTH BANK TO ENTER JUDGMENT AGAINST ME IN COURT, WITHOUT ADVANCE NOTICE TO ME AND WITHOUT OFFERING ME AN OPPORTUNITY TO DEFEND AGAINST THE ENTRY OF JUDGMENT, AND THAT THE JUDGMENT MAY BE COLLECTED IMMEDIATELY BY ANY LEGAL MEANS. IN EXECUTING THE UNCONDITIONAL GUARANTEE, BEING FULLY AWARE OF MY RIGHTS TO ADVANCE NOTICE AND TO A HEARING TO CONTEST THE VALIDITY OF ANY JUDGMENT OR OTHER CLAIMS THAT LENDER MAY ASSERT AGAINST ME UNDER THE UNCONDITIONAL GUARANTEE, I AM KNOWINGLY, INTELLIGENTLY, AND VOLUNTARILY WAIVING THESE RIGHTS, INCLUDING ANY RIGHT TO ADVANCE NOTICE OF THE ENTRY OF JUDGMENT, AND I EXPRESSLY AGREE AND CONSENT TO LENDER'S ENTERING JUDGMENT AGAINST ME BY CONFESSION AS PROVIDED FOR IN THE CONFESSION OF JUDGMENT PROVISION.
INITIALS: LLH

B. I FURTHER UNDERSTAND THAT IN ADDITION TO GIVING LENDER THE RIGHT TO ENTER JUDGMENT AGAINST ME WITHOUT ADVANCE NOTICE OR A HEARING, THE CONFESSION OF JUDGMENT PROVISION IN THE UNCONDITIONAL GUARANTEE ALSO CONTAINS LANGUAGE THAT WOULD PERMIT LENDER, AFTER ENTRY OF JUDGMENT, AGAIN WITHOUT EITHER ADVANCE NOTICE OR A HEARING, TO EXECUTE ON THE JUDGMENT BY FORECLOSING UPON, ATTACHING, LEVYING ON, TAKING POSSESSION OF OR OTHERWISE SEIZING MY PROPERTY, IN FULL OR PARTIAL PAYMENT OF THE JUDGMENT. IN EXECUTING THE UNCONDITIONAL GUARANTEE, BEING FULLY AWARE OF MY RIGHTS TO ADVANCE NOTICE AND A HEARING AFTER JUDGMENT IS ENTERED AND BEFORE EXECUTION ON THE JUDGMENT, I AM KNOWINGLY, INTELLIGENTLY AND VOLUNTARILY WAIVING THESE RIGHTS, AND I EXPRESSLY AGREE AND CONSENT TO LENDER'S IMMEDIATELY EXECUTING ON THE JUDGMENT, IN ANY MANNER PERMITTED BY APPLICABLE STATE AND FEDERAL LAW, WITHOUT GIVING LENDER ANY ADVANCE NOTICE.
INITIALS: LLH

C. AFTER HAVING READ AND DETERMINED WHICH OF THE FOLLOWING STATEMENTS ARE APPLICABLE, AND BY PLACING MY INITIALS NEXT TO EACH STATEMENT WHICH APPLIES, I REPRESENT THAT:

INITIALS

- 1. I WAS REPRESENTED BY MY OWN INDEPENDENT LEGAL COUNSEL IN CONNECTION WITH THE UNCONDITIONAL GUARANTEE.
- LLH 2. A REPRESENTATIVE OF LENDER SPECIFICALLY CALLED THE CONFESSION OF JUDGMENT PROVISION IN THE UNCONDITIONAL GUARANTEE TO MY ATTENTION.

D. I CERTIFY THAT MY ANNUAL INCOME EXCEEDS \$10,000; THAT THE BLANKS IN THIS DISCLOSURE WERE FILLED IN WHEN I INITIALED AND SIGNED IT; AND THAT I RECEIVED A COPY AT THE TIME OF SIGNING.

THIS DISCLOSURE IS GIVEN UNDER SEAL AND IT IS INTENDED THAT THIS DISCLOSURE IS AND SHALL CONSTITUTE AND HAVE THE EFFECT OF A SEALED INSTRUMENT ACCORDING TO LAW.

GUARANTOR:

By: Allen Lynn Hopkins (Seal)
ALLEN LYNN HOPKINS

EXHIBIT

B

DISCLOSURE FOR CONFESSION OF JUDGMENT

Borrower:

HOPKINS ENTERPRISES INC.
1472 VIOLA PIKE
SMITHMILL, PA 16680

Guarantor:

CLAUDIA A. HOPKINS
1472 VIOLA PIKE
SMITHMILL, PA 16680

Lender:

FIRST COMMONWEALTH BANK
PO BOX 503
HOLLIDAYSBURG, PA 16648

I AM EXECUTING, THIS 21 DAY OF November, 2003, AN UNCONDITIONAL GUARANTEE OF A PROMISSORY NOTE FOR \$25,000.00 OBLIGATING ME TO REPAY THAT AMOUNT.

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INITIALS: CH

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C. AFTER HAVING READ AND DETERMINED WHICH OF THE FOLLOWING STATEMENTS ARE APPLICABLE, AND BY PLACING MY INITIALS NEXT TO EACH STATEMENT WHICH APPLIES, I REPRESENT THAT:

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GUARANTOR:

By: Claudia A. Hopkins (Seal)
CLAUDIA A. HOPKINS



UNCONDITIONAL GUARANTEE

SBA Loan #	EXP 689-712-4008
SBA Loan Name	Hopkins Comtech
Guarantor	Allen Lynn Hopkins and Claudia A. Hopkins
Borrower	Hopkins Enterprises Inc.
Lender	First Commonwealth Bank
Date	November 21, 2003
Note Amount	25,000.00

1. GUARANTEE:

Guarantor unconditionally guarantees payment to Lender of all amounts owing under the Note. This Guarantee remains in effect until the Note is paid in full. Guarantor must pay all amounts due under the Note when Lender makes written demand upon Guarantor. Lender is not required to seek payment from any other source before demanding payment from Guarantor.

2. NOTE:

The "Note" is the promissory note dated 11-21-03 in the principal amount of twenty-five thousand and 00/100 Dollars, from Borrower to Lender. It includes any assumption, renewal, substitution, or replacement of the Note, and multiple notes under a line of credit.

3. DEFINITIONS:

"Collateral" means any property taken as security for payment of the Note or any guarantee of the Note.

"Loan" means the loan evidenced by the Note.

"Loan Documents" means the documents related to the Loan signed by Borrower, Guarantor or any other guarantor, or anyone who pledges Collateral.

"SBA" means the Small Business Administration, an Agency of the United States of America.

4. LENDER'S GENERAL POWERS:

Lender may take any of the following actions at any time, without notice, without Guarantor's consent, and without making demand upon Guarantor:

- A. Modify the terms of the Note or any other Loan Document except to increase the amounts due under the Note;
- B. Refrain from taking any action on the Note, the Collateral, or any guarantee;
- C. Release any Borrower or any guarantor of the Note;
- D. Compromise or settle with the Borrower or any guarantor of the Note;
- E. Substitute or release any of the Collateral, whether or not Lender receives anything in return;
- F. Foreclose upon or otherwise obtain, and dispose of, any Collateral at public or private sale, with or without advertisement;
- G. Bid or buy at any sale of Collateral by Lender or any other lienholder, at any price Lender chooses; and
- H. Exercise any rights it has, including those in the Note and other Loan Documents.

These actions will not release or reduce the obligations of Guarantor or create any rights or claims against Lender.

5. FEDERAL LAW:

When SBA is the holder, the Note and this Guarantee will be construed and enforced under federal law, including SBA regulations. Lender or SBA may use state or local procedures for filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using such procedures, SBA does not waive any federal immunity from state or local control, penalty, tax, or liability. As to this Guarantee, Guarantor may not claim or assert any local or state law against SBA to deny any obligation, defeat any claim of SBA, or preempt federal law.

6. RIGHTS, NOTICES, AND DEFENSES THAT GUARANTOR WAIVES:

To the extent permitted by law,

- A. Guarantor waives all rights to:
 - 1) Require presentment, protest, or demand upon Borrower;
 - 2) Redeem any Collateral before or after Lender disposes of it;
 - 3) Have any disposition of Collateral advertised; and
 - 4) Require a valuation of Collateral before or after Lender disposes of it.
- B. Guarantor waives any notice of:
 - 1) Any default under the Note;
 - 2) Presentment, dishonor, protest, or demand;
 - 3) Execution of the Note;
 - 4) Any action or inaction on the Note or Collateral, such as disbursements, payment, nonpayment, acceleration, intent to accelerate, assignment, collection activity, and incurring enforcement expenses;
 - 5) Any change in the financial condition or business operations of Borrower or any guarantor;
 - 6) Any changes in the terms of the Note or other Loan Documents, except increases in the amounts due under the Note; and
 - 7) The time or place of any sale or other disposition of Collateral.
- C. Guarantor waives defenses based upon any claim that:
 - 1) Lender failed to obtain any guarantee;
 - 2) Lender failed to obtain, perfect, or maintain a security interest in any property offered or taken as Collateral;
 - 3) Lender or others improperly valued or inspected the Collateral;
 - 4) The Collateral changed in value, or was neglected, lost, destroyed, or underinsured;

- 5) Lender impaired the Collateral;
- 6) Lender did not dispose of any of the Collateral;
- 7) Lender did not conduct a commercially reasonable sale;
- 8) Lender did not obtain the fair market value of the Collateral;
- 9) Lender did not make or perfect a claim upon the death or disability of Borrower or any guarantor of the Note;
- 10) The financial condition of Borrower or any guarantor was overstated or has adversely changed;
- 11) Lender made errors or omissions in Loan Documents or administration of the Loan;
- 12) Lender did not seek payment from the Borrower, any other guarantors, or any Collateral before demanding payment from Guarantor;
- 13) Lender impaired Guarantor's suretyship rights;
- 14) Lender modified the Note terms, other than to increase amounts due under the Note. If Lender modifies the Note to increase the amounts due under the Note without Guarantor's consent, Guarantor will not be liable for the increased amounts and related interest and expenses, but remains liable for all other amounts;
- 15) Borrower has avoided liability on the Note; or
- 16) Lender has taken an action allowed under the Note, this Guarantee, or other Loan Documents.

7. DUTIES AS TO COLLATERAL:

Guarantor will preserve the Collateral pledged by Guarantor to secure this Guarantee. Lender has no duty to preserve or dispose of any Collateral.

8. SUCCESSORS AND ASSIGNS:

Under this Guarantee, Guarantor includes heirs and successors, and Lender includes its successors and assigns.

9. GENERAL PROVISIONS:

- A. ENFORCEMENT EXPENSES. Guarantor promises to pay all expenses Lender incurs to enforce this Guarantee, including, but not limited to, attorney's fees and costs.
- B. SBA NOT A CO-GUARANTOR. Guarantor's liability will continue even if SBA pays Lender. SBA is not a co-guarantor with Guarantor. Guarantor has no right of contribution from SBA.
- C. SUBROGATION RIGHTS. Guarantor has no subrogation rights as to the Note or the Collateral until the Note is paid in full.
- D. JOINT AND SEVERAL LIABILITY. All individuals and entities signing as Guarantor are jointly and severally liable.
- E. DOCUMENT SIGNING. Guarantor must sign all documents necessary at any time to comply with the Loan Documents and to enable Lender to acquire, perfect, or maintain Lender's liens on Collateral.
- F. FINANCIAL STATEMENTS. Guarantor must give Lender financial statements as Lender requires.
- G. LENDER'S RIGHTS CUMULATIVE, NOT WAIVED. Lender may exercise any of its rights separately or together, as many times as it chooses. Lender may delay or forgo enforcing any of its rights without losing or impairing any of them.
- H. ORAL STATEMENTS NOT BINDING. Guarantor may not use an oral statement to contradict or alter the written terms of the Note or this Guarantee, or to raise a defense to this Guarantee.
- I. SEVERABILITY. If any part of this Guarantee is found to be unenforceable, all other parts will remain in effect.
- J. CONSIDERATION. The consideration for this Guarantee is the Loan or any accommodation by Lender as to the Loan.

10. STATE-SPECIFIC PROVISIONS:

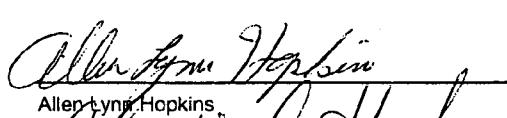
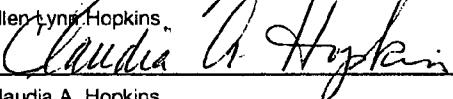
The undersigned hereby authorizes and empowers any attorney or clerk of any court of record in the United States or elsewhere to appear for and, with or without declaration filed, confess judgment against the undersigned in favor of the holder, assignee or successor of holder of this note, at any term, for the full or total amount of this note, together with all "indebtedness" provided for therein, with costs of suit and attorney's commission of ten (10) percent for collection; and the undersigned expressly releases all errors, waives all stay of execution, rights of inquisition and extension upon any levy upon real estate and all exemption of property from levy and sale upon any execution herein, and the undersigned expressly agrees to condemnation and expressly relinquishes all rights to benefits or exemptions under any and all exemption laws now in force or which may hereafter be enacted.

11. GUARANTOR ACKNOWLEDGMENT OF TERMS.

Guarantor acknowledges that Guarantor has read and understands the significance of all terms of the Note and this Guarantee, including all waivers.

12. GUARANTOR NAME(S) AND SIGNATURE(S):

By signing below, each individual or entity becomes obligated as Guarantor under this Guarantee.


Allen Lynn Hopkins

Claudia A. Hopkins

11-21-03
Date
11-21-03
Date

VERIFICATION

I, Bruce Chilcote, Special Assets Officer of First Commonwealth Bank, hereby certify that the averments of fact contained in the foregoing Complaint in Confession of Judgment are true and correct to the best of my knowledge, information and belief; that I am authorized to make this declaration on behalf of the Plaintiff, and that it is made subject to the penalties of 18 Pa.C.S.A. § 4904, relating to unsworn falsification to authorities.

Bruce Chilcote
Bruce Chilcote
Special Assets Officer
First Commonwealth Bank

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,) CIVIL DIVISION
)
Plaintiff,) No. _____
)
vs.)
)
ALLEN LYNN HOPKINS and)
CLAUDIA A. HOPKINS,)
)
Defendants.)

CERTIFICATE OF RESIDENCE

I hereby certify that the precise address of Plaintiff is:

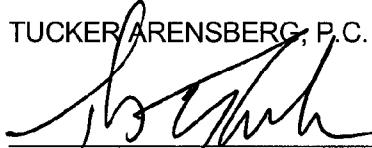
First Commonwealth Bank
654 Philadelphia Street
P.O. Box 400
Indiana, Pennsylvania 15701-0400

and the last known address of the Defendants is:

Allen Lynn Hopkins and Claudia A. Hopkins
1472 Viola Pike
P.O. Box 279
Smithmill, PA 16680

TUCKER ARENSBERG, P.C.

By:


Thomas E. Reiber, Esquire
Pa. I.D. No. 41825
Angela M. Sheffler, Esquire
Pa. I.D. No. 90855
Attorney for First Commonwealth Bank,
Plaintiff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,) CIVIL DIVISION
)
Plaintiff,) No. _____
)
vs.)
)
ALLEN LYNN HOPKINS and)
CLAUDIA A. HOPKINS,)
)
Defendants.)

AFFIDAVIT

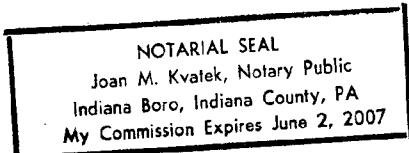
I hereby certify that the facts set forth in the foregoing Complaint in Confession of Judgment are true and correct to the best of my knowledge, information and belief; that the Exhibits attached to the Complaint in Confession of Judgment are true and correct copies of the originals; that the Defendants are in default under the Note; that the underlying transaction giving rise to this action is commercial in nature and is not a consumer credit transaction against a natural person; and that I am authorized to make this Affidavit.

Bruce Chilcote
Bruce Chilcote
Special Assets Officer
First Commonwealth Bank

Sworn to and subscribed before me
this 24th day of August, 2005.



Notary Public
My commission expires: 06/02/07



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

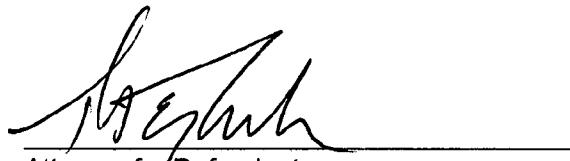
FIRST COMMONWEALTH BANK,) CIVIL DIVISION
Plaintiff,)
vs.) No. _____
ALLEN LYNN HOPKINS and)
CLAUDIA A. HOPKINS,)
Defendants.)

CONFESSTION OF JUDGMENT

Pursuant to the authority contained in the Warrants of Attorney within the Guaranty, a copy of which is attached to the Complaint as Exhibit "A", I hereby appear for the Defendants and confess judgment in favor of the Plaintiff and against Defendants as follows:

Principal Debt	\$ 25,000.00
Accrued Interest Through July 31, 2005.....	616.27
(accruing daily in the amount of \$5.308217)	
Late Charges:.....	80.65
Attorney's fees of 10%	<u>2,500.00</u>
Total:.....	\$28,196.92

Plus interest accruing after July 31, 2005 at the contract rate and costs and expenses of suit.



Michael J. Eshuk
Attorney for Defendants
pro hac vice

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,) CIVIL DIVISION
Plaintiff,) No. 05-1323-CJ
vs.)
ALLEN LYNN HOPKINS and)
CLAUDIA A. HOPKINS,)
Defendants.)

 COPY

NOTICE OF ENTRY OF JUDGMENT

To: Allen Lynn Hopkins
1472 Viola Pike
P.O. Box 279
Smithmill, PA 16680

You are hereby notified that a judgment was entered against you by confession in the
above captioned proceeding on August 29, 2005.

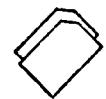
The amount of the judgment is **\$28,196.92**, plus interest accruing at the contract rate and
costs and expenses of suit.

A copy of the complaint is enclosed.

Prothonotary, Blair County
Clearfile ID

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,) CIVIL DIVISION
)
Plaintiff,) No. 05-1323-CD
)
vs.)
)
ALLEN LYNN HOPKINS and)
CLAUDIA A. HOPKINS,)
)
Defendants.)

 COPY

NOTICE OF ENTRY OF JUDGMENT

To: Claudia A. Hopkins
1472 Viola Pike
P.O. Box 279
Smithmill, PA 16680

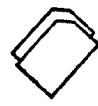
You are hereby notified that a judgment was entered against you by confession in the
above captioned proceeding on August 29, 2005.

The amount of the judgment is **\$28,196.92**, plus interest accruing at the contract rate and
costs and expenses of suit.

A copy of the complaint is enclosed.

Prothonotary, Blair County
Clearfield

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

 COPY

First Commonwealth Bank
Plaintiff(s)

No.: 2005-01323-CD

Real Debt: \$28,196.92

Atty's Comm: \$

Vs.

Costs: \$

Allen Lynn Hopkins
Claudia A. Hopkins
Defendant(s)

Entry: \$20.00

Instrument: Confession of Judgment

Date of Entry: August 29, 2005

Expires: August 29, 2010

Certified from the record this 29th day of August, 2005.

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

FIRST COMMONWEALTH BANK,

Plaintiff,

VS.

ALLEN LYNN HOPKINS and
CLAUDIA A. HOPKINS,

Defendants.

CIVIL DIVISION

Case No. 2005 -1323 -CD

PRAECLPICE TO VACATE JUDGMENT
AND TO SETTLE AND DISCONTINUE
WITHOUT PREJUDICE

Filed on behalf of FIRST
COMMONWEALTH BANK, Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire
Pa. I.D. No. 41825
Angela M. Sheffler, Esquire
Pa. I.D. No. 90855
TUCKER ARENSBERG, P.C.
Firm #287
1500 One PPG Place
Pittsburgh, Pennsylvania 15222
(412) 566-1212

6X
FILED No CC
M 19/15/05 Atty pd. 7.00
OCT 11 2005
William A. Shaw Cest. of Disc.
Prothonotary/Clerk of Courts to Atty
Copy to CIA

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,) CIVIL DIVISION
)
Plaintiff,) Case No. 2005 - 1323 - CD
)
vs.)
)
ALLEN LYNN HOPKINS and)
CLAUDIA A. HOPKINS,)
)
Defendants.)

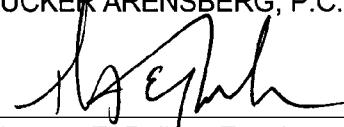
PRAECIPE TO VACATE JUDGMENT
AND TO SETTLE AND DISCONTINUE WITHOUT PREJUDICE

TO: Clearfield County Prothonotary

Kindly vacate the judgment entered in favor of First Commonwealth Bank and settle and discontinue without prejudice the action against the Defendants at the above referenced case number.

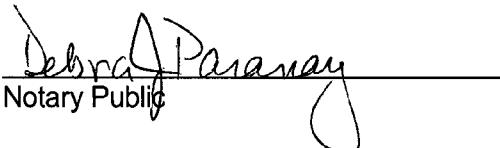
TUCKER ARENSBERG, P.C.

By:



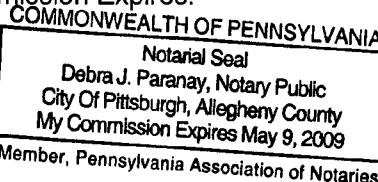
Thomas E. Reiber, Esquire
Angela M. Sheffler, Esquire
Attorneys for First Commonwealth Bank,
Plaintiff

Sworn to and subscribed before me
this 7th day of October, 2005.



Debra J. Paranay
Notary Public

My Commission Expires:



258208.1:BF
11555-124054

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA

 COPY

CIVIL DIVISION

First Commonwealth Bank

vs.

No. 2005-01323-CD

**Allen Lynn Hopkins and
Claudia A. Hopkins**

CERTIFICATE OF DISCONTINUATION

Commonwealth of PA
County of Clearfield

I, William A. Shaw, Prothonotary of the Court of Common Pleas in and for the County and Commonwealth aforesaid do hereby certify that the above case was on October 11, 2005, marked:

Settled and Discontinued without Prejudice

Record costs in the sum of \$92.00 have been paid in full by Thomas E. Reiber, Esq.

IN WITNESS WHEREOF, I have hereunto affixed my hand and seal of this Court at Clearfield, Clearfield County, Pennsylvania this 11th day of October A.D. 2005.

William A. Shaw, Prothonotary