COUNTY OF YORK

ORDINANCE 1998-01

APPROVING A PROJECT UNDERTAKEN BY THE YORK COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY (THE "AUTHORITY") PURSUANT TO WHICH THE AUTHORITY SHALL ISSUE: (i) UP TO $1,850,000 COUNTY GUARANTEED ECONOMIC DEVELOPMENT REVENUE BONDS (INDUSTRIAL PLAZA OF YORK PROJECT), SERIES 1998A (TAXABLE); AND (ii) UP TO $6,625,000 COUNTY GUARANTEED ECONOMIC DEVELOPMENT REVENUE BONDS (CITY OF YORK INDUSTRIAL DEVELOPMENT CORPORATION PROJECT) SERIES 1998B (TAXABLE), FOR THE PURPOSE OF FINANCING CERTAIN PROJECTS TO BE UNDERTAKEN BY THE YORK COUNTY INDUSTRIAL DEVELOPMENT CORPORATION, INCLUDING THE REFUNDING OF CERTAIN OF ITS PRIOR DEBT; APPROVING CERTAIN TERMS OF THE 1998 BONDS; AUTHORIZING AND APPROVING A SERVICE AGREEMENT BETWEEN THE COUNTY AND THE CORPORATION; AUTHORIZING A COUNTY GUARANTY OF THE 1998 BONDS; AUTHORIZING THE PREPARATION OF A DEBT STATEMENT AND BORROWING BASE CERTIFICATE AND THE FILING OF A TRANSCRIPT OF PROCEEDINGS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; AND AUTHORIZING OTHER NECESSARY OR APPROPRIATE ACTION.

Recitals

WHEREAS, the York County Industrial Development Authority (the "Authority"), a public body and a body corporate and politic exercising public powers of the Commonwealth of Pennsylvania (the "Commonwealth") as an agency thereof, is organized under the Economic Development Financing Law, as amended (the "Act"), and is empowered under the Act to finance the acquisition, construction, rehabilitation, and expansion of industrial and commercial facilities within the County of York; and

WHEREAS, the York County Industrial Development Corporation (the "Corporation") was incorporated by the Commissioners of York County, Pennsylvania (the "County"), and authorized, to acquire, hold, construct, improve, maintain, operate, own and lease as lessee or lessor, facilities to be used for commercial or industrial purposes; and

WHEREAS, the Redevelopment Authority of the City of York (the "RDA"), a public body and a body corporate and politic exercising public powers of the Commonwealth as an agency thereof, is organized under the Pennsylvania Urban Redevelopment Law (P.L. 991, approved May 24, 1945, as amended (the "RDA Act"), and is empowered thereunder to eliminate blighted areas located in the City of York, Pennsylvania (the "City") through economically and socially sound redevelopment of such areas and otherwise to provide adequate places of employment for residents of the City; and

WHEREAS, the Corporation has acquired a tract of land within the Industrial Plaza of York TIF District (hereinafter defined TIF Ordinance) (such district hereinafter referred to as the "Industrial Plaza Project Site") located in the City; and

WHEREAS, on July 12, 1993, the Planning Commission of the City of York (the "Planning Commission") certified the area upon which the Industrial Plaza Project Site is located as a "redevelopment area" because of the existence of the conditions enumerated in Section 2 of the RDA Act so as to require redevelopment under the RDA Act or under the Tax Increment Financing Act (P.L. 465, approved, July 11, 1990, 53 PS § 6930.1 et seq., as amended) (the "TIF Act"); and

WHEREAS, the Corporation has redeveloped the Industrial Plaza Project Site by the construction of improvements and renovations thereto for the purpose of developing a multiple user commercial and industrial complex, as defined in the "project plan" adopted by the City Council of the City in Ordinance No. 22 (the "TIF Ordinance") (the "Industrial Plaza Project"); and

WHEREAS, the City Council of the City adopted the TIF Ordinance on September 7, 1993 by which it created a "tax increment district" including the Industrial Plaza Project Site and adopted the Industrial Plaza of York Project as a "project plan", all in accordance with the requirements of the TIF Act; and

WHEREAS, the City, the County, the School District of the City of York (the "School District"), the Corporation, the RDA and the Authority have entered into a TIF Agreement, dated September 15, 1993 (the "TIF Agreement") under which the incremental tax revenue resulting from the increase in property values as a result of the Industrial Plaza of York Project (the "TIF Revenues") will be applied to pay the costs of the Industrial Plaza of York Project or to pay debt service costs of any financing incurred to pay such costs; and

WHEREAS, in order to finance the costs of the Industrial Plaza of York Project, the RDA issued its County Guaranteed Economic Development Bonds (Taxable),

Series 1993 (Industrial Plaza of York Project) (the "1993 Bonds") which were secured in part by a pledge of the TIF Revenues; and

WHEREAS, the Corporation has also developed a project (the "Cytec Project") consisting of the construction of a 40,000 square foot building which has been leased to light manufacturing and commercial entities; and

WHEREAS, in order to finance, among other things, the costs of the Cytec Project, the Authority issued its County Guaranteed Economic Development Bonds (Taxable), Series 1995 (York County Industrial Development corporation Project) (the "1995 Bonds"); and

WHEREAS, the Authority has determined to issue its County Guaranteed Economic Development Revenue Bonds (Taxable), Series 1998A (Industrial Plaza of York Project) (the "1998A Bonds") in order to provide part of the funds needed to refund the 1993 Bonds, and to pay the costs of issuing the 1998A Bonds; and

WHEREAS, the Authority has also determined to issue its County Guaranteed Economic Development Revenue Bonds (Taxable), Series 1998B (York County Industrial Development Corporation Project) (the "1998B Bonds") in order to, among other things, refund the 1995 Bonds, to pay the costs of some additional improvements to the Industrial Plaza of York Project and the Cytec Project, and to pay the costs of issuing the 1998B Bonds; and

WHEREAS, the 1998A Bonds and the 1998B Bonds (collectively, the "1998 Bonds" or "Bonds") are being issued under and secured by a Trust Indenture, dated as of April 1, 1998 (the "Indenture"), between the Authority and the Trustee; and

WHEREAS, pursuant to the Act, the Authority and the Secretary of the Department of Commerce of the Commonwealth of Pennsylvania have approved the Industrial Plaza of York Project and the Cytec Project; and

WHEREAS, the Corporation has entered into and expects to enter into certain leases with tenants for portions of the Industrial Plaza of York Project and the Cytec Project, subject to the terms and conditions set forth therein pursuant to which rental payments and other payments will be made to the Corporation; and

WHEREAS, the proceeds of the 1998A Bonds will be loaned by the Authority to the Corporation to provide financing for the Industrial Plaza of York Project (the "IPY Loan"), and the proceeds of the 1998B Bonds will be loaned by the Authority to the Corporation to provide financing for the Cytec Project (the "Cytec Loan"), both such loans to be made pursuant to a Loan Agreement dated as of April 1, 1998 (the "Loan Agreement") between the Authority and the Corporation; and

WHEREAS, the Corporation's obligations under the Loan Agreement are secured by a pledge of the Pledged Project Revenues (as defined in the Indenture) received by the Corporation, provided however that such pledge is junior and subordinate to the pledge of those amounts as security for the Corporation's Priority Secured Obligations (as defined in the Indenture); and

WHEREAS, pursuant to the Indenture, the Authority will pledge and assign to the Trustee as security for the 1998 Bonds substantial all its right, title and interest in the Loan Agreement, the TIF Revenues and all amounts held in the accounts and funds under the Indenture; provided, however, that the TIF Revenues shall secure only the 1998A Bonds and may not be used to make payments on the 1998B Bonds (as more particularly provided in the Indenture, the "Trust Estate"); and

WHEREAS, the County of York has agreed to guarantee the payment of principal and interest of the 1998 Bonds in accordance with a guaranty agreement (the "County Guaranty") between the County and the Trustee, to be dated as of April 1, 1998, and substantially in the form attached hereto as Exhibit "A", with only such changes as may be recommended by Counsel. The debt being guaranteed pursuant to the County Guaranty is expected to be Lease Rental Debt in accordance with the Debt Act; and

WHEREAS, the Corporation will agree to reimburse the County for any payments made pursuant to the County Guaranty in accordance with the Agreement between the Corporation and the County (the "Service Agreement"), to be dated as of April 1, 1998, substantially in the form attached hereto as Exhibit "B", with only such changes as may be recommended by counsel; and

WHEREAS, the County is authorized to subsidize and assist the above-described project being undertaken by the Corporation (the "1998 Project") and guaranty the 1998 Bonds pursuant to the Debt Act.

The County desires to approve the financing of the 1998 Project, to guaranty payment of the 1998 Bonds, to authorize the execution of the County Guaranty and the Service Agreement and to authorize other necessary action.

NOW, THEREFORE, BE IT ORDAINED by the County Board of Commissioners of the County of York as follows:

1. The County hereby approves the financing of the 1998 Project, and the issuance by the Authority of the 1998A Bonds in a maximum aggregate principal amount of up to $1,850,000, and of the 1998B Bonds in a maximum aggregated principal amount of $6,625,000. The County hereby finds in reliance on information furnished to it by the Corporation, that the realistic estimated useful life of the 1998 Project is thirty-five (35) years.

2. The County shall incur Lease Rental Debt as defined by the Act in a maximum amount of up to $8,475,000, to be evidenced by the County Guaranty.

3. The County hereby approves the issuance by the Authority of the 1998 Bonds. The 1998 Bonds shall be issued by the Authority in the maximum principal amount not to exceed $8,475,000, shall bear interest at an average annual rate not to exceed 7-5/8% and shall mature not later than 30 years after their issuance. The actual principal amount, interest rates and maturity dates shall be determined by the Authority pursuant to a bond purchase agreement to be entered into among the Authority, First Union Capital Markets, and the Corporation, subject to the above limitations; provided, however, that in no event shall the semiannual payments of principal and interest on the 1998 Bonds guaranteed by the County exceed the amounts set forth in Exhibit "C". The County hereby finds and determines that it is in the best financial interests of the County, the Authority and the Corporation to sell the 1998 Bonds to First Union Capital Markets by negotiation.

4. The County hereby unconditionally guarantees the prompt and full payment of the principal and interest on the 1998 Bonds and in furtherance thereof covenants and agrees with the Authority and the Trustee and the holders from time to time of the 1998 Bonds outstanding that if the Authority shall fail to pay the full amount of the principal of and interest on such 1998 Bonds when due at the times and place, under the conditions, and in the manner prescribed in the 1998 Bonds and in the Indenture (including Section 8121 of the Indenture which requires that the Trustee have on deposit the entire amount of each debt service payment 30 days prior to each debt service payment date), the County shall: (1) include the full amount of such principal and interest due for each fiscal year in which such sums are due, in its budget for that year, (2) appropriate such amounts from its general or other available revenues (including the proceeds of bonds or notes issued to fund such amounts), and (3) duly and punctually pay or cause to be paid from any of its revenues or funds (including the proceeds of bonds or notes issued to fund such amounts) the principal and interest on the 1998 Bonds on the dates and in the manner provided for in the 1998 Bonds and in the Indenture (including Section 8121 as described above), and according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the County hereby pledges its full faith, credit and taxing power. The Lease Rental Debt incurred with respect to the 1998 Bonds shall be evidenced by the County Guaranty.

5. The County hereby approves and authorizes the form of the Service Agreement and the County Guaranty (with such additions, deletions and modifications as shall be recommended by Counsel) which shall be executed on behalf of the County by any one of the County Commissioners and attested by the Chief Clerk, or in their absence, the Vice Chairman.

6. Any one of the County Commissioners and the Chief Clerk of the County Commissioners are hereby authorized and directed to prepare and verify with the Department of Community and Economic Development such statements as may be necessary under the Debt Act to qualify all or any portion of the lease rental debt evidenced by the

County Guaranty for exclusion from the debt limits of the Debt Act, as self-liquidating debt or subsidized debt.

7. Any one of the County Commissioners and the Chief Clerk of the County are hereby authorized to prepare and verify the Debt Statement required by Section 8110 of the Debt Act and verify a Borrowing Base Certificate pursuant to the Debt Act. Said officers, or any of them, are further authorized to apply to the Department of Community and Economic Development for approval of the Lease Rental Debt herein authorized, to pay the required filing fee and to file with such application a transcript of the proceedings, including a certified copy of this Ordinance, the Debt Statement and the Borrowing Base Certificate. The proper officers of the County are hereby authorized to take any and all further action and to execute and deliver such other documents as may be necessary or proper to comply with all requirements of the Debt Act or to carry out the intent and purpose of this Ordinance.

8. The form of Appendix A to the Preliminary Official Statement presented at this meeting is hereby approved, and deemed to be "final" within the meaning of Rule 15(c)(2)-12 promulgated by the United States Securities and Exchange Commission, with such changes as counsel to the County may advise. The County hereby approves and authorizes the public distribution of the Preliminary Official Statement and authorizes the distribution of a Final Official Statement in connection with the offer and sale of the 1998 Bonds.

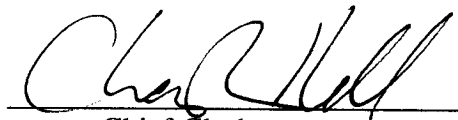
9. The County hereby authorizes and directs the appropriate officers to execute and deliver a Continuing Disclosure Agreement in substantially the form presented at this meeting, subject to such changes as the executing officer may approve, such approval to be conclusively evidenced by his or her execution thereof. The County further covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Ordinance, failure of the County to comply with the Continuing Disclosure Agreement shall not be considered an event of default hereunder; however, the Trustee, First Union Capital Markets, or any Bondholder may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the County to comply with its obligations contained in the Continuing Disclosure Agreement.

10. Effective Date. This Ordinance shall take effect immediately.

COUNTY OF YORK, PENNSYLVANIA

CERTIFICATE OF COUNTY COMMISSIONERS

I hereby certify that the foregoing is a true and correct copy of an Ordinance duly enacted by a majority vote of the County Commissioners of the County of York, at a special meeting of said Board held on March 25, 1998; that public notice of said meeting was given in the manner required by law; that said Ordinance has been duly recorded upon the minutes of said Board; and that said Ordinance has not been amended, modified, repealed, rescinded or suspended, and is in full force and effect on this date.



(SEAL)

Chief Clerk

EXHIBIT A

Guaranty Agreement

COUNTY GUARANTY

Dated as of April 1, 1998

Between

THE COUNTY OF YORK,

as Guarantor

and

DAUPHIN DEPOSIT BANK AND TRUST COMPANY,

as Trustee

GUARANTY

THIS GUARANTY (the "County Guaranty") made as of April 1, 1998, by and between THE COUNTY OF YORK, PENNSYLVANIA (the "County"), and DAUPHIN DEPOSIT BANK AND TRUST COMPANY, organized and existing under the laws of the Commonwealth of Pennsylvania, acting as trustee pursuant to a Trust Indenture (the " Trust Indenture") between the Dauphin Deposit Bank and Trust Company (the "Trustee") and The York County Industrial Development Authority dated as of April 1, 1998.

BACKGROUND

WHEREAS, the York County Industrial Development Authority (the "Authority"), a public body and a body corporate and politic exercising public powers of the Commonwealth of Pennsylvania (the "Commonwealth") as an agency thereof, is organized under the Economic Development Financing Law, as amended (the "Act"), and is empowered under the Act to finance the acquisition, construction, rehabilitation, and expansion of industrial and commercial facilities within the County of York; and

WHEREAS, the York County Industrial Development Corporation (the "Corporation") was incorporated by the Commissioners of York County, Pennsylvania (the "County"), and authorized, to acquire, hold, construct, improve, maintain, operate, own and lease as lessee or lessor, facilities to be used for commercial or industrial purposes; and

WHEREAS, the Redevelopment Authority of the City of York (the "RDA"), a public body and a body corporate and politic exercising public powers of the Commonwealth as an agency thereof, is organized under the Pennsylvania Urban Redevelopment Law (P.L. 991, approved May 24, 1945, as amended (the "RDA Act"), and is empowered thereunder to eliminate blighted areas located in the City of York, Pennsylvania (the "City") through economically and socially sound redevelopment of such areas and otherwise to provide adequate places of employment for residents of the City; and

WHEREAS, the Corporation has acquired a tract of land within the Industrial Plaza of York TIF District (hereinafter defined TIF Ordinance) (such district hereinafter referred to as the "Industrial Plaza Project Site") located in the City; and

WHEREAS, on July 12, 1993, the Planning Commission of the City of York (the "Planning Commission") certified the area upon which the Industrial Plaza Project Site is located as a "redevelopment area" because of the existence of the conditions enumerated in Section 2 of the RDA Act so as to require redevelopment under the RDA Act or under the Tax Increment Financing Act (P.L. 465, approved, July 11, 1990, 53 PS § 6930.1 et seq., as amended) (the "TIF Act"); and

WHEREAS, the Corporation has redeveloped the Industrial Plaza Project Site by the construction of improvements and renovations thereto for the purpose of developing a multiple user commercial and industrial complex, as defined in the "project plan" adopted by the City Council of the City in Ordinance No. 22 (the "TIF Ordinance") (the "Industrial Plaza Project"); and

WHEREAS, the City Council of the City adopted the TIF Ordinance on September 7, 1993 by which it created a "tax increment district" including the Industrial Plaza Project Site and adopted the Industrial Plaza of York Project as a "project plan", all in accordance with the requirements of the TIF Act; and

WHEREAS, the City, the County, the School District of the City of York (the "School District"), the Corporation, the RDA and the Authority have entered into a TIF Agreement, dated September 15, 1993 (the "TIF Agreement") under which the incremental tax revenue resulting from the increase in property values as a result of the Industrial Plaza of York Project (the "TIF Revenues") will be applied to pay the costs of the Industrial Plaza of York Project or to pay debt service costs of any financing incurred to pay such costs; and

WHEREAS, in order to finance the costs of the Industrial Plaza of York Project, the RDA issued its County Guaranteed Economic Development Bonds (Taxable), Series 1993 (Industrial Plaza of York Project) (the "1993 Bonds") which were secured in part by a pledge of the TIF Revenues; and

WHEREAS, the Corporation has also developed a project (the "Cytec Project") consisting of the construction of a 40,000 square foot building which has been leased to light manufacturing and commercial entities; and

WHEREAS, in order to finance the costs of the Cytec Project, the Authority issued its County Guaranteed Economic Development Bonds (Taxable), Series 1995 (York County Industrial Development Corporation Project) (the "1995 Bonds"); and

WHEREAS, the Authority has determined to issue its County Guaranteed Economic Development Revenue Bonds (Taxable), Series 1998A (Industrial Plaza of York Project) in the aggregate principal amount of $1,820,000 (the "1998A Bonds") in order to provide part of the funds needed to refund the 1993 Bonds, and to pay the costs of issuing the 1998A Bonds; and

WHEREAS, the Authority has also determined to issue its County Guaranteed Economic Development Revenue Bonds (Taxable), Series 1998B (York County Industrial Development Corporation Project) in the aggregate principal amount of $6,560,000 (the "1998B Bonds") in order to, among other things, refund the 1995 Bonds, to pay the costs of

some additional improvements to the Industrial Plaza of York Project and the Cytec Project, and to pay the costs of issuing the 1998B Bonds; and

WHEREAS, the 1998A Bonds and the 1998B Bonds (collectively, the "1998 Bonds" or "Bonds") are being issued under and secured by a Trust Indenture, dated as of April 1, 1998 (the "Indenture"), between the Authority and the Trustee; and

WHEREAS, pursuant to the Act, the Authority and the Secretary of the Department of Commerce of the Commonwealth of Pennsylvania have approved the Industrial Plaza of York Project and the Cytec Project; and

WHEREAS, the Corporation has entered into and expects to enter into certain leases with tenants for portions of the Industrial Plaza of York Project and the Cytec Project, subject to the terms and conditions set forth therein pursuant to which rental payments and other payments will be made to the Corporation; and

WHEREAS, the proceeds of the 1998A Bonds will be loaned by the Authority to the Corporation to provide financing for the Industrial Plaza of York Project (the "IPY Loan"), and the proceeds of the 1998B Bonds will be loaned by the Authority to the Corporation to provide financing for the Cytec Project (the "Cytec Loan"), both such loans to be made pursuant to a Loan Agreement dated as of April 1, 1998 (the "Loan Agreement") between the Authority and the Corporation; and

WHEREAS, the Corporation's obligations under the Loan Agreement are secured by a pledge of the Pledged Project Revenues (as defined in the Indenture) received by the Corporation, provided however that such pledge is junior and subordinate to the pledge of those amounts as security for the Corporation's Priority Secured Obligations (as defined in the Indenture); and

WHEREAS, pursuant to the Indenture, the Authority will pledge and assign to the Trustee as security for the 1998 Bonds substantially all its right, title and interest in the Loan Agreement, the TIF Revenues and all amounts held in the accounts and funds under the Indenture; provided, however, that the TIF Revenues shall secure only the 1998A Bonds and may not be used to make payments on the 1998B Bonds (as more particularly provided in the Indenture, the "Trust Estate"); and

WHEREAS, the County has determined to unconditionally guarantee the payment of principal and interest on the 1998 Bonds pursuant to this County Guaranty; and

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Indenture; and

NOW, THEREFORE, the County and the Trustee, in consideration of the premises and the issuance and delivery of the 1998 Bonds and intending to be legally bound, do hereby agree as follows:

Section 1. The County does hereby unconditionally guarantee to the Trustee for the benefit of the holders from time to time all of the 1998 Bonds issued and outstanding under the Indenture, (a) the full and prompt payment of the principal or redemption price of every 1998 Bond when and as the same shall become due, whether at the stated maturity thereof, by acceleration or call for redemption or otherwise and (b) the full and prompt payment of the interest on every 1998 Bond when and as the same shall become due and, upon demand by the Trustee, agrees to immediately pay the Debt Service Requirements to the Trustee in accordance with the provision of Section 501 of the Trust Indenture.

The County agrees to pay all costs , expenses and fees (including court costs and attorney's reasonable fees) paid or incurred by the Authority and the Trustee in realizing upon any of the payments hereby guaranteed or, to the extent permitted by law, in enforcing or attempting to enforce the Loan Agreement, Trust Indenture or this County Guaranty, whether the same be enforced by suit or otherwise; provided, however, that the above obligation shall be payable only in the event that the County is finally determined to be in default under the County Guaranty..

Section 2. The County hereby covenants to the Trustee, and with the holders from time to time of the 1998 Bonds, that it shall include the foregoing amounts payable in respect of this County Guaranty for each fiscal year in which such sums are payable in its budget for that year, shall appropriate such amounts to the payment of its obligations hereunder, shall duly and punctually pay or cause to be paid such amounts at the date and place and in the manner stated herein according to the true content and meaning hereof and for such budgeting, appropriation and payments, the County hereby pledges its full faith, credit and taxing power, which presently includes ad valorem taxes on all taxable property in the County without limitation as to rate or amount. The County further agrees that the covenant contained in this Section 2 may be specifically enforced against it by any owner of the 1998 Bonds or by the Trustee on behalf of such owners all as provided in the Local Government Unit Debt Act.

Section 3. (a) The Trustee shall give the County immediate telephonic notice of (i) the occurrence of any default under the Indenture or the Loan Agreement; (ii) any deficiency in the Debt Service and Sinking Fund created under the Indenture (which must be fully funded on or prior to the first day of the month immediately preceding each Interest Payment Date); or (iii) any Event of Default of which the Trustee has knowledge. The term "default" for the purpose of this provision includes both Events of Default and events which but for notice or lapse of time would constitute an Event of Default. Said telephonic notice shall be confirmed within twenty-four hours in writing delivered by certified mail or such other method of delivery as in the judgment of the Trustee is of equal or greater effectiveness. The Trustee

shall communicate any additional information the County requests and otherwise cooperate with the County so as to facilitate the County's performance of its obligations under this County Guaranty.

(b) Any and all payments made by the County hereunder shall be paid directly to the Trustee and deposited in the Revenue Fund.

(c) The County's obligation to make payments hereunder shall continue and remain in full force and effect irrespective of whether or not the County has made one or more payments pursuant to the terms hereof.

Section 4. So long as any 1998 Bonds remain outstanding, the payments by the County hereunder shall be made in accordance with the provisions hereof irrespective of whether or not, for any reason whatsoever, there shall be any delay in the construction of any Project, and irrespective of whether or not any Project shall be completed or any part of any Project shall have been wholly or partly destroyed, and irrespective of the interference with such use by any Person or any eviction by paramount title, and irrespective of whether there has been any breach by the Authority of its obligations under the Indenture or any breach by the Corporation of its obligations under the Loan Agreement, or of any disagreement between the County and the Authority as to the accuracy of any insufficiency notice, it being the intention of the parties hereto that so long as any 1998 Bonds shall remain Outstanding there shall be no termination or abatement of the obligation of the County to make payments as aforesaid for any cause whatsoever, whether similar or dissimilar to any of the foregoing, any present or future law to the contrary notwithstanding.

Section 5. The County agrees that its obligations hereunder shall be absolute and shall not be subject to any defense or any right of set-off, counterclaim or recoupment arising out of any breach by the Authority or the Corporation of any obligation to the County, whether hereunder or otherwise.

Section 6. This County Guaranty shall remain in full force and effect until the date all 1998 Bonds have been paid in full or otherwise satisfied by virtue of the defeasance provisions contained in Section 1201 of the Indenture.

Section 7. Subsequent to the issuance of the 1998 Bonds, this County Guaranty may not be amended, changed, modified, altered or terminated in any manner without the prior written consent of the Trustee or without satisfying the requirements of the Indenture.

Section 8. This County Guaranty is being entered into solely for the benefit of the Authority, the Corporation, the owners of the 1998 Bonds, the Trustee on behalf of such owners, and each of their respective successors and assigns, and nothing in this County Guaranty expressed or implied is intended or shall be construed to give to any other person any legal or

equitable right, remedy or claim under or in respect of this County Guaranty or any covenants, conditions or provisions contained herein.

Section 9. This County Guaranty may be executed in any number of counterparts and by different parties hereto on separate counterparts, all of which taken together shall be regarded for all purposes as one original and shall but such counterparts shall together constitute and be but one and the same Agreement.

Section 10. This County Guaranty is entered into pursuant to the Debt Act and is intended to confer upon the owners of the 1998 Bonds the rights provided therein for holders of obligations guaranteed pursuant to Section 105(c) of the Debt Act. In addition to any other rights and remedies available for the enforcement hereof, this County Guaranty may be enforced in accordance with the rights and remedies contained in Article XII of the Debt Act.

Section 11. If any clause, provision or section of this County Guaranty be held illegal or invalid by any court, the invalidity of such clause, provision or section shall not affect any of the remaining clauses, provisions or sections hereof, and this County Guaranty shall be construed and enforced as if such illegal or invalid clause, provision of section had not been contained herein.

Section 12. The laws of the Commonwealth of Pennsylvania shall govern the construction of this County Guaranty, without reference to the choice of law principles thereof.

IN WITNESS WHEREOF, the County and the Trustee have caused this County Guaranty to be duly executed as of the day and year first above written.

Attest:

By:_____
Chief Clerk

COUNTY OF YORK

By:_____
Chairman

Attest:

By:_____
Authorized Signatory

DAUPHIN DEPOSIT BANK AND TRUST COMPANY, as Trustee

By:_____
Authorized Signatory

EXHIBIT B

Service Agreement

YORK COUNTY, PENNSYLVANIA

SERVICE AGREEMENT

This Service Agreement (the "Service Agreement") made as of April 1, 1998, by and between the County of York, Pennsylvania (the "County") and York County Industrial Development Corporation (the "Corporation"), a non-profit Pennsylvania corporation.

WITNESSETH:

WHEREAS, the York County Industrial Development Authority (the "Authority"), a public body and a body corporate and politic exercising public powers of the Commonwealth of Pennsylvania (the "Commonwealth") as an agency thereof, is organized under the Economic Development Financing Law, as amended (the "Act"), and is empowered under the Act to finance the acquisition, construction, rehabilitation, and expansion of industrial and commercial facilities within the County of York; and

WHEREAS, the York County Industrial Development Corporation (the "Corporation") was incorporated by the Commissioners of York County, Pennsylvania (the "County"), and authorized, to acquire, hold, construct, improve, maintain, operate, own and lease, as lessee or lessor, facilities to be used for commercial or industrial purposes; and

WHEREAS, the Redevelopment Authority of the City of York (the "RDA"), a public body and a body corporate and politic exercising public powers of the Commonwealth as an agency thereof, is organized under the Pennsylvania Urban Redevelopment Law (P.L. 991, approved May 24, 1945, as amended (the "RDA Act"), and is empowered thereunder to eliminate blighted areas located in the City of York, Pennsylvania (the "City") through economically and socially sound redevelopment of such areas and otherwise to provide adequate places of employment for residents of the City; and

WHEREAS, the Corporation has acquired a tract of land within the Industrial Plaza of York TIF District (hereinafter defined TIF Ordinance) (such district hereinafter referred to as the "Industrial Plaza Project Site") located in the City; and

WHEREAS, on July 12, 1993, the Planning Commission of the City of York (the "Planning Commission") certified the area upon which the Industrial Plaza Project Site is located as a "redevelopment area" because of the existence of the conditions enumerated in Section 2 of the RDA Act so as to require redevelopment under the RDA Act or under the Tax Increment Financing Act (P.L. 465, approved, July 11, 1990, 53 PS § 6930.1 et seq., as amended) (the "TIF Act"); and

WHEREAS, the Corporation has redeveloped the Industrial Plaza Project Site by the construction of improvements and renovations thereto for the purpose of developing a multiple user commercial and industrial complex, as defined in the "project plan" adopted by

the City Council of the City in Ordinance No. 22 (the "TIF Ordinance") (the "Industrial Plaza Project"); and

WHEREAS, the City Council of the City adopted the TIF Ordinance on September 7, 1993 by which it created a "tax increment district" including the Industrial Plaza Project Site and adopted the Industrial Plaza of York Project as a "project plan", all in accordance with the requirements of the TIF Act; and

WHEREAS, the City, the County, the School District of the City of York (the "School District"), the Corporation, the RDA and the Authority have entered into a TIF Agreement, dated September 15, 1993 (the "TIF Agreement") under which the incremental tax revenue resulting from the increase in property values as a result of the Industrial Plaza of York Project (the "TIF Revenues") will be applied to pay the costs of the Industrial Plaza of York Project or to pay debt service costs of any financing incurred to pay such costs; and

WHEREAS, in order to finance the costs of the Industrial Plaza of York Project, the RDA issued its County Guaranteed Economic Development Bonds (Taxable), Series 1993 (Industrial Plaza of York Project) (the "1993 Bonds") which were secured in part by a pledge of the TIF Revenues; and

WHEREAS, the Corporation has also developed a project (the "Cytec Project") consisting of the construction of a 40,000 square foot building which has been leased to light manufacturing and commercial entities; and

WHEREAS, in order to finance, among other things, the costs of the Cytec Project, the Authority issued its County Guaranteed Economic Development Bonds (Taxable), Series 1995 (York County Industrial Development corporation Project) (the "1995 Bonds"); and

WHEREAS, the Authority has determined to issue its County Guaranteed Economic Development Revenue Bonds (Taxable), Series 1998A (Industrial Plaza of York Project) in the aggregate principal amount of $1,820,000 (the "1998A Bonds") in order to provide part of the funds needed to refund the 1993 Bonds, and to pay the costs of issuing the 1998A Bonds; and

WHEREAS, the Authority has also determined to issue its County Guaranteed Economic Development Revenue Bonds (Taxable), Series 1998B (York County Industrial Development Corporation Project) in the aggregate principal amount of $6,560,000 (the "1998B Bonds") in order to, among other things, refund the 1995 Bonds, to pay the costs of some additional improvements to the Industrial Plaza of York Project or the Cytec Project, and to pay the costs of issuing the 1998B Bonds; and

WHEREAS, the 1998A Bonds and the 1998B Bonds (collectively, the "1998 Bonds" or "Bonds") are being issued under and secured by a Trust Indenture, dated as of April 1, 1998 (the "Indenture"), between the Authority and the Trustee; and

WHEREAS, pursuant to the Act, the Authority and the Secretary of the Department of Commerce of the Commonwealth of Pennsylvania have approved the Industrial Plaza of York Project and the Cytec Project; and

WHEREAS, the Corporation has entered into and expects to enter into certain leases with tenants for portions of the Industrial Plaza of York Project and the Cytec Project, subject to the terms and conditions set forth therein pursuant to which rental payments and other payments will be made to the Corporation; and

WHEREAS, the proceeds of the 1998A Bonds will be loaned by the Authority to the Corporation to provide financing for the Industrial Plaza of York Project (the "IPY Loan"), and the proceeds of the 1998B Bonds will be loaned by the Authority to the Corporation to provide financing for the Cytec Project (the "Cytec Loan"), both such loans to be made pursuant to a Loan Agreement dated as of April 1, 1998 (the "Loan Agreement") between the Authority and the Corporation; and

WHEREAS, the Corporation's obligations under the Loan Agreement are secured by a pledge of the Pledged Project Revenues (as defined in the Indenture) received by the Corporation, provided however that such pledge is junior and subordinate to the pledge of those amounts as security for the Corporation's Priority Secured Obligations (as defined in the Indenture); and

WHEREAS, pursuant to the Indenture, the Authority will pledge and assign to the Trustee as security for the 1998 Bonds substantial all its right, title and interest in the Loan Agreement, the TIF Revenues and all amounts held in the accounts and funds under the Indenture; provided, however, that the TIF Revenues shall secure only the 1998A Bonds and may not be used to make payments on the 1998B Bonds (as more particularly provided in the Indenture, the "Trust Estate"); and

WHEREAS, the County has determined to unconditionally guarantee the payment of principal and interest on the 1998 Bonds pursuant to the County Guaranty; and

WHEREAS, the County has authorized the guarantee of the payment of principal, redemption price and interest on the 1998 Bonds when due by enacting an Ordinance on March 18, 1998 and has executed and delivered a Guaranty dated as of April 1, 1998 (the "Guaranty"); and

WHEREAS, said Guaranty was executed an delivered in order to induce potential investors to purchase the 1998 Bonds at the interest rates specified in the 1998 Bonds and thereby to achieve interest cost and other savings to the Authority and the Corporation which will result in a reduction in the cost of the 1998 Project; and

WHEREAS, the Corporation desires to repay to the County money that may be advanced by the County pursuant to the Guaranty; and

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Indenture.

NOW THEREFORE, York County Industrial Development Corporation and the County of York in consideration of the premises and the issuance and delivery of the Bonds and intending to be legally bound, do hereby agree as follows:

1. The Corporation hereby covenants to the County that in the event the County shall make any payments of principal, redemption price or interest on the 1998 Bonds or any other payments pursuant to the Guaranty, the Corporation hereby agrees to reimburse the County for any and all such payments, provided however that all such reimbursement payments shall be made subject to the Corporation's limitation of liability set forth in Section 4.4 of the Loan Agreement from Pledged Project Revenues.

2. In the event that the County shall make any payments pursuant to its Guaranty, the Corporation agrees to permit the County to make such review of its books and records as the County may deem appropriate under the circumstances, and further agrees to provide the County, upon request, with a monthly financial and operations report in sufficient detail to permit the County to ascertain whether or not any moneys may be available for repayment of amounts advanced by the County.

3. Payments made by the Corporation pursuant to this Agreement shall be made pursuant to a reimbursement schedule agreed to by the County, the Corporation and the Authority.

4. The Corporation agrees that, to the extent the County is required to make any payments on account of the Guaranty, the Corporation shall give to the County a security interest in and to any Pledged Project Revenues as may be available and are not otherwise pledged as security for any other obligation.

5. The Corporation shall name the County as an additional insured on all insurance policies or certificates as evidence thereof.

IN WITNESS WHEREOF, York County Industrial Development Corporation and the County has caused this Service Agreement to be duly executed as of the day and year first above written.

Attest:

COUNTY OF YORK

By:

(SEAL)

Attest:

YORK COUNTY INDUSTRIAL DEVELOPMENT CORPORATION

By:

Secretary

Chairman

(SEAL)

EXHIBIT C

Maximum Semi-annual Payments

FIRST UNION CAPITAL MARKETS

8,475,000

York County Industrial Development Authority

Series of 1998, Taxable Refunding Bonds - Hypothetical Issue

Debt Service Report - Series A and B

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10
Payment Date	Principal	Coupon	Price	Interest Expense	Period Debt Svc	Series 1998 Fiscal Year Debt Svc	Series 1995 Period Debt Service	Fiscal Year Debt Service Savings	Present Value Fiscal Year Debt Svc Svgs 7.00%
4 / 14 / 1998									
10 / 1 / 1998				310,287.50	310,287.50	310,287.50	229,438.75	(80,848.75)	(78,309.06)
4 / 1 / 1999				310,287.50	310,287.50		152,057.50	-	-
10 / 1 / 1999				310,287.50	310,287.50	620,575.00	232,057.50	(236,460.00)	(218,811.35)
4 / 1 / 2000				310,287.50	310,287.50		149,457.50	-	-
10 / 1 / 2000				310,287.50	310,287.50	620,575.00	234,457.50	(236,660.00)	(204,508.36)
4 / 1 / 2001				310,287.50	310,287.50		146,631.25	-	-
10 / 1 / 2001				310,287.50	310,287.50	620,575.00	236,631.25	(237,312.50)	(191,502.82)
4 / 1 / 2002				310,287.50	310,287.50		143,571.25	-	-
10 / 1 / 2002	125,000	6.850%	100%	310,287.50	435,287.50	745,575.00	238,571.25	(363,432.50)	(271,617.06)
4 / 1 / 2003				306,006.25	306,006.25		140,293.75	-	-
10 / 1 / 2003	225,000	6.850%	100%	306,006.25	531,006.25	837,012.50	240,293.75	(456,425.00)	(317,386.57)
4 / 1 / 2004				298,300.00	298,300.00		136,793.75	-	-
10 / 1 / 2004	275,000	6.850%	100%	298,300.00	573,300.00	871,600.00	246,793.75	(488,012.50)	(316,436.82)
4 / 1 / 2005				288,881.25	288,881.25		132,916.25	-	-
10 / 1 / 2005	280,000	6.850%	100%	288,881.25	568,881.25	857,762.50	252,916.25	(471,930.00)	(285,657.73)
4 / 1 / 2006				279,291.25	279,291.25		128,656.25	-	-
10 / 1 / 2006	300,000	6.850%	100%	279,291.25	579,291.25	858,582.50	253,656.25	(476,270.00)	(268,984.62)
4 / 1 / 2007				269,016.25	269,016.25		124,156.25	-	-
10 / 1 / 2007	320,000	6.850%	100%	269,016.25	589,016.25	858,032.50	259,156.25	(474,720.00)	(250,186.38)
4 / 1 / 2008				258,056.25	258,056.25		119,093.75	-	-
10 / 1 / 2008	335,000	6.850%	100%	258,056.25	593,056.25	851,112.50	264,093.75	(467,925.00)	(230,143.52)
4 / 1 / 2009				246,582.50	246,582.50		113,656.25	-	-
10 / 1 / 2009	355,000	7.200%	100%	246,582.50	601,582.50	848,165.00	268,656.25	(465,852.50)	(213,803.67)
4 / 1 / 2010				233,802.50	233,802.50		107,843.75	-	-
10 / 1 / 2010	380,000	7.200%	100%	233,802.50	613,802.50	847,605.00	277,843.75	(461,917.50)	(197,815.34)
4 / 1 / 2011				220,122.50	220,122.50		101,468.75	-	-
10 / 1 / 2011	405,000	7.200%	100%	220,122.50	625,122.50	845,245.00	281,468.75	(462,307.50)	(184,715.93)
4 / 1 / 2012				205,542.50	205,542.50		94,718.75	-	-
10 / 1 / 2012	430,000	7.200%	100%	205,542.50	635,542.50	841,085.00	289,718.75	(456,647.50)	(170,240.68)
4 / 1 / 2013				190,062.50	190,062.50		87,162.50	-	-
10 / 1 / 2013	460,000	7.500%	100%	190,062.50	650,062.50	840,125.00	297,162.50	(455,800.00)	(158,533.33)
4 / 1 / 2014				172,812.50	172,812.50		79,025.00	-	-
10 / 1 / 2014	495,000	7.500%	100%	172,812.50	667,812.50	840,625.00	299,025.00	(462,575.00)	(150,072.33)
4 / 1 / 2015				154,250.00	154,250.00		70,500.00	-	-
10 / 1 / 2015	525,000	7.500%	100%	154,250.00	679,250.00	833,500.00	310,500.00	(452,500.00)	(136,958.70)
4 / 1 / 2016				134,562.50	134,562.50		61,200.00	-	-
10 / 1 / 2016	565,000	7.500%	100%	134,562.50	699,562.50	834,125.00	321,200.00	(451,725.00)	(127,532.78)
4 / 1 / 2017				113,375.00	113,375.00		50,800.00	-	-
10 / 1 / 2017	605,000	7.500%	100%	113,375.00	718,375.00	831,750.00	330,800.00	(450,150.00)	(118,541.52)
4 / 1 / 2018				90,687.50	90,687.50		39,600.00	-	-
10 / 1 / 2018	645,000	7.500%	100%	90,687.50	735,687.50	826,375.00	344,600.00	(442,175.00)	(108,610.43)
4 / 1 / 2019				66,500.00	66,500.00		27,400.00	-	-
10 / 1 / 2019	305,000	7.600%	100%	66,500.00	371,500.00	438,000.00	357,400.00	(53,200.00)	(12,461.95)
4 / 1 / 2020				54,910.00	54,910.00		14,200.00	-	-
10 / 1 / 2020	325,000	7.600%	100%	54,910.00	379,910.00	434,820.00	369,200.00	(51,420.00)	(11,265.90)
4 / 1 / 2021				42,560.00	42,560.00			-	-
10 / 1 / 2021	350,000	7.600%	100%	42,560.00	392,560.00	435,120.00		(435,120.00)	(401,326.47)
4 / 1 / 2022				29,260.00	29,260.00			-	-
10 / 1 / 2022	370,000	7.600%	100%	29,260.00	399,260.00	428,520.00		(428,520.00)	(428,520.00)
4 / 1 / 2023				15,200.00	15,200.00			-	-
10 / 1 / 2023	400,000	7.600%	100%	15,200.00	415,200.00	430,400.00		(430,400.00)	(430,400.00)
Total	8,475,000			10,132,150.00	18,607,150.00	18,607,150.00	8,656,843.75	-9,950,306.25	-5,484,343.31
Acc Int				22,409.65		22,409.65			
				10,109,740.35					

4 / 1 / 1998 <Dated Date
4 / 14 / 1998 <Delivery Date
Bond Ins = 27,910.73

Avg Cpn = 7.415%
Avg Life = 16.12
Bond Years= 136,647.50

THE COUNTY COMMISSIONERS OF YORK COUNTY

BOARD OF COMMISSIONERS
ROBERT A. MINNICH, PRESIDENT
CHRISTOPHER B. REILLY
SHIRLEY L. GLASS

SOLICITORS
DAVID S. CRAUN
DONALD. L. REIHART

ADMINISTRATOR - CHIEF CLERK
CHARLES R. NOLL

COUNTY ADMINISTRATIVE OFFICES
One West Marketway, 4th Floor
York, Pennsylvania 17401
(717) 771-9614
FAX (717) 771-9804

March 25, 1998

Bernadette Barattini, Esquire
Assistant Counsel
Bureau of Legal Services
Department of Community & Economic Development
Forum Building, Room 357
Harrisburg, PA 17120

RE: County of York, Pennsylvania - Application for Approval of Lease Rental Debt with respect to: (i) up to $1,850,000 County Guarantee Economic Development Revenue Bonds (Industrial Plaza of York Project), Series 1998A (Taxable) (the "1998A Bonds"); and (ii) up to $6,625,000 County Guaranteed Economic Development Revenue Bonds (York County Industrial Development Corporation Project), Series 1998B (Taxable) (the "1998B Bonds") Issued by the York County Industrial Development Authority (the 1998A Bonds and the 1998B Bonds are collectively referred to as the "Bonds")

Dear Ms. Barattini:

Application is hereby made pursuant to Section 8111(b) and Section 8204 of the Local Government Unit Debt Act, as amended and re-enacted (the "Act"), for approval of the proceedings taken by the County of York, Pennsylvania (the "County") to incur lease rental debt in the aggregate principal amount of up to $8,475,000 and to evidence the same by a County Guaranty (the "Guaranty") dated as of April 1, 1998 pursuant to which the County will guaranty the payment of debt service on the York County Industrial Development Authority's (the "Authority") above-captioned bonds (the "Bonds").

The Bonds are being issued to provide funds to finance a project to be undertaken by the York County Industrial Development Corporation (the "Corporation") consisting of (i) continuing the redevelopment of the Industrial Plaza of York Project and the

Cytec Project, (ii) refunding certain prior debt of the Corporation, and (iii) paying the costs of issuance of the Bonds.

It is hereby certified to the Department of Community and Economic Development that each of the two (2) counterparts of the Transcript of Proceedings enclosed and as listed below is a complete and accurate copy of the proceedings of the County for the incurring of said debt:

1. Certified copy of the Ordinance authorizing the incurrence of lease rental debt enacted the Board of Commissioners of the County of York on March 25, 1998 attached to which is a copy of the Guaranty dated as of April 1, 1998.

2. Proof of publication of a summary of the Ordinance prior to its enactment and proof of publication of the notice of enactment of the Ordinance.

3. Debt Statement of the County prepared pursuant to Section 8110 of the Act, to which is attached a Borrowing Base Certificate complying with the requirements of Section 8002(c)(3) of the Act.

4. A check for the filing fee made payable to the Department in the amount of $314.84.

In accordance with the Act, the County reserves the right to file a further Debt Statement claiming credits and exclusions as it may be entitled to with respect to the gross indebtedness presently outstanding.

Please return one (1) copy of the Transcript of Proceedings with your Certificate of Approval attached as soon as possible to Timothy A. Frey, Esquire, Saul, Ewing, Remick & Saul LLP, 222 Delaware Avenue, Suite 1200, Wilmington, Delaware 19801, Bond Counsel to the Authority, a federal express airbill is included for that purpose.

Thank you very much for your cooperation.

COUNTY OF YORK

By _____
Chief Clerk/Administrator

(SEAL)

YORK COUNTY, PENNSYLVANIA

BORROWING BASE CERTIFICATE
UNDER SECTION 102 OF THE
LOCAL GOVERNMENT UNIT DEBT ACT
OF THE COMMONWEALTH OF PENNSYLVANIA
(ACT 52 OF 1978, AS AMENDED)
Prepared as of March 25, 1998

	Fiscal Year Ended December 31		
	1995	1996	1997
Gross Revenue Received	$158,587,561	$160,282,927	$ 197,564,601
Deductions pursuant to Section 102(c)(16) of the Act			
(i) Subsidy - rentals and sinking fund payments	$0	$0	$ -0-
(ii) Project revenues and sinking fund payments	$0	$0	$ -0-
(iii) Sinking fund earnings for debt service	$0	$0	$ -0-
(iv) Grants for acquisition of specific projects	$59,600,008	$61,216,919	$ 67,693,153
(v) Sale of capita assets	$0	$0	$ -0-
Total Deductions	$59,600,008	$61,216,919	$ 67,693,153
Total revenue as defined in Section 102(c)(16) of the Act	$98,987,553	$99,066,008	$ 129,871,448

Summary of total revenues as defined in Section 102(c)(16) of the Act for the three fiscal years ended December 31, 1997

Fiscal Year ended December 31, 1995	$ 98,987,553
Fiscal Year ended December 31, 1996	$ 99,066,008
Fiscal Year ended December 31, 1997	$129,871,448
Total	$327,925,009

Borrowing Base as defined in Section 102(c)(3) of the Act (Arithmetic average for the three years ended December 31, 1997 $109,308,336

The undersigned Commissioner of York County, being duly sworn according to law, do hereby depose and say that the foregoing Borrowing Base Certificate is true and correct to the best of his knowledge, information and belief.

Commissioner

Sworn to and subscribed before me this 25th day of March, 1998

Notary Public

My Commission Expires:

NOTARIAL SEAL
LOIS J. MINTUN, NOTARY PUBLIC
SPRINGETTSBURY TWP., YORK COUNTY, PA
MY COMMISSION EXPIRES APRIL 6, 2000

YORK COUNTY, PENNSYLVANIA

DEBT STATEMENT
(Act 52 of 1978, as amended)

In Connection with the Incurrence by the
County of York, Pennsylvania
of Lease Rental Debt with Respect to up to:

$1,850,000 County Guaranteed Economic Development Revenue Bonds
(Industrial Plaza of York Project)
Series 1998A (Taxable)

$6,625,000 County Guaranteed Economic Development Revenue Bonds
(York County Industrial Development Corporation Project)
Series 1998B (Taxable)

Prepared as of March 25, 1998

I. Gross Indebtedness:

A. Debt Outstanding

1.	Electoral		$ 0
2.	Nonelectoral -		$ 47,935,000
	(a)	General Obligation Bonds, Series of 1994	1,295,000
	(b)	General Obligation Bonds, Series of 1992	27,820,000
	(c)	General Obligation Note, Series 1997	18,820,000
3.	Lease Rental Debt		$17,525,000
	(a)	York County Solid Waste and Refuse Authority Industrial Development Revenue Bonds, Series of 1997 $110,915,000*	

* Pursuant to provisions of the Debt Act, the lease rental debt represented by the guaranty of these bonds has been excluded from the County's debt as self-liquidating lease rental debt. No decrease in the amount to be excluded is required by any change of circumstances.

	(b)	Industrial Plaza of York Project Series of 1993 (Taxable)	$2,550,000 **
	(c)	York County Industrial Development Corporation Series of 1995 (Taxable)	$4,060,000 **
B.	Contracts and Other Debt		$ 0
C.	Total Gross Incurred Debt		$165,460,000
II.	Credits and Exclusions Presently Claimed		$110,915,000
III.	Maximum Aggregate Principal Amount of Bonds Being Issued: (Lease Rental Debt):		
	York County Industrial Development Authority		
	County Guaranteed Economic Development Revenue Bonds (Industrial Plaza of York Project) Series 1998A (Taxable)		$ 1,850,000
	County Guaranteed Economic Development Revenue Bonds (York County Industrial Development Corporation Project), Series 1998B (Taxable)		$ 6,625,000
IV.	Borrowing Base of York County		$109,308,336
V.	Applicable Non Electoral Debt Limit for a County (300% of Borrowing Base)		$327,925,008
VI.	Applicable Lease Rental Debt Limit for a County (400% of Borrowing Base)		$437,233,344

** Upon issuance of the 1998A Bonds and the 1998B Bonds, these series of bonds will be defeased and rendered no longer outstanding under the Act.

The undersigned official of the Board of Commissioners of York County, Pennsylvania, being duly sworn according to law, do hereby verify that to the best of their knowledge, information and belief that the foregoing Debt Statement is a full and accurate statement of the debt of said County as of March 25, 1998, prepared in connection with the Local Government Unit Debt Act of the Commonwealth of Pennsylvania.

Commissioner

Sworn to and subscribed
before me this 25th day of
March, 1998

Notary Public

My Commission Expires:

NOTARIAL SEAL
LOIS J. MINTUN, NOTARY PUBLIC
SPRINGETTSBURY TWP., YORK COUNTY, PA
MY COMMISSION EXPIRES APRIL 6, 2000

368327.2 3/27/98