

08-1159-CD

Northwest Savings vs Bighorn IV Inc

NORTHWEST SAVINGS BANK, as
successor by merger to CSB Bank

Plaintiff

vs.

BIGHORN IV, INC.

Defendant

) IN THE COURT OF COMMON PLEAS OF
) CLEARFIELD COUNTY, PENNSYLVANIA
)
)
) CIVIL ACTION-LAW
)
) NO. 08-1150-CD
)
) COMPLAINT IN CONFESSION OF
) JUDGMENT
)
) CODE:
)
) Filed on behalf of plaintiff, Northwest Savings
) Bank as Successor by Merger to CSB Bank
)
)
) Counsel of Record:
) Mark G. Claypool, Esquire
) PA I.D. No. 63199
) KNOX MCLAUGHLIN GORNALL &
) SENNETT, P.C.
) 120 West Tenth Street
) Erie, Pennsylvania 16501-1461
) (814) 459-2800
)
)

FILED Atty Pd.
MAY 18 2000 \$20.00
JUN 24 2000
CC Notice
William A. Shaw
Prothonotary/Clerk of Courts to Def.
1cc Statement
to Atty

NORTHWEST SAVINGS BANK, as
successor by merger to CSB Bank) IN THE COURT OF COMMON PLEAS OF
Plaintiff) CLEARFIELD COUNTY, PENNSYLVANIA
vs.)
BIGHORN IV, INC.) CIVIL ACTION-LAW
Defendant) NO.
)
)

COMPLAINT IN CONFESSION OF JUDGMENT

AND NOW, this day of June, 2008 comes the plaintiff, Northwest Savings Bank as Successor by merger to CSB Bank ("Plaintiff"), by and through its attorneys, Knox McLaughlin Gornall & Sennett, P.C., with this Complaint in Confession of Judgment against the Defendant, Bighorn IV, Inc., stating as follows:

1. Plaintiff is a Pennsylvania State chartered bank with a principle place of business at 100 Liberty Street, Drawer 128, Warren, Pennsylvania 16365.

2. Defendant, Bighorn IV, Inc., is a Pennsylvania corporation, maintaining a last known address of P.O. Box 35, Houtzdale, Pennsylvania 16651.

3. On or about January 20, 2005, Defendant executed a Promissory Note in favor of CSB Bank whereby it obtained a loan in the original amount of \$175,000 from CSB Bank. A true and correct copy of the Promissory Note (the "Note") is attached hereto and is incorporated herein by reference as Exhibit "A."

4. On or about June 22, 2007, Northwest Savings Bank merged with CSB Bank. Northwest Savings Bank is the current rightful and legal holder of the Promissory Note and all related and associated documents and is fully entitled to enforce them at law and/or otherwise

5. The Promissory Note has not been assigned.

6. In connection with the Promissory Note, Defendant also executed a Disclosure for Confession of Judgment, a copy of which is attached as Exhibit B and incorporated herein by reference.

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

8. Judgment has not previously been entered on the Promissory Note in any jurisdiction.

9. A default has occurred under the terms of the Promissory Note as a result of a failure to make payments when due.

10. An itemization of the amount due to the Plaintiff from the Defendant under the aforementioned instruments as of May 28, 2008 is as follows:

Principal	\$174,944.02
Interest at the Note Rate	7,854.26
Late Fees	411.66
Costs	to be added
Attorney's commission (10%)	<u>17,494.40</u>
TOTAL	\$200,704.34

Attorneys' fees, costs, charges, and interest at the rates provided by the Promissory Note continue to accrue until paid in full. Interest accrues at the rate of \$30.372225 per diem.

WHEREFORE, Plaintiff, as authorized by the warrant of attorney contained in the attached Promissory Note, demands Judgment against the Defendant in the amount of \$200,704.34 plus interest at the Promissory Note rate of interest until paid in full, plus late charges, attorneys' fees and costs of suit and for such other relief as is necessary and just.

Respectfully submitted,

KNOX McLAUGHLIN GORNALL &
SENNETT, P.C.
Attorneys for Northwest Savings Bank, as successor
by merger to CSB Bank

BY:


Mark G. Claypool
Pa. I.D. No. 63199
120 West Tenth Street
Erie, Pennsylvania 16501-1461
(814) 459-2800

785370

285505639

PROMISSORY NOTE

Principal \$175,000.00	Loan Date 01-20-2005	Maturity 05-30-2009	Loan No 313318	Call / Coll	Account 120387	Officer KEITH	Initials OC
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: Bighorn IV, Inc.
P.O. Box 35
Houtzdale, PA 16651

Lender: CSB BANK
Coalport Office
Main & Linwood Streets
P.O. Box 354
Coalport, PA 16627

Principal Amount: \$175,000.00

Initial Rate: 6.500%

Date of Note: January 20, 2005

PROMISE TO PAY. Bighorn IV, Inc. ("Borrower") promises to pay to CSB BANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of One Hundred Seventy-five Thousand & 00/100 Dollars (\$175,000.00) or so much as may be outstanding, together with interest on the unpaid outstanding principal balance of each advance. Interest shall be calculated from the date of each advance until repayment of each advance.

PAYMENT. Borrower will pay this loan in one payment of all outstanding principal plus all accrued unpaid interest on May 30, 2009. In addition, Borrower will pay regular monthly payments of all accrued unpaid interest due as of each payment date, beginning February 28, 2005, with all subsequent interest payments to be due on the last day of each month after that. 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. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

VARIABLE INTEREST RATE. The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the Wall Street Journal Published Prime Rate (the "Index"). The Index is not necessarily the lowest rate charged by Lender on its loans. If the Index becomes unavailable during the term of this loan, Lender may designate a substitute index after notice to Borrower. Lender will tell Borrower the current Index rate upon Borrower's request. The interest rate change will not occur more often than each day. Borrower understands that Lender may make loans based on other rates as well. The Index currently is 5.250% per annum. The interest rate to be applied to the unpaid principal balance of this Note will be at a rate of 1.250 percentage points over the Index, resulting in an initial rate of 6.500% per annum. NOTICE: Under no circumstances will the interest rate on this Note be more than the maximum rate allowed by applicable law.

PREPAYMENT; MINIMUM INTEREST CHARGE. Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. In any event, even upon full prepayment of this Note, Borrower understands that Lender is entitled to a **minimum interest charge of \$5.00**. Other than Borrower's obligation to pay any minimum interest charge, 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 of accrued unpaid interest. Rather, early payments will reduce the principal balance due. 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: CSB BANK, Coalport Office, Main & Linwood Streets, P.O. Box 354, Coalport, PA 16627.

LATE CHARGE. If a payment is 16 days or more late, Borrower will be charged **5.000% of the unpaid portion of the regularly scheduled payment or \$999.99, whichever is less.**

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, Lender, at its option, may, if permitted under applicable law, increase the variable interest rate on this Note to 5.250 percentage points over the Index. 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 interest rate applicable to this Note at the time judgment is entered.

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. 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. In the event of a death, Lender, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

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

EXHIBIT A

PROMISSORY NOTE (Continued)

Loan No: 313318

Page 2

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.

Cure Provisions. If any default, other than a default in payment is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured if Borrower, after receiving written notice from Lender demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

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

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.

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, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

LINE OF CREDIT. This Note evidences a revolving line of credit. Advances under this Note may be requested either orally or in writing by Borrower or as provided in this paragraph. Lender may, but need not, require that all oral requests be confirmed in writing. All communications, instructions, or directions by telephone or otherwise to Lender are to be directed to Lender's office shown above. The following persons currently are authorized to request advances and authorize payments under the line of credit until Lender receives from Borrower, at Lender's address shown above, written notice of revocation of their authority: **Alan B. Kemp, President of Bighorn IV, Inc.; and Laura J. Kemp, Secretary.** Borrower agrees to be liable for all sums either: (A) advanced in accordance with the instructions of an authorized person or (B) credited to any of Borrower's accounts with Lender. The unpaid principal balance owing on this Note at any time may be evidenced by endorsements on this Note or by Lender's internal records, including daily computer print-outs. Lender will have no obligation to advance funds under this Note if: (A) Borrower or any guarantor is in default under the terms of this Note or any agreement that Borrower or any guarantor has with Lender, including any agreement made in connection with the signing of this Note; (B) Borrower or any guarantor ceases doing business or is insolvent; (C) any guarantor seeks, claims or otherwise attempts to limit, modify or revoke such guarantor's guarantee of this Note or any other loan with Lender; (D) Borrower has applied funds provided pursuant to this Note for purposes other than those authorized by Lender; or (E) Lender in good faith believes itself insecure.

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.

NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES. Please notify us if we report any inaccurate information about your account(s) to a consumer reporting agency. Your written notice describing the specific inaccuracy(ies) should be sent to us at the following address: CSB BANK, Coalport Office, Main & Linwood Streets, P.O. Box 354, Coalport, PA 16627.

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.

CONFESSION OF JUDGMENT. BORROWER HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY ATTORNEY OR THE PROTHONOTARY OR CLERK OF ANY COURT IN THE COMMONWEALTH OF PENNSYLVANIA, OR ELSEWHERE, TO APPEAR AT ANY TIME FOR BORROWER AFTER A DEFAULT UNDER THIS NOTE AND WITH OR WITHOUT COMPLAINT FILED, 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 CONFESSION OF JUDGMENT AND STATES THAT EITHER A REPRESENTATIVE OF LENDER SPECIFICALLY CALLED THIS CONFESSION OF JUDGMENT PROVISION TO BORROWER'S ATTENTION OR BORROWER HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL.

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

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:

BIGHORN IV, INC.

By:  (Seal)

Alan B. Kemp, President of Bighorn IV, Inc.

DISCLOSURE FOR CONFESSION OF JUDGMENT

Principal \$175,000.00	Loan Date 01-20-2005	Maturity 05-30-2009	Loan No 313318	Call / Coll	Account 120387	Officer KEITH	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.							

Declarant: Bighorn IV, Inc.
P.O. Box 35
Houtzdale, PA 16651

Lender: CSB BANK
Coalport Office
Main & Linwood Streets
P.O. Box 354
Coalport, PA 16627

DISCLOSURE FOR CONFESSION OF JUDGMENT

THE UNDERSIGNED IS EXECUTING ON BEHALF OF DECLARANT, THIS 20th DAY OF JUN, 2005, A PROMISSORY NOTE FOR \$175,000.00 OBLIGATING DECLARANT TO REPAY THAT AMOUNT.

A. THE UNDERSIGNED UNDERSTANDS THAT THE NOTE CONTAINS A CONFESSION OF JUDGMENT PROVISION THAT WOULD PERMIT LENDER TO ENTER JUDGMENT AGAINST DECLARANT IN COURT, AFTER A DEFAULT ON THE NOTE, WITHOUT ADVANCE NOTICE TO DECLARANT AND WITHOUT OFFERING DECLARANT AN OPPORTUNITY TO DEFEND AGAINST THE ENTRY OF JUDGMENT. IN EXECUTING THE NOTE, BEING FULLY AWARE OF DECLARANT'S RIGHTS TO ADVANCE NOTICE AND TO A HEARING TO CONTEST THE VALIDITY OF ANY JUDGMENT OR OTHER CLAIMS THAT LENDER MAY ASSERT AGAINST DECLARANT UNDER THE NOTE, THE UNDERSIGNED, ON BEHALF OF THE DECLARANT, IS KNOWINGLY, INTELLIGENTLY, AND VOLUNTARILY WAIVING THESE RIGHTS, INCLUDING ANY RIGHT TO ADVANCE NOTICE OF THE ENTRY OF JUDGMENT, AND THE UNDERSIGNED EXPRESSLY AGREES AND CONSENTS TO LENDER'S ENTERING JUDGMENT AGAINST DECLARANT BY CONFESSION AS PROVIDED FOR IN THE CONFESSION OF JUDGMENT PROVISION.

B. THE UNDERSIGNED FURTHER UNDERSTANDS THAT IN ADDITION TO GIVING LENDER THE RIGHT TO ENTER JUDGMENT AGAINST DECLARANT 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 DECLARANT'S PROPERTY, IN FULL OR PARTIAL PAYMENT OF THE JUDGMENT. IN EXECUTING THE NOTE, BEING FULLY AWARE OF DECLARANT'S RIGHTS TO ADVANCE NOTICE AND A HEARING AFTER JUDGMENT IS ENTERED AND BEFORE EXECUTION ON THE JUDGMENT, THE UNDERSIGNED, ON BEHALF OF THE DECLARANT, IS KNOWINGLY, INTELLIGENTLY AND VOLUNTARILY WAIVING THESE RIGHTS, AND THE UNDERSIGNED EXPRESSLY AGREES AND CONSENTS TO LENDER'S IMMEDIATELY EXECUTING ON THE JUDGMENT IN ANY MANNER PERMITTED BY APPLICABLE STATE AND FEDERAL LAW, WITHOUT GIVING DECLARANT ANY ADVANCE NOTICE.

C. AFTER HAVING READ AND DETERMINED WHICH OF THE FOLLOWING STATEMENTS ARE APPLICABLE, BY INITIALING EACH STATEMENT THAT APPLIES, THE UNDERSIGNED REPRESENTS THAT:

INITIALS

____ 1. DECLARANT WAS REPRESENTED BY DECLARANT'S OWN INDEPENDENT LEGAL COUNSEL IN CONNECTION WITH THE NOTE.

Ask 2. A REPRESENTATIVE OF LENDER SPECIFICALLY CALLED THE CONFESSION OF JUDGMENT PROVISION IN THE NOTE TO DECLARANT'S ATTENTION.

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.

DECLARANT:

BIGHORN IV, INC.

By:  (Seal)
Alan B. Kemp, President of Bighorn IV, Inc.

EXHIBIT B

NORTHWEST SAVINGS BANK, as
successor by merger to CSB Bank

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

Plaintiff

)

vs.

) CIVIL ACTION-LAW

BIGHORN IV, INC.

) NO.

Defendant

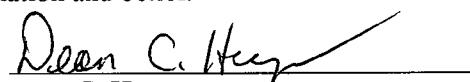
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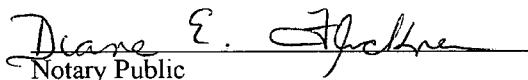
AFFIDAVIT

Dean C. Huya, being duly sworn, states as follows:

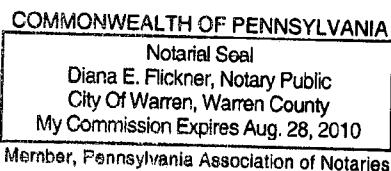
1. I am a Vice President of Special Assets of the Plaintiff, Northwest Savings Bank, successor by merger to CSB Bank.
2. I have had the opportunity to review the original instrument referenced in the instant complaint in judgment and I verify that the Exhibit is a true and correct copy of the original to the best of my knowledge, information and belief.


Dean C. Huya

SWORN TO AND SUBSCRIBED BEFORE ME
THIS 14 DAY OF JUNE, 2008.


Diana E. Flickner
Notary Public

785370



NORTHWEST SAVINGS BANK, as successor by merger to CSB Bank) IN THE COURT OF COMMON PLEAS OF
) CLEARFIELD COUNTY, PENNSYLVANIA
)
Plaintiff) CIVIL ACTION-LAW
)
vs.) NO.
)
BIGHORN IV, INC.)
)
Defendant)

CONFESSTION OF JUDGMENT

Pursuant to the authority contained in the warrant of attorney, a copy of which is attached to the complaint filed in this action, the undersigned hereby appears for the Defendant, Bighorn IV, Inc. ("Defendant") and confesses judgment in favor of Northwest Savings Bank and against the Defendant as follows:

Principal	\$ 174,944.02
Interest at the Note Rate	7,854.26
Late Fees	411.66
Costs	to be added
Attorney's commission (10%)	<u>17,494.40</u>
TOTAL	\$200,704.34

Attorneys' fees, costs, charges, and interest at the rates provided by the Promissory Note continue to accrue until paid in full. Interest accrues at the rate of \$30.372225 per diem

Respectfully submitted,

KNOX McLAUGHLIN GORNALL &
SENNETT, P.C.
Attorneys for Northwest Savings Bank, successor
by merger to CSB Bank

BY:


 Mark G. Claypool
 Pa. I.D. No. 63199
 120 West Tenth Street
 Erie, Pennsylvania 16501-1461
 (814) 459-2800

785370

NORTHWEST SAVINGS BANK, as
successor by merger to CSB Bank

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

Plaintiff

)

vs.

)

BIGHORN IV, INC.

) CIVIL ACTION-LAW

Defendant

) NO.

)

)

CERTIFICATE OF RESIDENCE

I hereby certify that the address of the plaintiff is 100 Liberty Street, Drawer 128,
Warren, PA 16365, that the last known address of the Defendant is as follows:

Bighorn IV, Inc.
P.O. Box 35
Houtzdale, PA 16651

BY:


Mark G. Claypool
Pa. I.D. No. 63199
120 West Tenth Street
Erie, Pennsylvania 16501-1461
(814) 459-2800

785370

NORTHWEST SAVINGS BANK, as
successor by merger to CSB Bank

Plaintiff

vs.

BIGHORN IV, INC.

Defendant

) IN THE COURT OF COMMON PLEAS OF
) CLEARFIELD COUNTY, PENNSYLVANIA
)
) CIVIL ACTION-LAW
)
) NO.
)
)

VERIFICATION

On this, the 12 day of June, 2008, Dean C. Huya, the undersigned, deposes and states
that he is a Vice President of Special Assets of the Plaintiff, Northwest Savings Bank, that
Northwest Savings Bank is the as successor by merger to CSB Bank, that as such he is
authorized to execute this verification on behalf of the Plaintiff, and that the facts set forth in the
foregoing Complaint are true and correct to the best of his knowledge, information and belief,
subject to the penalties of 18 Pa.C.S. §4904 relating to the unsworn falsification to authorities.

Dean C. Huya

Dean C. Huya, Vice President of Special Assets
Northwest Savings Bank

785370

COPY

NORTHWEST SAVINGS BANK, as
successor by merger to CSB Bank

Plaintiff

vs.

BIGHORN IV, INC.

Defendant

) IN THE COURT OF COMMON PLEAS OF
) CLEARFIELD COUNTY, PENNSYLVANIA
)
) CIVIL ACTION-LAW
)
) NO. 08-1159-CD
)
)

TO THE DEFENDANT:

YOU ARE HEREBY NOTIFIED, as required by law, that a judgment has been entered against you in the amount of \$200,704.34, plus interest at the rate provided in the Notes and attorneys' fees and costs at the above term and number on June 24, 2008. You will find enclosed copies of all documentation filed in this Office in support of the Confession of Judgment. If you believe you were incorrectly identified and are not responsible for payment of the obligation, which formed the basis for this judgment, you should contact an attorney immediately. It may necessary for you to file a Petition to Strike the Judgment, present it to a Judge and request a prompt hearing. The petition can be in the form set forth at Rule 2967 of the Pennsylvania Rules of Civil Procedure. If the Court finds that you were in fact incorrectly identified, you may be entitled to recover your court costs and reasonable attorney's fees. A copy of Rules 2959 and 440 of the Pennsylvania Rules of Civil Procedure is attached for your reference. If you have any questions, please contact Mark G. Claypool, Esquire, 120 West Tenth Street, Erie, Pennsylvania 16501; telephone (814) 459-2800.

CLERK OF RECORDS
PROTHONOTARY DIVISION

BY: Willie L. Thompson

Prothonotary

PENNSYLVANIA RULES OF CIVIL PROCEDURE

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
- (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.

(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.

(d)(1) A copy may be served by facsimile transmission if the parties agree thereto or if a telephone number for facsimile transmission is included on an appearance or prior legal paper filed with the court.

(2) The copy served shall begin with a facsimile cover sheet containing (I) the name, firm, address, telephone number, of both the party making service and the party served, (ii) the facsimile telephone number of the party making service and the facsimile telephone number to which the copy was transmitted, (iii) the title of the legal paper served and (iv) the number of pages transmitted.

(3) Service is complete when transmission is confirmed as complete.

PENNSYLVANIA RULES OF CIVIL PROCEDURE

Rule 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.

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

COPY

Northwest Savings Bank, as
successor by merger to CSB Bank
Plaintiff(s)

No.: 2008-01159-CD

Real Debt: \$200,704.34

Atty's Comm: \$

Vs.

Costs: \$

Bighorn IV, Inc.
Defendant(s)

Entry: \$20.00

Instrument: Confession of Judgment

Date of Entry: June 24, 2008

Expires: June 24, 2013

Certified from the record this 24th day of June, 2008.



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