

GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT, dated as of the 1st day of August, 2014, but effective as of the date of execution and delivery hereof, by and among COUNTY OF LANCASTER, Pennsylvania, a political subdivision of the Commonwealth of Pennsylvania, as guarantor (the "County"), LANCASTER COUNTY CONVENTION CENTER AUTHORITY, a body corporate and politic existing under the Third Class County Convention Center Authority Act, as amended and supplemented, of the Commonwealth of Pennsylvania (the "Authority") and MANUFACTURERS AND TRADERS TRUST COMPANY, a New York State chartered bank with trust powers with a corporate trust office located in the City of Harrisburg, Pennsylvania (the "Trustee").

WITNESSETH:

WHEREAS, the Authority intends to authorize and to issue its Hotel Room Rental Tax Revenue Bonds, Series of 2014 in the aggregate principal amount of \$62,595,000 (the "Bonds"); and

WHEREAS, the Bonds shall be issued under and pursuant to the provisions of a Trust Indenture to be dated as of August 1, 2014, between the Authority and the Trustee (the "Indenture"); and

WHEREAS, the proceeds to be derived from the issuance and sale of the Bonds will be applied, together with other funds available or to be available to the Authority for and towards the following project (the "Project"): (i) the current refunding of the Authority's Amended and Restated Hotel Room Rental Tax Revenue Bonds, Series of 2003 (the "2003 Bonds") and the Authority's Amended and Restated Hotel Room Rental Tax Revenue Bonds, Series of 2007 (the "2007 Bonds" and together with the 2003 Bonds, the "Prior Bonds"); and (ii) payment of the costs and expenses associated with the issuance of the Bonds; and

WHEREAS, the Prior Bonds were originally issued to finance, among other things, the funding of the design, acquisition, construction, furnishing and equipping of a multi-purpose convention center facility and related and ancillary facilities containing approximately 200,000 square feet (the "Convention Center"); and

WHEREAS, in order to further evidence the Authority's obligation to maintain certain of the reserve funds established under the Indenture (as more fully described in the Indenture), the Authority will execute and deliver to the Trustee its Guaranteed Debt Service Reserve Fund Replenishment Note dated August 1, 2014, in the aggregate principal amount of \$3,935,147.47 (the "Note"); and

WHEREAS, the Board of Commissioners of the County has determined, among other things, that the undertaking of the Project is in the best interests of the County and its residents; and

WHEREAS, the County, as an inducement to the Authority to undertake the Project and to authorize and issue its Bonds and the Note, and as an inducement to the Purchaser

and all subsequent Owners of the Bonds to purchase the Bonds and to, thereby achieve interest costs and other savings to the Authority, among other things, desires to enter into this Guaranty Agreement with respect to the Bonds and the Note, as permitted by and in accordance with the terms and conditions of the Debt Act (hereinafter defined); and

WHEREAS, the parties hereto desire to set forth the terms and conditions under and pursuant to which the County will guaranty the obligations of the Authority under the Note and, under the conditions set forth herein, the timely payment of the principal of and interest on the Bonds as and when due, as well as other ancillary and related matters.

NOW, THEREFORE, in consideration of the mutual covenants and premises herein contained, and intending to be legally bound hereby, the parties agree as follows:

ARTICLE I

Definitions

SECTION 1.01 Terms and Phrases. In addition to the terms and phrases which may be elsewhere defined in this Guaranty Agreement, terms and phrases defined in this Section 1.01, for all purposes of this Guaranty Agreement, as herein defined, shall have the meanings herein specified, unless the context clearly otherwise requires:

“Act” shall mean the Third Class County Convention Center Authority Act, Act of December 27, 1994, P.L. 1375, as amended and supplemented.

“Board” shall mean, at any given time, the governing body of the Authority.

“Board of Commissioners” shall mean the governing body of the County.

“Bond Fund” shall have the meaning given such term in the Indenture.

“Commonwealth” shall mean the Commonwealth of Pennsylvania.

“Continuing Covenant Agreement” shall have the meaning given such term in the Indenture.

“County Obligation” shall mean, (i) to the extent the Authority has failed to provide necessary funding as required by the Note, the County’s obligation to replenish the Debt Service Reserve Fund in order to maintain the appropriate Required Reserve Amount, and (ii) to the extent that there are insufficient funds on deposit in the Debt Service Reserve Fund as contemplated in the Indenture, the timely payment of Debt Service on the Bonds as and when due.

“Credit Facility Agreement” shall have the meaning assigned to the term “Reimbursement Agreement” in the Indenture.

“Debt Act” shall mean the Act of the General Assembly of the Commonwealth, known as the Local Government Unit Debt Act, 53 Pa. C.S. § 8001 et. seq., as amended and supplemented, from time to time.

“Debt Service” shall mean, with respect to any Fiscal Year, the amount required to pay interest on, premium, if any, and principal of the Bonds including, without limitation, any amount required to be deposited in such Fiscal Year to the credit of any sinking fund established for the Bonds, including, without limitation, the amounts payable by the Authority in connection with the required redemption of the Bonds pursuant to the terms of a Continuing Covenant Agreement or a Credit Facility Agreement; provided, however, that “Debt Service” as used in this Guaranty Agreement, shall not include the payment of the Purchase Price (as defined in the Indenture) of the Bonds on the Index Interest Rate Purchase Date or the mandatory redemption of the Bonds required under the terms of a Continuing Covenant Agreement or a Credit Facility Agreement on such date or any date thereafter as a result of a failure of the Authority to pay such Purchase Price.

“Debt Service Reserve Fund” shall mean the Debt Service Reserve Fund established for the owners of the Bonds under the Indenture.

“Fiscal Year” shall mean the fiscal year of the County as provided by laws of the Commonwealth.

“General Account” means the General Account within the Bond Fund established under the Indenture.

“Guaranty Agreement” shall mean this agreement and all modifications, alterations, amendments and supplements hereto made and delivered in accordance with the provisions hereof, which phrase sometimes is referred to in this document by use of such words as “hereto,” “hereby,” “herein,” “hereof” or “hereunder.”

“Purchaser” shall have the meaning given such term in the Indenture.

“Reimbursement Agreement” shall mean the Reimbursement Agreement dated as of the date hereof between the County and the Authority and all modifications, amendments, extensions and substitutions therefor.

“Required Reserve Amount” shall have the meaning given such term in the Indenture.

ARTICLE II

Representations and Warranties of the County

SECTION 2.01 Representations and Warranties. The County represents and warrants that:

- A. The County is a political subdivision of the Commonwealth;
- B. The County possesses all requisite power and authority under laws of the Commonwealth to enter into and to perform all the covenants and agreements set forth in this Guaranty Agreement;
- C. The County has duly authorized all necessary action on its part to enter into this Guaranty Agreement, pursuant to proper and necessary official action of its Board of Commissioners in accordance with laws of the Commonwealth;
- D. The County, in entering into this Guaranty Agreement, is acting in the public interest by assisting in providing modern, convention center facilities at the lowest possible cost to the users of such facilities, and by assisting in the preservation, protection and promotion of the general health and welfare of inhabitants of the County and of the Commonwealth;
- E. The County, in entering into this Guaranty Agreement, is incurring lease rental debt pursuant to the terms and conditions of the Debt Act; and the County has taken all proper proceedings pursuant to the Debt Act and has obtained all approvals required to be obtained in connection with the execution and delivery of this Guaranty Agreement; and
- F. The County acknowledges that the Purchaser has relied on this Guaranty Agreement in purchasing the Bonds pursuant to the terms and conditions of the Continuing Covenant Agreement.

ARTICLE III

Covenants and Agreements of the Authority and the County

SECTION 3.01 Full and Prompt Payment. The County hereby guarantees, unconditionally and irrevocably, to the Purchaser and all other registered Owners, from time to time, of the Bonds, the full and prompt payment of the County Obligation when and as such shall be due and payable, in accordance with the terms and conditions of this Guaranty. Except with respect to the County Obligation, nothing contained in this Agreement shall in any way be construed to imply that the County shall be or become liable or responsible for any other debt or obligation of the Authority.

SECTION 3.02 Costs, Fees, Expenses and Charges. Except as may be expressly provided herein or elsewhere, the County shall not be responsible or liable to the Authority or the Trustee for the payment of any other costs, fees, expenses or charges arising in connection with the issuance and sale of the Bonds, the issuance of the Note, or the enforcement of any rights of the Authority against any other person.

SECTION 3.03 Manner of Payment. All payments required to be made by the County under this Guaranty Agreement shall be made in lawful money of the United States of America at the designated corporate trust office of the Trustee and at the times specified in the

Note and/or the Indenture for the payment of amounts to appropriately fund the Debt Service Reserve Fund and/or make payments of Debt Service with respect to the Bonds.

SECTION 3.04 Separate Causes of Action. Each and every default in payment of the Required Reserve Amount by the Authority and the County Obligation by the County shall give rise to a separate cause of action under this Guaranty Agreement; and separate suits may be instituted pursuant to this Guaranty Agreement, from time to time, as each cause of action shall arise.

SECTION 3.05 Amounts to be Included in Budget. The County covenants to and agrees with the Trustee, the Authority, the Purchaser and all other registered Owners, from time to time, of the Bonds that the County shall (a) include in its budget for each Fiscal Year in which the County Obligation is payable with respect to the Bonds or the Note (beginning with its 2015 Fiscal Year), an amount equal to the Debt Service for such Fiscal Year less the amount on deposit in the Debt Service Reserve Fund (as hereinafter set forth) on December 15 of the immediately preceding Fiscal Year, but in no event shall the budgeted amount exceed the amount of the County Obligation for such Fiscal Year as set forth on Exhibit "A" hereto, and (b) appropriate such amounts from its general revenues for payment to the Trustee of its obligations hereunder, and (c) duly and punctually pay or cause to be paid from its sinking fund or any of its revenues or funds to the Trustee such amounts, at the times and in the manner provided for herein, at the designated corporate trust office of the Trustee, according to the true intent and meaning hereof. For such budgeting, appropriation and payment, the County hereby pledges its full faith, credit and taxing power. As provided in the Debt Act, this covenant shall be enforceable specifically against the County.

At any time when payments are required to be made by the County hereunder, to the extent that sufficient money shall not be available in the County's then current budget, and if the County shall be unable to incur, lawfully, debt in the current Fiscal Year for the purpose of paying such County Obligation or to issue tax anticipation notes or otherwise to satisfy its obligations hereunder, the County shall include any amounts so payable in its budget for the next succeeding Fiscal Year and shall appropriate such amounts to the payment of such obligations and duly and punctually shall pay or shall cause to be paid the obligations incurred hereunder in the manner herein stated according to the true intent and meaning hereof, and for such budgeting, appropriation and payment the County does pledge its full faith, credit and taxing power. As provided in the Debt Act, this covenant shall be enforceable specifically against the County.

SECTION 3.06 Authority to Establish and Maintain Debt Service Reserve Fund. The Authority covenants and agrees to establish and maintain a Debt Service Reserve Fund as more fully set forth in the Indenture. The Authority further covenants and agrees that it shall promptly (i) notify the County in writing (or cause the Trustee to notify the County) of any transfers or withdrawals which may be made from the Debt Service Reserve Fund for the purpose of making payment of Debt Service at any time due or to become due on the Bonds, and (ii) make up any deficiency in the Debt Service Reserve Fund (whether such deficiency arises from a withdrawal of monies for the payment of Debt Service on the Bonds, from a decrease in the value of investments held therein or otherwise) by a deposit with the Trustee of any available hotel room rental tax revenues or other monies permitted by the Indenture at the time and in the amounts required by Section 5.05 of the Indenture.

In addition, in order to facilitate the budgeting of any deficiencies by the County, as provided in Section 3.05 hereof, the Authority agrees to cause the Trustee, in addition to the other requirements imposed on the Trustee, pursuant to the Indenture, (i) on a quarterly basis or before January 1, April 1, July 1, and October 1 of each Fiscal Year, to value the Debt Service Reserve Fund in accordance with the provisions of the Indenture, and (ii) on December 1 of each Fiscal Year thereafter, to give written notice to the County of any deficiency which shall exist in the Debt Service Reserve Fund, and, unless the Authority shall satisfy such deficiency on or before December 15 of such Fiscal Year, to again provide written notice to the County of such deficiency.

SECTION 3.07 Authority to Provide Certificate. The Authority covenants and agrees that on or before December 1, 2014, and on or before December 1 in each Fiscal Year thereafter, the Authority will prepare and deliver to the County an Officer's Certificate stating (i) the value of the Debt Service Reserve Fund, as calculated by the Trustee in accordance with the provisions of the Indenture (a copy of the Trustee's valuation shall be included with the Officer's Certificate), and (ii) either (a) that no deficiency exists in the Debt Service Reserve Fund, or (b) that a deficiency exists in the Debt Service Reserve Fund in which event, such certificate should state the amount of such deficiency, should state that all other available monies in Funds created under the Indenture have been transferred to the Debt Service Reserve Fund, and either should explain, in reasonable detail, what steps the Authority intends to take to try to satisfy such deficiency by December 15; provided that notwithstanding any such Officer's Certificate, the County shall perform its covenants and agreements set forth in Section 3.01 of this Guaranty Agreement.

SECTION 3.08 Obligations of County Absolute and Unconditional. The obligations of the County under this Guaranty Agreement shall be absolute, irrevocable and unconditional, and all payment obligations of the County hereunder shall be paid strictly in conformance with the terms hereof under all circumstances, irrespective of any other agreement or instrument to which the County shall be a party, and all such obligations shall remain in full force and effect so long as the Bonds remain outstanding, and such obligations of the County shall not be affected, modified, diminished, or impaired upon the happening, from time to time, of any event, including, without limitation, any of the following (whether or not with notice to or the consent of the County in accordance with the provisions hereof unless such notice or consent is required hereunder):

A. The failure of the Authority otherwise to perform any obligation contained in this Guaranty Agreement or in any other agreement, for any reason whatsoever, including, without limiting the generality of the foregoing, the occurrence of an insufficiency of funds, negligence or willful misconduct on the part of the Authority or its agents, employees or independent contractors, legal action of any nature which shall prohibit the operations of the Authority, labor disputes, war, insurrection, natural catastrophe or laws, rules or regulations of any body, governmental or otherwise, having proper jurisdiction;

B. The compromise, settlement, release or termination of any or all of the obligations, covenants or agreements of the Authority under the Indenture, the Continuing Covenant Agreement or the Reimbursement Agreement;

C. The failure of the Authority or the Trustee to give notice to the County of the occurrence of a default under terms and provisions of this Guaranty Agreement, the Indenture or the Reimbursement Agreement;

D. The validity, enforceability or termination of the Indenture, the Continuing Covenant Agreement or the Reimbursement Agreement;

E. The failure of the Authority to make any payment to the County under the Reimbursement Agreement;

F. The neglect or failure of the Authority and/or the Trustee to exercise or to preserve any rights or rights of action against any party, person or property;

G. The failure of the Authority and/or the Trustee to have enforced, on prior appropriate occasions, any right or right of action against any party, person or property;

H. The compromise, settlement, release, alteration, indulgence or any other change or modification of any obligation or liability of the Authority under the Reimbursement Agreement, the Indenture or the Continuing Covenant Agreement, regardless of the nature of such obligation or liability and regardless of the extent to which such obligation or liability shall have been modified, compromised or otherwise changed;

I. The waiver of the payment, performance or observance by the Authority, and/or the Trustee and/or the County of any obligations, covenants or agreements contained in the Indenture, the Reimbursement Agreement, the Continuing Covenant Agreement or this Guaranty Agreement;

J. The extension of the time for payment of the Debt Service on the Bonds, amounts due under the Note or any part thereof owing or payable under this Guaranty Agreement or of the time for performance of any other obligations, covenants or agreements under or arising out of the Indenture, the Reimbursement Agreement, the Continuing Covenant Agreement or this Guaranty Agreement;

K. The waiver by the County, or the modification or amendment (whether material or otherwise) of any obligation, covenant or agreement of the Authority set forth in the Indenture or the Reimbursement Agreement;

L. The taking of, or the omission to take, any action referred to in the Reimbursement Agreement, the Indenture, the Continuing Covenant Agreement or this Guaranty Agreement;

M. Any failure, omission or delay on the part of the Authority and/or the Trustee and/or the Purchaser to enforce, to assert or to exercise any right, power or remedy conferred upon or vested in the Authority and/or the Trustee hereunder or under the Indenture, the Continuing Covenant Agreement or the Reimbursement Agreement, or to enforce, to assert or to exercise any other right or rights on the part of the Authority, the Trustee, the Purchaser or any other Owner, at any time or from time to time, of the Bonds and/or the Note;

N. The voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets, marshalling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustments or other similar proceedings affecting the County or the Authority or any of the assets of either, or any allegation or contest of the validity of this Guaranty Agreement in any such proceeding;

O. The release or discharge of the County, to the extent permitted by law, from performance or observance of any obligation, covenant or agreement contained in this Guaranty Agreement, by operation of law;

P. The default or failure of the County fully to perform any of its obligations set forth in this Guaranty Agreement;

Q. Any failure by the Authority or the Trustee to comply with any of the covenants, agreements or undertakings set forth herein, in the Indenture or any breach by the Authority or the Trustee of any representation or warranty set forth herein or in the Indenture;

R. The voluntary or involuntary repossession or surrender of all or any portion of the Convention Center.

SECTION 3.09 Obligations of County Not Affected by Bankruptcy, etc. The obligations of the County hereunder shall not be affected by any bankruptcy, arrangement of creditors, reorganization or other similar proceedings of the Authority or the County; and, to the extent applicable, the County specifically waives any right or benefit which could accrue to it by reason of any such proceeding and agrees that the same shall not affect the liability of the County hereunder, regardless of the effect that such proceedings may have with respect to the obligations of the Authority.

SECTION 3.10 Obligations of County Not Subject to Setoff, Counterclaim, etc. The obligations of the County hereunder shall not be subject to any setoff, counterclaim or defense resulting from any breach or any alleged breach by the Authority of any obligation to the County, whether said obligation arises under this Guaranty Agreement or the Reimbursement Agreement or from any other transaction between the Authority and the County, regardless of the nature of such transaction, or otherwise.

SECTION 3.11 Trustee Obligated to Proceed. In the event of a default in payment of the Required Reserve Amount by the Authority under the Note when and as the same shall become due and payable, whether at the stated maturity thereof or by acceleration, or in the event there are insufficient amounts in the General Account of the Bond Fund to pay the principal of and interest on the Bonds when due, the Trustee shall be obligated to proceed hereunder, in accordance with the timing and requirements of Section 3.15 hereof, directly against the County without proceeding against or exhausting any other remedies which it may have against the Authority or its assets.

The County agrees to pay all costs, fees and expenses, including, to the extent permitted by law, all court costs and reasonable attorney fees which may be incurred by the Trustee in enforcing or attempting to enforce this Guaranty Agreement against it, following any

default on the part of the County hereunder, whether the same shall be enforced by suit or otherwise.

SECTION 3.12 Waiver of Notice of Reliance. The County expressly waives notice, in writing or otherwise, from the registered owners, at any time or from time to time, of any of the Bonds or the Note of their acceptance and reliance upon this Guaranty Agreement.

SECTION 3.13 Enforcement by Third Parties. This Guaranty Agreement is entered into by the County for the benefit of the Trustee, the owners, from time to time, of the Bonds and the Note, any successor trustee or trustees and their respective successors and assigns under the Indenture, all of whom shall be entitled to enforce performance and observance hereof by the County to the same extent as if they were parties signatory hereto.

SECTION 3.14 Separate or Cumulative Enforcement. Terms of this Guaranty Agreement may be enforced as to any one or more breaches, either separately or cumulatively.

SECTION 3.15 Payment by County.

A. On any date that the Authority fails to honor its payment obligations under the Note and under Section 5.05 of the Indenture, the County shall promptly pay to the Trustee, upon demand of the Trustee, on the dates and in the amounts required under the Note and Section 5.05 of the Indenture, an amount which, together with other monies available to the Trustee in the Debt Service Reserve Fund, will be sufficient to comply with the Required Reserve Amount; provided, however, that the sum of all amounts advanced by the County in any given fiscal year in no event shall exceed the County Obligation for such fiscal year.

B. To the extent that the money in the General Account of the Bond Fund may at any time be insufficient to pay the principal of or interest on the Bonds, as and when the same shall become due and payable, and monies on deposit in the Debt Service Reserve Fund are insufficient to make up such deficiency, the County shall promptly pay to the Trustee, upon demand of the Trustee, an amount which, together with other monies available to the Trustee in the Debt Service Reserve Fund, will be sufficient to pay the principal of and interest on the Bonds, as and when the same shall become due and payable.

C. To the extent that it makes any payments to fund the Required Reserve Amount in respect of the Note or any payments of Debt Service on the Bonds, the County shall become subrogated to all right, title and interest of the holder receiving such payments. To evidence such subrogation, the Trustee shall note the County rights as subrogee on the registration books of the Authority maintained by the Trustee.

D. The County acknowledges and agrees that any such right of subrogation and/or the obligation of the Authority to repay or reimburse the County for any payments made by the County hereunder, including, without limitation, pursuant to the Reimbursement Agreement, shall be subordinated in all respects to the obligations of the Authority to pay the principal of and interest on the Bonds as and when due and other amounts provided for in subsections (i) and (ii) of Section 5.01(b) of the Indenture.

SECTION 3.16 Discharge of Obligations. Anything contained in this Guaranty Agreement to the contrary notwithstanding, except as provided herein with respect to expenses incurred in connection with the enforcement hereof, the obligations of the County hereunder shall be satisfied in full and discharged when (a) the principal of and interest on the Bonds have been paid or deemed paid as specified in the Bonds and/or provided in the Indenture, and (b) the Indenture shall have been discharged in accordance with its terms.

If the County deposits with the Trustee funds sufficient to pay the County Obligation in full under this Guaranty Agreement as same may arise from time to time, all liability of the County with respect to the payment of the County Obligation under this Guaranty Agreement shall cease and be deemed to be satisfied. Thereafter, any claims of whatsoever nature hereunder with respect to such payment of the County Obligation shall be restricted exclusively to the funds so deposited hereunder and the Trustee shall hold such funds in trust for the benefit of the owners of the Bonds and the Note.

SECTION 3.17 Hotel Room Rental Tax. The County hereby agrees that, as long as any Bonds are Outstanding under the Indenture, the County shall not reduce, diminish or repeal the Hotel Room Rental Tax.

ARTICLE IV

Miscellaneous

SECTION 4.01 Increased Obligations of County; Amendment. No amendment, change, modification, alteration or termination of the Indenture shall be effective which would in any way increase obligations of the County under this Guaranty Agreement, without obtaining the prior written consent of the County (such consent to be given by the County pursuant to an ordinance duly enacted by the Board of Commissioners). No amendment, change, modification, alteration or termination of the County's obligations hereunder shall be effective without the Trustee's consent if the effect of such amendment, change, modification, alteration or termination is to impair the security of the Bonds or the Note by changing the coverage of the County's guaranty obligation.

SECTION 4.02 Time When Obligations Arise. Obligations of the County hereunder shall arise absolutely, irrevocably and unconditionally when the Bonds shall have been issued, sold and delivered by the Authority.

SECTION 4.03 Authority to Punctually Perform. The Authority and the Trustee covenant with the County that each duly and punctually will perform every covenant and agreement undertaken by the Authority under the Bonds and the Note; provided, however, this Section 4.03 shall not be construed to violate the provisions of Section 3.08.

SECTION 4.04 Remedies of Authority. In the event of default by the County in the punctual discharge of its obligations hereunder, the Authority and the Trustee shall be entitled to exercise such remedies as are provided under the Debt Act, together with any other remedies which otherwise may be provided at law or in equity or by other statutes.

SECTION 4.05 Cumulative Remedies: Waiver. No remedy conferred upon or reserved to the Authority or the Trustee hereunder is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Guaranty Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default, omission or failure of performance hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised, from time to time, and as often as may be deemed expedient. In order to entitle the Authority and/or the Trustee to exercise any remedy reserved in this Guaranty Agreement, it shall not be necessary to give any notice, other than such notice as herein expressly may be required. In the event any provision contained in this Guaranty Agreement should be breached by any party and thereafter duly waived by the other party so empowered to act, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. No waiver, amendment, release or modification hereof shall be established by conduct, custom or course of dealing, but shall be established solely by an instrument, in writing, duly executed by the appropriate parties. Notwithstanding any other provision hereof to the contrary, no recourse shall be had for the payment of the principal of or interest on the Bonds, or for any claim based hereon or on the Ordinance of the County authorizing and approving the execution and delivery of this Guaranty Agreement, against any member, officer or employee, past, present, or future, of the County or of any successor body, as such, either directly or through the County or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Guaranty Agreement.

SECTION 4.06 Third Party Beneficiary. The County hereby acknowledges and agrees that the Purchaser shall be an express third party beneficiary of this Guaranty Agreement with the power to enforce the same.

SECTION 4.07 Entire Agreement Multiple Counterparts. This Guaranty Agreement constitutes the entire agreement, and superseded all prior agreements, and understandings, both written and oral, among the parties with respect to the subject matter hereof; and this Guaranty Agreement may be executed, simultaneously, in multiple counterparts, each of which counterparts, together, shall constitute but one and the same instrument.

SECTION 4.08 Severability. Provisions of this Guaranty Agreement shall be severable; and in the event of the invalidity or unenforceability of any one or more phrases, sentences, clauses, Articles, Sections or parts, in this Guaranty Agreement contained, such invalidity or unenforceability shall not affect the validity or enforceability of remaining portions of this Guaranty Agreement or any remaining parts thereof.

SECTION 4.09 Amendment. This Guaranty Agreement may be amended and/or supplemented, from time to time, by a written document duly signed by the parties hereto; provided, however, that no amendment and/or supplement shall be made which shall diminish or discontinue the obligations of the County hereunder; provided further that no such amendment shall become effective without the prior written consent of the Purchaser during an Index Interest Rate Period. Notwithstanding anything in this Guaranty Agreement to the contrary, including


Section 3.08 hereof, upon a remarketing or refunding of the Bonds, the maximum County Obligation set forth on Exhibit A may be reduced from time to time or eliminated if (i) the refunded or remarketed Bonds shall be insured by a municipal bond insurance company or shall have received other suitable credit support and such insurance company or credit support provider, as applicable, shall have consented in writing to such reduction or elimination and (ii) the Bonds bear interest at an Index Interest Rate, the Purchaser shall have consented in writing to such reduction or elimination.

SECTION 4.10 Choice of Law. This Agreement shall be construed in accordance with and shall be governed by laws of the Commonwealth.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, pursuant to proper authorization of their respective governing bodies, have caused this Guaranty Agreement to be executed by its respective duly authorized officer or officers and to be attested by its respective duly authorized officer and its respective official or corporate seal to be affixed to this Guaranty Agreement, all as of the day and year first above written.

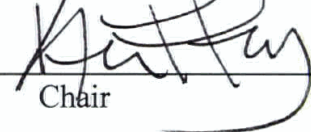
COUNTY OF LANCASTER, PENNSYLVANIA

By: 
Chair


(SEAL)

Attest: 
Chief Clerk

LANCASTER COUNTY CONVENTION
CENTER AUTHORITY

By: 
Chair

(SEAL)

Attest: 
Secretary

MANUFACTURERS AND TRADERS TRUST
COMPANY, as Trustee

By: 
Authorized Officer

[Signature page to Guaranty Agreement]

EXHIBIT A

**Guaranty Agreement Relating to
\$62,595,000
Lancaster County Convention Center Authority
Hotel Room Rental Tax Revenue Bonds, Series of 2014**

Maximum Annual Guaranty Obligations

<u>Maturity (December 1)</u>	<u>Principal</u>	<u>Maximum Interest Rate</u>	<u>Maximum Interest</u>	<u>Maximum Debt Service</u>
2014			3,181,912.50	3,181,912.50
2015	370,000	15.00%	9,519,656.25	9,889,656.25
2016	410,000	15.00%	9,489,312.48	9,899,312.48
2017	460,000	15.00%	9,401,031.25	9,861,031.25
2018	510,000	15.00%	9,331,072.89	9,841,072.89
2019	570,000	15.00%	9,253,510.39	9,823,510.39
2020	630,000	15.00%	9,191,937.48	9,821,937.48
2021	655,000	15.00%	9,071,010.39	9,726,010.39
2022	670,000	15.00%	8,971,395.86	9,641,395.86
2023	670,000	15.00%	8,869,500.00	9,539,500.00
2024	670,000	15.00%	8,791,624.98	9,461,624.98
2025	670,000	15.00%	8,665,708.36	9,335,708.36
2026	890,000	15.00%	8,563,812.50	9,453,812.50
2027	1,150,000	15.00%	8,428,458.36	9,578,458.36
2028	1,245,000	15.00%	8,276,175.00	9,521,175.00
2029	1,340,000	15.00%	8,064,218.75	9,404,218.75
2030	1,445,000	15.00%	7,860,427.11	9,305,427.11
2031	1,555,000	15.00%	7,640,666.64	9,195,666.64
2032	1,670,000	15.00%	7,424,462.52	9,094,462.52
2033	1,790,000	15.00%	7,150,197.89	8,940,197.89
2034	1,920,000	15.00%	6,877,968.75	8,797,968.75
2035	2,055,000	15.00%	6,585,968.75	8,640,968.75
2036	2,200,000	15.00%	6,290,625.00	8,490,625.00
2037	2,350,000	15.00%	5,938,854.14	8,288,854.14
2038	2,510,000	15.00%	5,581,458.36	8,091,458.36
2039	2,645,000	15.00%	5,199,729.14	7,844,729.14
2040	2,810,000	15.00%	4,810,612.50	7,620,612.50
2041	2,685,000	15.00%	4,370,114.61	7,055,114.61
2042	5,930,000	15.00%	3,961,770.86	9,891,770.86
2043	3,275,000	15.00%	3,059,916.64	6,334,916.64
2044	3,450,000	15.00%	2,568,862.50	6,018,862.50
2045	3,660,000	15.00%	2,037,156.25	5,697,156.25
2046	3,660,000	15.00%	1,480,531.25	5,140,531.25
2047	6,075,000	15.00%	923,906.25	6,998,906.25
	62,595,000		226,833,566.60	289,428,566.60