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Corporate Trust

Dauphin County General Authority
Rec'd by AW
Approved by _____ Date _____

JAN 05 2013

Date Entered _____ By _____
Date Paid _____

January 3, 2013

Dauphin County General Authority
530 South Harrisburg Street
Harrisburg, Pennsylvania 17113
Attention: Cynthia Boratko, Executive Director

Re: Dauphin County General Authority Hotel & Conference Center Revenue Bonds,
Series of 1998 (Hyatt Regency Pittsburgh International Airport Project) (the "Bonds")

Dear Ms. Boratko:

Manufacturers and Traders Trust Company is the successor trustee (the "Trustee") under the Trust Indenture dated as of July 1, 1998 (the "Indenture") between the Dauphin County General Authority (the "Authority") and the Trustee, pursuant to which the above referenced Bonds were issued. Terms used in this letter and not defined herein shall have the meanings specified in the Indenture.

In accordance with Article 6 of the Indenture, the Trustee attempted to transfer sufficient funds on January 2, 2013 from the Revenue Fund to the Bond Fund in order to pay the Principal and Interest that was due to the Bondholders. The available balance in the Revenue Fund on January 2, 2013 was \$176,039.48. After reserving available funds for the payment of the estimated Operational Expenses (\$361,147.25) accrued through December 31, 2012 and FF&E (\$84,150.42), there were no funds available in the Revenue Fund to pay the scheduled Principal and Interest payments. There were also no funds available in the Bond Redemption and Improvement Fund that could be used as a credit against the deficiency. Therefore the remaining deficiency amount of \$2,588,288.04 was debited from the Bond Reserve Fund. This un-scheduled withdrawal from the Bond Reserve Fund constitutes a Material Event which is required to be disclosed by the Authority.

In accordance with Section 6.6 of the Indenture, the Authority is required to reimburse the Bond Reserve Fund for the draw dated January 2, 2013, in 12 equal monthly payments. The Authority is required to make a reimbursement payment in the amount of \$215,690.67 which is due each month from February 2013 through January 2014 inclusive, in order to reimburse the Bond Reserve Fund for the withdrawal dated January 2, 2013.

MANUFACTURERS AND TRADERS TRUST
COMPANY, as Trustee

By: Alphonse Miller
Alphonse C. Miller
Vice President