

06-202-CD

S&T Bank vs. Timothy Novak et al

2006-202-CD

S&T Bank vs. Timothy Novak et al

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY PENNSYLVANIA

S&T BANK,

Plaintiff

VS.

TIMOTHY M. NOVAK AND
VIRGINIA L. NOVAK,

Defendants.

CIVIL DIVISION

NO.: 2006-202-C0

ISSUE NO.:

TYPE OF PLEADING:

**COMPLAINT IN CONFESSION OF
JUDGMENT**

FILED ON BEHALF OF:
S&T Bank, Plaintiff

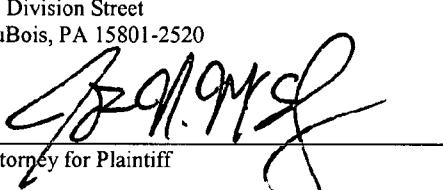
COUNSEL OF RECORD FOR THIS PARTY:

John N. McElroy
Pa. I.D. #87529

GRENEN & BIRSIC, P.C.
One Gateway Center
Ninth Floor
Pittsburgh, PA 15222
(412) 281-7650

I HEREBY CERTIFY THAT THE ADDRESS OF THE
PLAINTIFF IS:
614 Liberty Avenue
DuBois, PA 15801

I HEREBY CERTIFY THAT THE ADDRESS OF THE
DEFENDANTS IS AS FOLLOWS:
28 Division Street
DuBois, PA 15801-2520



Attorney for Plaintiff

FILED *En*
FEB 08 2006
M/12:50/2006
William A. Shaw
Prothonotary/Clerk of Courts
NOTICE
CERT. COPY TO DEPT'S w/
NOTICE

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY PENNSYLVANIA

S&T BANK,) CIVIL DIVISION
)
Plaintiff,) NO.:
)
vs.)
)
TIMOTHY M. NOVAK AND)
VIRGINIA L. NOVAK,)
)
Defendants.)

COMPLAINT IN CONFESSION OF JUDGMENT

S&T Bank, by its attorneys, Grenen & Birsic, P.C., files this Complaint in Confession of Judgment as follows:

1. S&T Bank is a commercial bank existing under the laws of the Commonwealth of Pennsylvania, with offices located at 614 Liberty Avenue, DuBois, PA 15801 (hereinafter referred to as "Plaintiff").
2. Timothy M. Novak and Virginia L. Novak, are adult individuals whose last known address is 28 Division Street, DuBois, PA 15801-2520 (hereinafter referred to as "Defendants").
3. On or about July 21, 2003, Defendants executed a Commercial Guaranty ("Guaranty") whereunder Defendants personally guaranteed payment of all obligations of Scenic View Family Recreation Center, Inc. to Plaintiff, which Guaranty authorized the confession of judgment against the Defendants. A copy of said Guaranty, which copy is a true and correct reproduction of the original Guaranty, is marked **Exhibit "A,"** attached hereto and made a part hereof.

4. Scenic View Family Recreation Center, Inc. is obligated to Plaintiff pursuant to the terms and conditions of that certain July 21, 2003 Promissory Note in favor of Plaintiff in the original principal amount of \$88,000.00. A true and correct copy of said Note is marked **Exhibit "B,"** attached hereto and made a part hereof (hereinafter referred to as "Note").

5. Judgment is not being entered by confession against a natural person in connection with a consumer credit transaction.

6. The aforesaid Guaranty has not been released, transferred or assigned.

7. Judgment has not been entered against the Defendants on the aforesaid Guaranty in any jurisdiction.

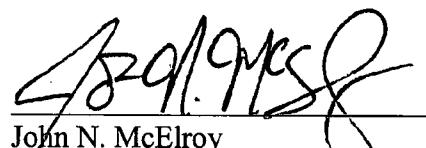
8. The aforesaid Guaranty authorizes the entry of judgment after a default thereunder.

9. The itemization of the amount due under the aforesaid Note, and consequently the amount due under the aforesaid Guaranty, including interest and late charges, as authorized by the Note and Guaranty, is as follows:

Principal	\$75,765.01
Interest to 1/19/06	\$ 1,004.51
Late charges 1/19/06	\$ 523.39
Other Fees	<u>\$ 101.00</u>
TOTAL	\$77,393.91

WHEREFORE, the Plaintiff, as authorized by the Warrant of Attorney contained in the Guaranty, demands judgment against the Defendants in the total sum of \$77,393.91, with interest on the principal sum (\$75,765.01) at the contractual rate, and additional late charges under the Note from January 19, 2006, plus reasonable attorneys' fees and costs, and brings said instruments to court to recover said sum.

GRENEN & BIRSIC, P.C.

By: 

John N. McElroy
Pa. ID #87529
Attorneys for Plaintiff
One Gateway Center, Ninth Floor
Pittsburgh, PA 15222

**THIS IS AN ATTEMPT TO COLLECT A DEBT, AND ANY INFORMATION
OBTAINED WILL BE USED FOR THAT PURPOSE.**

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

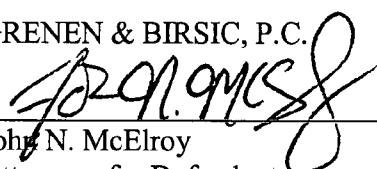
S&T BANK,) CIVIL DIVISION
)
 Plaintiff,) NO.
)
 vs.)
)
 TIMOTHY M. NOVAK AND)
 VIRGINIA L. NOVAK,)
)
 Defendants.)

CONFESSTION OF JUDGMENT

Pursuant to the Warrant of Attorney contained in the Guaranty, the original or copy of which is attached to the Complaint filed in this action, I appear for the Defendants and confess judgment in favor of Plaintiff and against the Defendants as follows:

Principal	\$75,765.01
Interest to 1/19/06	\$ 1,004.51
Late charges 1/19/06	\$ 523.39
Other Fees	<u>\$ 101.00</u>
TOTAL	\$77,393.91

with interest on the principal sum (\$75,765.01) at the contractual rate, and additional late charges and other amounts due under the Note from January 19, 2006, plus reasonable attorneys' fees and costs.

GRENEN & BIRSIC, P.C.
By: 
John N. McElroy
Attorneys for Defendants
Pro Hac Vice

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY PENNSYLVANIA

S&T BANK,

Plaintiff

vs.

TIMOTHY M. NOVAK AND VIRGINIA
L. NOVAK,

Defendants.

CIVIL DIVISION

No.:

TYPE OF PLEADING:
**NOTICE PURSUANT TO 42 PA C.S.A.
2737.1**

FILED ON BEHALF OF:
S&T Bank, Plaintiff

COUNSEL OF RECORD FOR THIS
PARTY:

John N. McElroy
Pa. I.D. #87529

GRENEN & BIRSIĆ, P.C.
One Gateway Center
Ninth Floor
Pittsburgh, PA 15222
(412) 281-7650

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY PENNSYLVANIA

S&T BANK,) CIVIL DIVISION
Plaintiff)
vs.) NO.:
TIMOTHY M. NOVAK AND VIRGINIA)
L. NOVAK,)
Defendants.)

NOTICE PURSUANT TO 42 PA C.S.A. 2737.1

JUDGMENT HAS BEEN ENTERED AGAINST YOU BY CONFESSION OF JUDGMENT AT THE ABOVE CAPTIONED NUMBER AND TERM.

PURSUANT TO 42 PA C.S.A. 2737.1, IF YOU HAVE BEEN INCORRECTLY IDENTIFIED AS A DEFENDANT IN THE COMPLAINT IN CONFESSION OF JUDGMENT AND HAD A CONFESSION OF JUDGMENT ENTERED AGAINST YOU, YOU SHALL BE ENTITLED TO COSTS AND REASONABLE ATTORNEY FEES AS DETERMINED BY THE COURT.

YOU MAY SEEK TO HAVE THE COURT STRIKE THE CONFESSION OF JUDGMENT BY FOLLOWING THE PROCEDURE SET FORTH IN RULE 2959 OF THE PENNSYLVANIA RULES OF CIVIL PROCEDURE, WHICH RULE 2959 IS SET FORTH BELOW:

**Pennsylvania Rule of Civil Procedure 2959. Striking Off
or Opening Judgment; Pleadings; Procedure**

(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 not 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 Rule 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.

(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 in 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 are pending.

GRENEN & BIRSCIC, P.C.

Dated: 2/3/06

By:

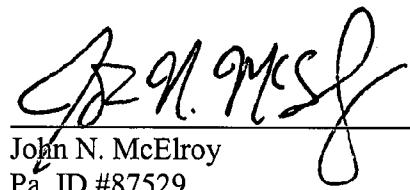

John N. McElroy
Pa. ID #87529
Attorneys for Plaintiff
One Gateway Center, Ninth Floor
Pittsburgh, PA 15222
(412) 281-7650

EXHIBIT “A”



7/21/03
2000107074-K102

COMMERCIAL GUARANTY

Principal	Loan Date	Maturity	Loan No.	Call/Call	Account	Office	Initials
References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

Borrower: Scenic View Family Recreation Center, Inc.
567 Treasure Lake
DuBois, PA 15801-9012

Lender: S&T Bank
Liberty Boulevard Office
814 Liberty Ave
DuBois, PA 15801
(814) 375-3800

Guarantor: Timothy M. Novak
Virginia L. Novak
567 Treasure Lake
DuBois, PA 15801-9012

COPY

AMOUNT OF GUARANTY. The amount of this Guaranty is Unlimited.

CONTINUING UNLIMITED GUARANTY. For good and valuable consideration, Timothy M. Novak and Virginia L. Novak ("Guarantor") absolutely and unconditionally guarantees and promises to pay, jointly and severally, to S&T Bank ("Lender") or its order, in legal tender of the United States of America, the Indebtedness (as that term is defined below) of Scenic View Family Recreation Center, Inc. ("Borrower") to Lender on the terms and conditions set forth in this Guaranty. Under this Guaranty, the liability of Guarantor is unlimited and the obligations of Guarantor are continuing.

INDEBTEDNESS GUARANTEED. The Indebtedness guaranteed by this Guaranty includes any and all of Borrower's Indebtedness to Lender and is used in the most comprehensive sense and means and includes any and all of Borrower's liabilities, obligations and debts to Lender, now existing or hereinafter incurred or created, including, without limitation, all loans, advances, interest, costs, debt, overdraft indebtedness, credit card indebtedness, lease obligations, other obligations, and liabilities of Borrower, or any of them, and any present or future judgments against Borrower, or any of them; and whether any such Indebtedness is voluntarily or involuntarily incurred, due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined; whether Borrower may be liable individually or jointly with others, or primarily or secondarily, or as guarantor or surety; whether recovery on the Indebtedness may be or may become barred or unenforceable against Borrower for any reason whatsoever; and whether the Indebtedness arises from transactions which may be voidable on account of infancy, insanity, ultra vires, or otherwise.

DURATION OF GUARANTY. This Guaranty will take effect when received by Lender without the necessity of any acceptance by Lender, or any notice to Guarantor or to Borrower, and will continue in full force until all Indebtedness incurred or contracted before receipt by Lender of any notice of revocation shall have been fully and finally paid and satisfied and all of Guarantor's other obligations under this Guaranty shall have been performed in full. If Guarantor elects to revoke this Guaranty, Guarantor may only do so in writing. Guarantor's written notice of revocation must be mailed to Lender, by certified mail, at Lender's address listed above or such other place as Lender may designate in writing. Written revocation of this Guaranty will apply only to advances or new Indebtedness created after actual receipt by Lender of Guarantor's written revocation. For this purpose and without limitation, the term "new Indebtedness" does not include Indebtedness which at the time of notice of revocation is contingent, unliquidated, undetermined or not due and which later becomes absolute, liquidated, determined or due. This Guaranty will continue to bind Guarantor for all Indebtedness incurred by Borrower or committed by Lender prior to receipt of Guarantor's written notice of revocation, including any extensions, renewals, substitutions or modifications of the Indebtedness. All renewals, extensions, substitutions, and modifications of the Indebtedness granted after Guarantor's revocation, are contemplated under this Guaranty and, specifically will not be considered to be new Indebtedness. This Guaranty shall bind Guarantor's estate as to Indebtedness created both before and after Guarantor's death or incapacity, regardless of Lender's actual notice of Guarantor's death. Subject to the foregoing, Guarantor's executor or administrator or other legal representative may terminate this Guaranty in the same manner in which Guarantor might have terminated it and with the same effect. Release of any other guarantor or termination of any other guaranty of the Indebtedness shall not affect the liability of Guarantor under this Guaranty. A revocation Lender receives from any one or more Guarantors shall not affect the liability of any remaining Guarantors under this Guaranty. It is anticipated that fluctuations may occur in the aggregate amount of Indebtedness covered by this Guaranty, and Guarantor specifically acknowledges and agrees that reductions in the amount of Indebtedness, even to zero dollars (\$0.00), prior to Guarantor's written revocation of this Guaranty shall not constitute a termination of this Guaranty. This Guaranty is binding upon Guarantor and Guarantor's heirs, successors and assigns so long as any of the guaranteed Indebtedness remains unpaid and even though the Indebtedness guaranteed may from time to time be zero dollars (\$0.00).

GUARANTOR'S AUTHORIZATION TO LENDER. Guarantor authorizes Lender, either before or after any revocation hereof, without notice or demand and without lessening Guarantor's liability under this Guaranty, from time to time: (A) prior to revocation as set forth above, to make one or more additional secured or unsecured loans to Borrower, to lease equipment or other goods to Borrower, or otherwise to extend additional credit to Borrower; (B) to alter, compromise, renew, extend, accelerate, or otherwise change one or more times the time for payment or other terms of the Indebtedness or any part of the Indebtedness, including increases and decreases of the rate of interest on the Indebtedness; extensions may be repeated and may be for longer than the original loan term; (C) to take and hold security for the payment of this Guaranty or the Indebtedness, and exchange, enforce, waive, subordinate, fall or decide not to perfect, and release any such security, with or without the substitution of new collateral; (D) to release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorsers, or other guarantors on any terms or in any manner Lender may choose; (E) to determine how, when and what application of payments and credits shall be made on the Indebtedness; (F) to apply such security and direct the order or manner of sale thereof, including without limitation, any nonjudicial sale permitted by the terms of the controlling security agreement or deed of trust, as Lender in its discretion may determine; (G) to sell, transfer, assign or grant participations in all or any part of the Indebtedness; and (H) to assign or transfer this Guaranty in whole or in part.

GUARANTOR'S REPRESENTATIONS AND WARRANTIES. Guarantor represents and warrants to Lender that (A) no representations or agreements of any kind have been made to Guarantor which would limit or qualify in any way the terms of this Guaranty; (B) this Guaranty is executed at Borrower's request and not at the request of Lender; (C) Guarantor has full power, right and authority to enter into this Guaranty; (D) the provisions of this Guaranty do not conflict with or result in a default under any agreement or other instrument binding upon Guarantor and do not result in a violation of any law, regulation, court decree or order applicable to Guarantor; (E) Guarantor has not and will not, without the prior written consent of Lender, sell, lease, assign, encumber, hypothecate, transfer, or otherwise dispose of all or substantially all of Guarantor's assets, or any interest therein; (F) upon Lender's request, Guarantor will provide to Lender financial and credit information in form acceptable to Lender, and all such financial information which currently has been, and all future financial information which will be provided to Lender is and will be true and correct in all material respects and fairly present Guarantor's financial condition as of the dates the financial information is provided; (G) no material adverse change has

COMMERCIAL GUARANTY (Continued)

Loan No: 15102

Page 2

occurred in Guarantor's financial condition since the date of the most recent financial statements provided to Lender and no event has occurred which may materially adversely affect Guarantor's financial condition; (H) no litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Guarantor is pending or threatened; (I) Lender has made no representation to Guarantor as to the creditworthiness of Borrower; and (J) Guarantor has established adequate means of obtaining from Borrower on a continuing basis information regarding Borrower's financial condition. Guarantor agrees to keep adequately informed from such means of any facts, events, or circumstances which might in any way affect Guarantor's risks under this Guaranty, and Guarantor further agrees that Lender shall have no obligation to disclose to Guarantor any information or documents acquired by Lender in the course of its relationship with Borrower.

GUARANTOR'S FINANCIAL STATEMENTS. Guarantor agrees to furnish Lender with the following:

Annual Statements. As soon as available, but in no event later than one-hundred-twenty (120) days after the end of each fiscal year, Guarantor shall furnish to the Agent a copy of its audited balance sheet and income statement for the year ended, prepared by Guarantor.

Tax Returns. As soon as available, but in no event later than thirty (30) days after the applicable filing date for the tax reporting period ended, Federal and other environmental tax returns prepared by Guarantor.

All financial reports required to be provided under this **Guaranty** shall be prepared in accordance with GAAP, applied on a consistent basis, and shall be **certified as being true and correct**.

GUARANTOR'S WAIVERS. Except as prohibited by applicable law, Guarantor waives any right to require Lender (A) to continue lending money or to extend other credit to Borrower; (B) to make any presentment, protest, demand, or notice of any kind, including notice of any nonpayment of the indebtedness or of any nonpayment related to any collateral, or notice of any action or nonaction on the part of Borrower, Lender, any surety, endorser, or other guarantor in connection with the Indebtedness or in connection with the creation of new or additional loans or obligations; (C) to resort for payment or to proceed directly or at once against any person, including Borrower or any other guarantor; (D) to proceed directly against or exhaust any collateral held by Lender from Borrower, any other guarantor, or any other person; (E) to give notice of the terms, time, and place of any public or private sale of personal property security held by Lender from Borrower or to comply with any other applicable provisions of the Uniform Commercial Code; (F) to pursue any other remedy within Lender's power; or (G) to commit any act or omission of any kind, or at any time, with respect to any matter whatsoever.

In addition to the waivers set forth herein, if now or hereafter Borrower is or shall become insolvent and the indebtedness shall not at all times until paid be fully secured by collateral pledged by Borrower, Guarantor hereby forever waives and gives up in favor of Lender and Borrower, and Lender's and Borrower's respective successors, any claim or right to payment Guarantor may now have or hereafter have or acquire against Borrower, by subrogation or otherwise, so that at no time shall Guarantor be or become a "creditor" of Borrower within the meaning of 11 U.S.C. section 547(b), or any successor provision of the Federal bankruptcy laws.

Guarantor also waives any and all rights or defenses arising by reason of (A) any "one action" or "anti-deficiency" law or any other law which may prevent Lender from bringing any action, including a claim for deficiency, against Guarantor, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale; (B) any election of remedies by Lender which destroys or otherwise adversely affects Guarantor's subrogation rights or Guarantor's rights to proceed against Borrower for reimbursement, including without limitation, any loss of rights Guarantor may suffer by reason of any law limiting, qualifying, or discharging the Indebtedness; (C) any disability or other defense of Borrower, or of any other guarantor, or of any other person, or by reason of the cessation of Borrower's liability from any cause whatsoever, other than payment in full in legal tender, of the Indebtedness; (D) any right to claim discharge of the Indebtedness on the basis of unjustified impairment of any collateral for the Indebtedness; (E) any statute of limitations, if at any time any action or suit brought by Lender against Guarantor is commenced, there is outstanding Indebtedness of Borrower to Lender which is not barred by any applicable statute of limitations; or (F) any defenses given to guarantors at law or in equity other than actual payment and performance of the Indebtedness. If payment is made by Borrower, whether voluntarily or otherwise, or by any third party, on the Indebtedness and thereafter Lender is forced to remit the amount of that payment to Borrower's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, the Indebtedness shall be considered unpaid for the purpose of the enforcement of this Guaranty.

Guarantor further waives and agrees not to assert or claim at any time any deductions to the amount guaranteed under this Guaranty for any claim of the Borrower, the self, counterclaim, counter demand, recoupment or similar right, whether such claim, demand or right may be asserted by the Borrower, the Guarantor or both.

GUARANTOR'S UNDERSTANDING WITH RESPECT TO WAIVERS. Guarantor warrants and agrees that each of the waivers set forth above is made with Guarantor's full knowledge of its significance and consequences and that, under the circumstances, the waivers are reasonable and not contrary to public policy or law. If any such waiver is determined to be contrary to any applicable law or public policy, such waiver shall be effective only to the extent permitted by law or public policy.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Guaranty:

Amendments. This Guaranty, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Guaranty. No alteration or amendment to this Guaranty shall be effective unless given in writing and signed by the party or parties sought to be charmed or bound by the alteration or amendment.

Attorneys' Fees; Expenses. Guarantor agrees to pay upon demand all of Lender's costs and expenses, including Lender's attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Guaranty. Lender may hire or pay someone else to help enforce this Guaranty, and Guarantor shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Guarantor also shall pay all court costs and such additional fees as may be directed by the court.

COMMERCIAL GUARANTY (Continued)

Loan No: 15102

Page 3

Caption Headings. Caption headings in this Guaranty are for convenience purposes only and are not to be used to interpret or define the provisions of this Guaranty.

Governing Law. This Guaranty will be governed by, construed and enforced in accordance with federal law and the laws of the Commonwealth of Pennsylvania. This Guaranty has been accepted by Lender in the Commonwealth of Pennsylvania.

Choice of Venue. If there is a lawsuit, Guarantor agrees upon Lender's request to submit to the jurisdiction of the courts of Indiana County, Commonwealth of Pennsylvania.

Integration. Guarantor further agrees that Guarantor has read and fully understands the terms of this Guaranty; Guarantor has had the opportunity to be advised by Guarantor's attorney with respect to this Guaranty; the Guaranty fully reflects Guarantor's intentions and parol evidence is not required to interpret the terms of this Guaranty. Guarantor hereby indemnifies and holds Lender harmless from all losses, claims, damages, and costs (including Lender's attorneys' fees) suffered or incurred by Lender as a result of any breach by Guarantor of the warranties, representations and agreements of this paragraph.

Interpretation. In all cases where there is more than one Borrower or Guarantor, then all words used in this Guaranty in the singular shall be deemed to have been used in the plural where the context and construction so require; and where there is more than one Borrower named in this Guaranty or when this Guaranty is executed by more than one Guarantor, the words "Borrower" and "Guarantor" respectively shall mean all and any one or more of them. The words "Guarantor," "Borrower," and "Lender" include the heirs, successors, assigns, and transferees of each of them. If a court finds that any provision of this Guaranty is not valid or should not be enforced, that fact by itself will not mean that the rest of this Guaranty will not be valid or enforced. Therefore, a court will enforce the rest of the provisions of this Guaranty even if a provision of this Guaranty may be found to be invalid or unenforceable. If any one or more of Borrower or Guarantor are corporations, partnerships, limited liability companies, or similar entities, it is not necessary for Lender to inquire into the powers of Borrower or Guarantor or of the officers, directors, partners, managers, or other agents acting or purporting to act on their behalf, and any Loan Indebtedness made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Guaranty.

Notices. Unless otherwise provided by applicable law, any notice required to be given under this Guaranty shall be given in writing, and, except for revocation notices by Guarantor, shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addressee shown near the beginning of this Guaranty. All revocation notices by Guarantor shall be in writing and shall be effective upon delivery to Lender as provided in the section of this Guaranty entitled "DURATION OF GUARANTY." Any party may change its address for notices under this Guaranty by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Guarantor agrees to keep Lender informed at all times of Guarantor's current address. Unless otherwise provided by applicable law, if there is more than one Guarantor, any notice given by Lender to any Guarantor is deemed to be notice given to all Guarantors.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Guaranty unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Guaranty shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Guaranty. No prior waiver by Lender, nor any course of dealing between Lender and Guarantor, shall constitute a waiver of any of Lender's rights or of any of Guarantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Guaranty, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Successors and Assigns. The terms of this Guaranty shall be binding upon Guarantor, and upon Guarantor's heirs, personal representatives, successors, and assigns, and shall be enforceable by Lender and its successors and assigns.

Waive Jury. Lender and Guarantor hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Guaranty. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Guaranty shall have the meanings attributed to such terms in the Uniform Commercial Code:

Borrower. The word "Borrower" means Scene View Family Recreation Center, Inc. and includes all co-signers and co-makers signing the Note.

GAAP. The word "GAAP" means generally accepted accounting principles.

Guarantor. The word "Guarantor" means each and every person or entity signing this Guaranty, including without limitation Timothy M. Novak and Virginia L. Novak.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Indebtedness. The word "Indebtedness" means Borrower's indebtedness to Lender as more particularly described in this Guaranty.

Lender. The word "Lender" means S&T Bank, its successors and assigns.

Note. The word "Note" means and includes without limitation all of Borrower's promissory notes and/or credit agreements evidencing Borrower's loan obligations in favor of Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of and substitutions for promissory notes or credit agreements.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guarantees, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

CONFESION OF JUDGMENT. GUARANTOR HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY ATTORNEY OR THE PROTHONOTARY OR CLERK OF ANY COURT IN THE COMMONWEALTH OF PENNSYLVANIA, OR ELSEWHERE, TO APPEAR AT ANY TIME FOR GUARANTOR AFTER THE AMOUNTS HEREUNDER BECOME DUE AND WITH OR WITHOUT COMPLAINT FILED, CONFESS OR ENTER JUDGMENT AGAINST GUARANTOR FOR THE ENTIRE PRINCIPAL BALANCE OF THIS GUARANTY AND ALL ACCRUED INTEREST, LATE CHARGES AND ANY AND ALL AMOUNTS EXPENDED OR ADVANCED BY LENDER RELATING TO ANY COLLATERAL SECURING THE INDEBTEDNESS, TOGETHER WITH COSTS OF SUIT, AND AN ATTORNEY'S COMMISSION OF TEN PERCENT (10%) OF THE UNPAID PRINCIPAL BALANCE AND ACCRUED INTEREST FOR COLLECTION, BUT IN ANY EVENT NOT LESS THAN FIVE HUNDRED DOLLARS (\$500) ON WHICH JUDGMENT OR JUDGMENTS ONE OR MORE EXECUTIONS MAY ISSUE IMMEDIATELY; AND FOR SO DOING, THIS GUARANTY OR A COPY OF THIS GUARANTY VERIFIED BY AFFIDAVIT SHALL BE SUFFICIENT WARRANT. THE AUTHORITY GRANTED IN THIS GUARANTY TO CONFESS JUDGMENT AGAINST GUARANTOR SHALL NOT BE EXHAUSTED BY ANY EXERCISE OF THAT AUTHORITY, BUT SHALL CONTINUE FROM TIME TO TIME AND AT ALL TIMES UNTIL PAYMENT IN FULL OF ALL AMOUNTS DUE UNDER THIS GUARANTY. GUARANTOR HEREBY WAIVES ANY RIGHT GUARANTOR MAY HAVE TO

COMMERCIAL GUARANTY
(Continued)

Loan No: 15102

Page 4

NOTICE OR TO A HEARING IN CONNECTION WITH ANY SUCH CONFESSION OF JUDGMENT AND STATES THAT EITHER A REPRESENTATIVE OF LENDER SPECIFICALLY CALLED THIS CONFESSION OF JUDGMENT PROVISION TO GUARANTOR'S ATTENTION OR GUARANTOR HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL.

EACH UNDERSIGNED GUARANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS GUARANTY AND AGREES TO ITS TERMS. IN ADDITION, EACH GUARANTOR UNDERSTANDS THAT THIS GUARANTY IS EFFECTIVE UPON GUARANTOR'S EXECUTION AND DELIVERY OF THIS GUARANTY TO LENDER AND THAT THE GUARANTY WILL CONTINUE UNTIL TERMINATED IN THE MANNER SET FORTH IN THE SECTION TITLED "DURATION OF GUARANTY". NO FORMAL ACCEPTANCE BY LENDER IS NECESSARY TO MAKE THIS GUARANTY EFFECTIVE. THIS GUARANTY IS DATED JULY 21, 2003.

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

GUARANTOR:

Timothy M. Novak
X _____
Timothy M. Novak

(Seal)

Virginia L. Novak
X _____
Virginia L. Novak

(Seal)

EXHIBIT “B”



PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No.	Call / Coll.	Account	Officer	Initials
\$88,000.00	11-10-2004	11-11-2010	2000107074-200	CH	00000646083	713	

References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item.
Any item above containing "****" has been omitted due to text length limitations.

Borrower: Scenic View Family Recreation Center, Inc.
28 Division St
DuBois, PA 15801-2520

Lender: S&T BANK
Commercial Lending
PO Box 190
Indiana, PA 15701
(724) 349-1800

Principal Amount: \$88,000.00

Interest Rate: 6.790%

Date of Note: November 10, 2004

PROMISE TO PAY. Scenic View Family Recreation Center, Inc. ("Borrower") promises to pay to S&T BANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of Eighty-eight Thousand & 00/100 Dollars (\$88,000.00), together with interest at the rate of 6.790% per annum on the unpaid principal balance from November 11, 2004, until "Change Date".

PAYMENT. Borrower will pay this loan in accordance with the following payment schedule:

The term of this Note shall be 72 months. The outstanding principal balance and the accrued and unpaid interest shall be repaid in 72 consecutive monthly payments of principal including interest, based on a 6 year amortization schedule. The first 60 payments of principal including interest shall be in the amount of \$1,495.37 and shall commence on December 11, 2004 and continue on the 11th day of each consecutive month thereafter, with the monthly principal including interest payment to be adjusted on November 11, 2009 (hereinafter referred to as the "Change Date") in accordance with any adjustment in the interest rate such that the loan will continue to amortize at the 6 year amortization schedule over the balance of the months remaining in the term, with all outstanding principal, accrued and unpaid interest and all other sums due and owing under the terms of this Note to be immediately due and payable in full, unless sooner paid, on November 11, 2010. Interest shall accrue during the 60 month period commencing from the date of this Note to and including November 10, 2009 at a fixed rate of 6.790% per annum and for the twelve (12) month period thereafter, commencing on the Change Date at a fixed rate equal to the Index, as determined on the Change Date plus 2.750% per annum. The Index shall mean the weekly average yield of the five (5) year Fixed-Rate Credit (adding the daily Fixed-Rate Credit yields and dividing by 5), as is published and released in the Federal Home Loan Bank of Pittsburgh Weekly Financial Summary on the Friday on which the Change Date falls, or if the Change Date does not fall on a Friday by using the publication most recently published immediately prior to such Change Date. If for any reason, the Index is not available, the Index shall mean such other Index as Lender shall choose from time to time, which Index shall have as closely as possible a historical movement substantially similar to the original Index. Lender will inform Borrower of the new Index upon Borrower's request.

Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any unpaid collection costs; and then to any late charges. The annual interest rate for this Note is computed on a 365/360 basis; that is, by applying the ratio of the annual interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

PREPAYMENT. Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: S&T Bank, Loan Servicing Center, PO Box 469 Indiana, PA 15701.

LATE CHARGE. If a payment is 16 days or more late, Borrower will be charged 5.000% of the regularly scheduled payment or \$20.00, whichever is greater.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, Lender, at its option, may, if permitted under applicable law, increase the interest rate on this Note 3.000 percentage points. The interest rate will not exceed the maximum rate permitted by applicable law. If judgment is entered in connection with this Note, interest will continue to accrue on this Note after judgment at the existing interest rate provided for in this Note.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Default in Favor of Third Parties. Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Insolvency. The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan.

PROMISSORY NOTE
(Continued)

Loan No: 2000107074-200

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This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

Change in Ownership. Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

Insecurity. Lender in good faith believes itself insecure.

LENDER'S RIGHTS. Upon default, Lender may, after giving such notices as required by applicable law, declare the entire unpaid principal balance on this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

JURY WAIVER. Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

GOVERNING LAW. This Note will be governed by, construed and enforced in accordance with federal law and the laws of the Commonwealth of Pennsylvania. This Note has been accepted by Lender in the Commonwealth of Pennsylvania.

CHOICE OF VENUE. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Clearfield County, Commonwealth of Pennsylvania.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

PRIOR NOTE. In addition to new funds, this Note is a refinancing of the promissory Note in the original principal amount of \$68,000.00 from Scenic View Family Recreation Center, Inc. to S&T Bank dated July 21, 2003 and the promissory Note in the original principal amount of \$20,000.00 from Scenic View Family Recreation Center, Inc. to S&T Bank dated November 14, 2003.

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

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

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

PROMISSORY NOTE
(Continued)

Loan No: 2000107074-200

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PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

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

BORROWER:

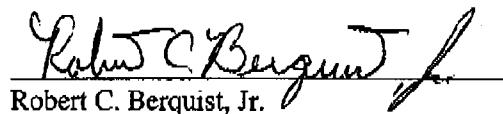
SCENIC VIEW FAMILY RECREATION CENTER, INC.

By: Virginia L. Novek (Seal)
Virginia L. Novek, President of Scenic View Family
Recreation Center, Inc.

By: Timothy M. Novek (Seal)
Timothy M. Novek, Secretary/Treasurer of Scenic
View Family Recreation Center, Inc.

VERIFICATION

Robert C. Berquist, Jr., Vice President, and duly authorized representative of S&T Bank, deposes and says subject to the penalties of 18 Pa. C.S.A. §4904 relating to unsworn falsification to authorities that the facts set forth in the foregoing Complaint in Confession of Judgment are true and correct to his information and belief.



Robert C. Berquist, Jr.
Vice President

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

S&T BANK,) CIVIL DIVISION
Plaintiff,) NO. 2006.202
vs.)
TIMOTHY M. NOVAK AND)
VIRGINIA L. NOVAK,)
Defendants.)

NOTICE OF ORDER, DECREE OR JUDGMENT

TO: () Plaintiff
(XX) Defendant - Timothy M. Novak
28 Division Street
DuBois, PA 15801-2520

You are hereby notified that an Order, Decree or Judgment was entered in the above-captioned proceeding on Feb 8, 2006.

() A copy of the Order or Decree is enclosed
OR
(XX) The judgment is as follows: **\$77,393.91**
with interest on the principal sum (\$75,765.01) at the contractual rate, and
additional late charges and other amounts due under the Note from January 19,
2006, plus reasonable attorneys' fees and costs.


W. H. Deacon

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

S&T BANK,) CIVIL DIVISION
)
Plaintiff,) NO. 2006-202-C0
)
vs.)
)
TIMOTHY M. NOVAK AND VIRGINIA)
L. NOVAK,)
)
Defendants.)

NOTICE OF ORDER, DECREE OR JUDGMENT

TO: Plaintiff
 Defendant - Virginia L. Novak
28 Division Street
DuBois, PA 15801-2520

You are hereby notified that an Order, Decree or Judgment was entered in the above-captioned proceeding on Feb 8, 2006.

A copy of the Order or Decree is enclosed
OR
 The judgment is as follows: **\$77,393.91**
with interest on the principal sum (\$75,765.01) at the contractual rate, and
additional late charges and other amounts due under the Note from January 19,
2006, plus reasonable attorneys' fees and costs.



Deputy

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

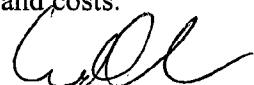
S&T BANK,) CIVIL DIVISION
)
Plaintiff,) NO. 2006-202-CV
)
vs.)
)
TIMOTHY M. NOVAK AND)
VIRGINIA L. NOVAK,)
)
Defendants.)

NOTICE OF ORDER, DECREE OR JUDGMENT

TO: () Plaintiff
(XX) Defendant - Timothy M. Novak
28 Division Street
DuBois, PA 15801-2520

You are hereby notified that an Order, Decree or Judgment was entered in the above-captioned proceeding on FEB. 8, 2006.

() A copy of the Order or Decree is enclosed
OR
(XX) The judgment is as follows: **\$77,393.91**
with interest on the principal sum (\$75,765.01) at the contractual rate, and
additional late charges and other amounts due under the Note from January 19,
2006, plus reasonable attorneys' fees and costs.



Deputy