

**IN THE SUPERIOR COURT OF WALKER COUNTY  
STATE OF GEORGIA**

**FILED IN OFFICE**

STATE OF GEORGIA, )

Plaintiff, )

vs. )

WALKER COUNTY DEVELOPMENT )  
AUTHORITY and WALKER COUNTY, )  
GEORGIA, )

Defendants. )

CIVIL ACTION  
FILE NO. 15 SUV 0674

BOND VALIDATION

SEP 01 2015

*Cathy Brown*  
CLERK

**PETITION AND COMPLAINT**

The **STATE OF GEORGIA**, by and through the District Attorney of the Lookout Mountain Judicial Circuit, files this Petition and Complaint against the **WALKER COUNTY DEVELOPMENT AUTHORITY** (the "Authority") and **WALKER COUNTY, GEORGIA** (the "County"), as defendants, and respectfully shows:

1.

Exclusive jurisdiction of this proceeding is vested in this Court under and by virtue of an Act of the General Assembly of the State of Georgia entitled the "Revenue Bond Law," as amended, codified as Article 3 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated (the "Revenue Bond Law").

2.

The Authority is a public corporation duly created pursuant to an amendment to Article VII, Section V, Paragraph I of the Constitution of the State of Georgia of 1945 (1962 Ga. Laws 912 to 914, inclusive, as amended by 1964 Ga. Laws 1013 to 1014, inclusive), now specifically

continued as a part of the Constitution of the State of Georgia of 1983 pursuant to Article XI, Section I, Paragraph IV of the Constitution of the State of Georgia of 1983 and an Act of the General Assembly of the State of Georgia (1985 Ga. Laws 4169 to 4170, inclusive), as implemented by Acts of the General Assembly of the State of Georgia (1964 Ga. Laws 3104 to 3116, inclusive, as amended by 1978 Ga. Laws 4360 to 4363, inclusive) (collectively the "Act"). The Authority has been duly and lawfully created and its members have been duly and lawfully appointed, and the Authority is existing and operating in compliance with law as a public corporation. The Authority has been created to promote and expand for the public good and general welfare industry, agriculture, commerce, natural resources, and vocational training and make long-range plans for the coordination of such development, promotion, and expansion within the territorial limits of Walker County. The Act empowers the Authority to issue its revenue bonds, under and in accordance with the procedure set forth in the Revenue Bond Law, and to use the proceeds of such revenue bonds for the purpose of paying all or part of the cost of any "projects," as defined in the Act, to carry out and further the purposes and provisions of the Act. The Authority is subject to the jurisdiction of this Court.

3.

The County is a political subdivision duly created and existing under the laws of the State of Georgia and is subject to the jurisdiction of this Court.

4.

The Authority, in furtherance of the public purposes for which it was created, proposes to issue not to exceed \$17,500,000 in original aggregate principal amount of revenue bonds designated "Walker County Development Authority Economic Development Revenue Bonds, Series 2015" (the "Series 2015 Bonds").

5.

The Series 2015 Bonds are duly authorized pursuant to the Constitution of the State of Georgia and the various statutes of the State of Georgia, including specifically the Act and the Revenue Bond Law, and under and by virtue of the authority of a Series 2015 Bond Resolution of the Authority (the "Bond Resolution") duly adopted by the Authority on August 31, 2015, authorizing, among other things, the issuance and sale of the Series 2015 Bonds and the execution, acceptance, and delivery of the Contract and the Indenture hereinafter referred to. A certified copy of the Bond Resolution, together with copies of forms of the Contract and the Indenture (collectively the "Financing Documents") therein referred to, form a part of the Notice to the District Attorney attached hereto as Exhibit A, which Notice (with all attachments thereto) is by this reference incorporated herein and made a part hereof.

6.

The Series 2015 Bonds shall be issued in an original aggregate principal amount to be specified in a Supplemental Bond Resolution to be adopted by the members of the Authority, but which shall not in any event exceed a maximum aggregate principal amount of \$17,500,000, shall be dated the date of issuance and delivery, and shall be issuable as fully registered bonds without coupons. The Series 2015 Bonds shall bear interest from the date(s) provided in the Indenture at the rates per annum to be specified in a Supplemental Bond Resolution to be adopted by the members of the Authority (but which shall not in any event exceed a maximum per annum rate of interest of 7.50%), computed on the basis of a 360-day year consisting of twelve 30-day months, payable on February 1, 2016 and semi-annually thereafter on August 1 and February 1 of each year and shall mature on August 1, in the years (with a term not exceeding August 1, 2045) and in the amounts to be specified in a Supplemental Bond Resolution to be adopted by the members of the Authority (provided the principal of and interest

on the Series 2015 Bonds payable in any bond year (August 2 - August 1) shall not in any event exceed a maximum amount of \$1,187,273), unless earlier called for redemption. The Series 2015 Bonds shall bear interest on overdue principal and, to the extent permitted by law, on overdue premium, if any, and interest at the aforesaid rates. The Series 2015 Bonds shall be substantially in the form set forth in the Indenture and shall be subject to redemption, shall be in such denominations, shall be payable in such medium of payment at such place or places, shall be of such tenor, and shall have such other terms and provisions as are provided in the Indenture. The form and denominations of the Series 2015 Bonds and the provisions for execution, delivery, authentication, payment, exchange, transfer, registration, and redemption shall be as set forth in the Indenture.

7.

The Series 2015 Bonds are to be issued for the purposes of obtaining funds (1) to repay loans (the "Industrial Park Loans") obtained by the Authority from the County to finance the costs of acquiring and improving land for use as two industrial parks owned by the Authority, known as "Rock Spring Industrial Park" and "Walker County Industrial Park" (collectively the "Industrial Parks"), (2) to finance the costs of improving the Industrial Parks, (3) to refund the Authority's Taxable Revenue Bond (Ohio Logistics Project), Series 2011 (the "Prior Bond"), presently outstanding in the principal amount of \$643,300, (4) to finance the costs of acquiring from the County (a) its Civic Center and its Agricultural Center located at 10052 North Highway 27 in Rock Spring, Georgia and (b) its Mountain Cove Resort Properties located on Dougherty Gap Road in unincorporated Walker County (collectively the "Properties"), and (5) to finance the costs of issuing the Series 2015 Bonds, in order to promote and expand for the public good and general welfare industry, agriculture, commerce, natural resources, and vocational training and make long-range plans for the coordination of such development, promotion, and expansion

within the territorial limits of Walker County. The Industrial Parks and the Properties are more fully described in the Contract.

**8.**

The Authority and the County will enter into an Intergovernmental Economic Development Contract, to be dated as of September 1, 2015 (the "Contract"), pursuant to the terms of which the County (1) will agree to make payments to the Authority in amounts sufficient to enable the Authority to pay, among other things, the principal of, premium, if any, and interest on the Series 2015 Bonds when due and (2) will agree to levy an annual ad valorem tax on all taxable property located within the territorial limits of the County, at such rates within the one mill limit or such greater millage limit hereafter authorized under applicable law, as may be necessary to produce in each year revenues that are sufficient to fulfill the County's obligations under the Contract.

**9.**

To secure its obligation to pay principal of, premium, if any, and interest on the Series 2015 Bonds, the Authority will assign and pledge to U.S. Bank National Association, as trustee (the "Trustee"), and will grant a first priority security interest in, all of its right, title, and interest in the Contract (except for certain rights) and all revenues, payments, receipts, and moneys to be received and held thereunder, pursuant to a Trust Indenture and Security Agreement, to be dated as of September 1, 2015 (the "Indenture"), between the Authority and the Trustee.

**10.**

The Financing Documents will constitute the security for the Series 2015 Bonds and, when executed and delivered, will be valid, binding, and legally enforceable obligations of the parties thereto in accordance with their terms.

11.

The Series 2015 Bonds shall never constitute an indebtedness or general obligation of the State of Georgia, the County, or any other political subdivision of the State of Georgia, within the meaning of any constitutional provision or statutory limitation whatsoever, nor a pledge of the faith and credit or taxing power of any of the foregoing, nor shall any of the foregoing be subject to any pecuniary liability thereon. The Authority has no taxing power. The Series 2015 Bonds shall not be payable from nor a charge upon any funds other than the revenues pledged to the payment thereof and shall be limited or special obligations of the Authority payable solely from the funds provided therefor in the Indenture. No owner of the Series 2015 Bonds shall ever have the right to compel the exercise of the taxing power of the State of Georgia, the County, or any other political subdivision of the State of Georgia to pay the principal of the Series 2015 Bonds or the interest or any premium thereon, or to enforce payment thereof against any property of the foregoing, nor shall the Series 2015 Bonds constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the foregoing other than the revenues pledged to the payment thereof.

12.

The Authority has taken all necessary and proper steps to authorize the issuance of the Series 2015 Bonds, and such steps were done in compliance with law. The Authority has agreed to set aside, allocate, convey, assign, and pledge the property subject to the operation of the granting clauses of the Indenture to the payment of the principal of, premium, if any, and interest on the Series 2015 Bonds as the same become due and payable, and such amounts have been calculated to be sufficient for such purpose.

13.

The Clerk of this Superior Court is authorized to execute the validation certificate on the Series 2015 Bonds as provided by law.

14.

The Authority desires to issue the Series 2015 Bonds as aforesaid and desires that the Series 2015 Bonds and the security therefor be confirmed and validated according to law, and to this end the Authority has notified the District Attorney of this judicial circuit in writing that the Bond Resolution was passed in favor of the issuance of the Series 2015 Bonds and that the Authority intends to issue the Series 2015 Bonds, pursuant to the Notice attached hereto as Exhibit A, which Notice was personally served on such District Attorney.

15.

The District Attorney of this judicial circuit, pursuant to the laws of the State of Georgia, in particular Section 9-11-52 of the Official Code of Georgia Annotated, waives, in the name of the State of Georgia, the requirement that separate findings of fact and conclusions of law be entered in this action.

**WHEREFORE**, pursuant to the laws of the State of Georgia your District Attorney, within twenty days from the date of service of the Notice attached hereto as Exhibit A, files this Petition and Complaint in the name of the State of Georgia against the Authority and the County and prays:

1. that an order be issued requiring the defendants, by their proper officers, to appear and to show cause, if any exists, at such time and place, whether in term or at chambers, within twenty days from filing of this Petition and Complaint, as the Judge of this Court may direct, why the Series 2015 Bonds and the security for the payment thereof should not be confirmed and validated, as well as to pass upon all

questions of law and fact pertaining to the right to issue the Series 2015 Bonds and to provide the security therefor;

2. that this Petition and Complaint and such order as shall be issued be served upon the defendants in the manner provided by law;
3. that all actions of the Authority and the County in connection with the issuance of the Series 2015 Bonds and the provision of the security therefor (including the execution, delivery, and performance of the Financing Documents) be confirmed and validated in all respects;
4. that this Court enter a judgment declaring that the defendants who are parties thereto are authorized to execute, deliver, and perform their obligations under the Financing Documents and that the Financing Documents and all of the terms and conditions contained therein will constitute valid, binding, and legally enforceable obligations of the defendants who are parties thereto, and that the Clerk of this Superior Court is authorized to execute the validation certificate on the Series 2015 Bonds as provided by law; and
5. that this Court make such other adjudications with respect to the Series 2015 Bonds and the security therefor as may be proper or necessary in connection with the matters before it.



District Attorney,  
Lookout Mountain Judicial Circuit



**GEORGIA, WALKER COUNTY**

**TO THE HONORABLE DISTRICT ATTORNEY OF THE LOOKOUT MOUNTAIN  
JUDICIAL CIRCUIT**

**YOU ARE HEREBY NOTIFIED** that under and by virtue of the Constitution and statutes of the State of Georgia, including specifically, but without limitation, an amendment to Article VII, Section V, Paragraph I of the Constitution of the State of Georgia of 1945 (1962 Ga. Laws 912 to 914, inclusive, as amended by 1964 Ga. Laws 1013 to 1014, inclusive), now specifically continued as a part of the Constitution of the State of Georgia of 1983 pursuant to Article XI, Section I, Paragraph IV of the Constitution of the State of Georgia of 1983 and an Act of the General Assembly of the State of Georgia (1985 Ga. Laws 4169 to 4170, inclusive), as implemented by Acts of the General Assembly of the State of Georgia (1964 Ga. Laws 3104 to 3116, inclusive, as amended by 1978 Ga. Laws 4360 to 4363, inclusive), granting to the Walker County Development Authority (the "Authority") the power and authority to issue revenue bonds for the purpose of promoting and expanding for the public good and general welfare industry, agriculture, commerce, natural resources, and vocational training and making long-range plans for the coordination of such development, promotion, and expansion within the territorial limits of Walker County, the Authority, in a meeting duly called and lawfully assembled on August 31, 2015, adopted a Series 2015 Bond Resolution (the "Bond Resolution") authorizing the issuance of its revenue bonds designated "Walker County Development Authority Economic Development Revenue Bonds, Series 2015" (the "Series 2015 Bonds"), in the original aggregate principal amount not to exceed \$17,500,000, for the purposes of obtaining funds (1) to repay loans (the "Industrial Park Loans") obtained by the Authority from Walker County, Georgia (the "County") to finance the costs of acquiring and improving land for use as two industrial parks

owned by the Authority, known as "Rock Spring Industrial Park" and "Walker County Industrial Park" (collectively the "Industrial Parks"), (2) to finance the costs of improving the Industrial Parks, (3) to refund the Authority's Taxable Revenue Bond (Ohio Logistics Project), Series 2011 (the "Prior Bond"), presently outstanding in the principal amount of \$643,300, (4) to finance the costs of acquiring from the County (a) its Civic Center and its Agricultural Center located at 10052 North Highway 27 in Rock Spring, Georgia and (b) its Mountain Cove Resort Properties located on Dougherty Gap Road in unincorporated Walker County (collectively the "Properties"), and (5) to finance the costs of issuing the Series 2015 Bonds. The Authority and the County propose to enter into an Intergovernmental Economic Development Contract, to be dated as of September 1, 2015 (the "Contract"), pursuant to the terms of which the County (1) will agree to make payments to the Authority in amounts sufficient to enable the Authority to pay, among other things, the principal of, premium, if any, and interest on the Series 2015 Bonds when due and (2) will agree to levy an annual ad valorem tax on all taxable property located within the territorial limits of the County, at such rates within the one mill limit or such greater millage limit hereafter authorized under applicable law, as may be necessary to produce in each year revenues that are sufficient to fulfill the County's obligations under the Contract. To secure its obligation to pay principal of, premium, if any, and interest on the Series 2015 Bonds, the Authority proposes to assign and pledge to U.S. Bank National Association, as trustee (the "Trustee"), and proposes to grant a first priority security interest in, all of its right, title, and interest in the Contract (except for certain rights) and all revenues, payments, receipts, and moneys to be received and held thereunder, pursuant to a Trust Indenture and Security Agreement, to be dated as of September 1, 2015 (the "Indenture"), between the Authority and the Trustee. The form, date, denominations, rates of interest, maturity dates, redemption provisions,

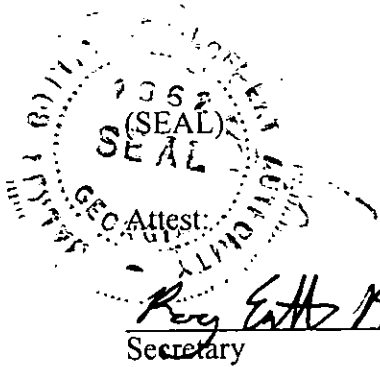
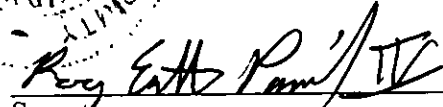
payment terms, and all other facts pertaining to the Series 2015 Bonds, the Contract, and the Indenture are set forth in detail in the Bond Resolution, a certified copy of which (together with copies of forms of the Contract and the Indenture) is attached to this Notice and made a part hereof.

You are hereby notified that the Authority intends to issue the Series 2015 Bonds, and you are further hereby notified of the action of the Authority in accordance with the law pertaining to confirmation and validation of the Series 2015 Bonds and the security therefor, and request is hereby made that you take immediate and proper steps for the confirmation and validation of the Series 2015 Bonds and the security therefor as provided by law.

Dated: August 31, 2015

**WALKER COUNTY DEVELOPMENT  
AUTHORITY**

By:   
Chairman

  
Attest:  
  
Secretary

## **SERIES 2015 BOND RESOLUTION**

A RESOLUTION OF THE WALKER COUNTY DEVELOPMENT AUTHORITY AUTHORIZING, INTER ALIA, THE ISSUANCE OF ITS ECONOMIC DEVELOPMENT REVENUE BONDS, SERIES 2015, IN AN ORIGINAL AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$17,500,000

Adopted August 31, 2015

Exhibit "A" - Form of Trust Indenture and Security Agreement

Exhibit "B" - Form of Intergovernmental Economic Development Contract

## SERIES 2015 BOND RESOLUTION

**WHEREAS**, the Walker County Development Authority (the "Authority") is a public corporation duly created and validly existing under and pursuant to an amendment to Article VII, Section V, Paragraph I of the Constitution of the State of Georgia of 1945 (1962 Ga. Laws 912 to 914, inclusive, as amended by 1964 Ga. Laws 1013 to 1014, inclusive), now specifically continued as a part of the Constitution of the State of Georgia of 1983 pursuant to Article XI, Section I, Paragraph IV of the Constitution of the State of Georgia of 1983 and an Act of the General Assembly of the State of Georgia (1985 Ga. Laws 4169 to 4170, inclusive), as implemented by Acts of the General Assembly of the State of Georgia (1964 Ga. Laws 3104 to 3116, inclusive, as amended by 1978 Ga. Laws 4360 to 4363, inclusive) (collectively the "Act"); and

**WHEREAS**, the Authority's members have been appointed as provided in the Act and are currently acting in that capacity; and

**WHEREAS**, the Authority is authorized and empowered under and pursuant to the provisions of the Act to borrow money and to execute debentures, bonds, notes, mortgages, deeds, or bills of sale to secure debt, trust deeds, and such other instruments as may be necessary or convenient to evidence and secure such borrowing, and to provide by resolution for the issuance and sale of negotiable revenue bonds, for the purpose of paying all or any part of the cost of the acquisition, construction, alteration, repair, modernization, and other costs of project incident thereto in connection with any of its facilities or projects, and to pay off or refinance any outstanding debt or obligation of any nature owed by the Authority, and is likewise empowered to issue refunding bonds; and

**WHEREAS**, the Act defines the words "undertaking," "project," "undertaking or project," or "undertaking and project" to mean and include property, real or personal, acquired or held by the Authority for the assistance, promotion, establishment, or development of a new industry or industries, or the assistance, promotion, or expansion of existing industry, trade, or commerce in Walker County, or any combination thereof; the acquisition of any such property for any such purpose or purposes; the improvement of any such property or properties; the construction, installation, or expansion of one or more buildings, plants, or articles of equipment and for appurtenant facilities; for the purpose of using, selling, donating, leasing, or renting such land, properties, improvements, structures, or equipment to public or private persons, firms, corporations, or associations for such purposes; and

**WHEREAS**, the Act also authorizes and empowers the Authority to own, improve, expand, develop, operate, maintain, sell, donate, lease as lessor or lessee, mortgage, pledge, convey to secure debt, or otherwise encumber or dispose of land, buildings, equipment, furnishings, or property of all kinds, real or personal, within Walker County, Georgia, and to make a contract or contracts and to execute any instrument or document for the accomplishment thereof, or other purposes; and

**WHEREAS**, the Act also authorizes and empowers the Authority to construct, erect, buy, receive as a gift, acquire, own, repair, remodel, maintain, equip, furnish, extend, expand,

develop, improve, donate, sell, lease as lessor or lessee, equip, add to, operate, and manage projects, whether or not self-liquidating, and to pay the costs of any such project from any income of the Authority or from the proceeds of revenue bonds issued and sold by the Authority; and

**WHEREAS**, the Act also authorizes and empowers the Authority to enter into any contract or contracts for any period of time not exceeding thirty (30) years; and

**WHEREAS**, the Authority proposes to issue, sell, and deliver revenue bonds to be known as "Walker County Development Authority Economic Development Revenue Bonds, Series 2015" (the "Series 2015 Bonds"), in the original aggregate principal amount not to exceed \$17,500,000, for the purpose of obtaining funds (1) to repay loans (the "Industrial Park Loans") obtained by the Authority from Walker County, Georgia (the "County") to finance the costs of acquiring and improving land for use as two industrial parks owned by the Authority, known as "Rock Spring Industrial Park" and "Walker County Industrial Park" (collectively the "Industrial Parks"), (2) to finance the costs of improving the Industrial Parks, (3) to refund the Authority's Taxable Revenue Bond (Ohio Logistics Project), Series 2011 (the "Prior Bond"), presently outstanding in the principal amount of \$643,300, (4) to finance the costs of acquiring from the County (a) its Civic Center and its Agricultural Center located at 10052 North Highway 27 in Rock Spring, Georgia and (b) its Mountain Cove Resort Properties located on Dougherty Gap Road in unincorporated Walker County (collectively the "Properties"), and (5) to finance the costs of issuing the Series 2015 Bonds; and

**WHEREAS**, to accomplish the financing contemplated in this Bond Resolution, the Authority and the County propose to enter into an Intergovernmental Economic Development Contract, to be dated as of September 1, 2015 (the "Contract"), pursuant to the terms of which the County (1) will agree to make payments to the Authority in amounts sufficient to enable the Authority to pay, among other things, the principal of, premium, if any, and interest on the Series 2015 Bonds when due and (2) will agree to levy an annual ad valorem tax on all taxable property located within the territorial limits of the County, at such rates within the one mill limit or such greater millage limit hereafter authorized under applicable law, as may be necessary to produce in each year revenues that are sufficient to fulfill the County's obligations under the Contract; and

**WHEREAS**, to secure its obligation to pay principal of, premium, if any, and interest on the Series 2015 Bonds, the Authority proposes to assign and pledge to U.S. Bank National Association, as trustee (the "Trustee"), and grant a first priority security interest in, all of its right, title, and interest in the Contract (except for the Unassigned Rights, as defined in the Contract), pursuant to a Trust Indenture and Security Agreement, to be dated as of September 1, 2015 (the "Indenture"), between the Authority and the Trustee; and

**WHEREAS**, the Authority hereby finds and determines that the Industrial Parks and the Properties are "projects" within the meaning of the Act and that the refinancing of the Industrial Park Loans, the financing of improvements to the Industrial Parks, the refunding of the Prior Bond, and the financing of the acquisition of the Properties will further the purposes and policies of the Act; and

**WHEREAS**, the members of the Authority have determined that accomplishing the foregoing is in the best interests of the Authority, and the members of the Authority have found and do hereby declare that such undertaking is for a lawful, valid, and necessary public purpose, which will promote and expand for the public good and general welfare industry, agriculture, commerce, natural resources, and vocational training and make long-range plans for the coordination of such development, promotion, and expansion within the territorial limits of Walker County, all to the public benefit and good; and

**WHEREAS**, it is anticipated that additional amounts may be necessary to improve the Industrial Parks and the Properties or to refund the Series 2015 Bonds, and as a result provision should be made for the issuance of additional parity bonds from time to time as specified in Article II of the Indenture; and

**WHEREAS**, copies of the forms of the following documents relating to the transactions described above have been submitted to the Authority, are now on file with the Authority, and are attached as exhibits:

Exhibit "A" - Trust Indenture and Security Agreement, to be dated as of September 1, 2015, between the Authority and the Trustee; and

Exhibit "B" - Intergovernmental Economic Development Contract, to be dated as of September 1, 2015, between the Authority and the County; and

**WHEREAS**, the Authority engaged Stifel, Nicolaus & Company, Incorporated (the "Underwriter") to sell the Series 2015 Bonds pursuant to the terms of an Underwriter Engagement Agreement, dated August 24, 2015 (the "Underwriter Engagement Agreement"), between the Authority and the Underwriter, and the members of the Authority propose to ratify the execution of the Underwriter Engagement Agreement by the Executive Director of the Authority on behalf of the Authority;

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE WALKER COUNTY DEVELOPMENT AUTHORITY AS FOLLOWS:**

1. In order to further the public purposes of the Act, the Authority is hereby authorized to issue the Series 2015 Bonds to refinance the Industrial Park Loans, to finance the costs of improving the Industrial Parks, to refund the Prior Bond, to finance the costs of acquiring the Properties, and to finance related costs, and all such assistance previously provided is hereby ratified and approved. It is hereby found, ascertained, determined, and declared that the Industrial Parks and the Properties constitute "projects," within the meaning of that term as defined in the Act, and that the refinancing of the Industrial Park Loans, the financing of the improvements to the Industrial Parks, the refunding of the Prior Bond, and the financing of the acquisition of the Properties and related costs is for a public purpose and is necessary to promote and expand for the public good and general welfare industry, agriculture, commerce, natural resources, and vocational training and make long-range plans for the coordination of such development, promotion, and expansion within the territorial limits of Walker County, all to the public benefit and good.

2. For the purposes of refinancing the Industrial Park Loans, of paying the costs, in whole or in part, of improving the Industrial Parks, of refunding the Prior Bond, of paying the costs, in whole or in part, of acquiring the Properties, and of paying related costs, the issuance of not to exceed \$17,500,000 in original aggregate principal amount of revenue bonds of the Authority to be known as "Walker County Development Authority Economic Development Revenue Bonds, Series 2015" is hereby approved and authorized pursuant to the provisions of the Act.

3. The Series 2015 Bonds shall be issued in an original aggregate principal amount to be specified in a Supplemental Bond Resolution to be adopted by the members of the Authority, but which shall not in any event exceed a maximum original aggregate principal amount of \$17,500,000, shall be dated the date of issuance and delivery, and shall be issuable as fully registered bonds without coupons. The Series 2015 Bonds shall bear interest from the date(s) provided in the Indenture at the rates per annum to be specified in a Supplemental Bond Resolution to be adopted by the members of the Authority (but which shall not in any event exceed a maximum per annum rate of interest of 7.50%), computed on the basis of a 360-day year consisting of twelve 30-day months, payable on February 1, 2016 and semi-annually thereafter on August 1 and February 1 of each year and shall mature on August 1, in the years (with a term not exceeding August 1, 2045) and in the amounts to be specified in a Supplemental Bond Resolution to be adopted by the members of the Authority (provided the principal of and interest on the Series 2015 Bonds payable in any bond year (August 2 - August 1) shall not in any event exceed a maximum amount of \$1,187,273), unless earlier called for redemption. The Series 2015 Bonds shall bear interest on overdue principal and, to the extent permitted by law, on overdue premium, if any, and interest at the aforesaid rates. The Series 2015 Bonds shall be substantially in the form set forth in the Indenture and shall be subject to redemption, shall be in such denominations, shall be payable in such medium of payment at such place or places, shall be of such tenor, and shall have such other terms and provisions as are provided in the Indenture. The form and denominations of the Series 2015 Bonds and the provisions for execution, delivery, authentication, payment, exchange, transfer, registration, and redemption shall be as set forth in the Indenture.

4. It is found, ascertained, determined, and declared that the installment payments to be received by the Authority under the Contract have been calculated to be sufficient to enable the Authority to pay the principal of, premium, if any, and interest on the Series 2015 Bonds as the same become due and payable, and all of such payments and other payments received under the Contract and all other revenues arising out of or in connection with the collateral pertaining to the Series 2015 Bonds are hereby pledged for that purpose and in addition for such other purposes as are more fully set forth and provided for in the Indenture. The Series 2015 Bonds shall be secured as provided in the Indenture.

5. The Series 2015 Bonds shall never constitute an indebtedness or general obligation of the State of Georgia, the County, or any other political subdivision of the State of Georgia, within the meaning of any constitutional provision or statutory limitation whatsoever, nor a pledge of the faith and credit or taxing power of any of the foregoing, nor shall any of the foregoing be subject to any pecuniary liability thereon. The Authority has no taxing power. The Series 2015 Bonds shall not be payable from nor a charge upon any funds other than the revenues pledged to the payment thereof and shall be limited or special obligations of the



Authority payable solely from the funds provided therefor in the Indenture. No owner of the Series 2015 Bonds shall ever have the right to compel the exercise of the taxing power of the State of Georgia, the County, or any other political subdivision of the State of Georgia to pay the principal of the Series 2015 Bonds or the interest or any premium thereon, or to enforce payment thereof against any property of the foregoing, nor shall the Series 2015 Bonds constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the foregoing other than the revenues pledged to the payment thereof. Neither the members of the Authority nor any person executing the Series 2015 Bonds shall be liable personally on the Series 2015 Bonds by reason of the issuance thereof.

6. The obligations of the Authority with respect to the Industrial Parks and the Properties shall be as provided in the Contract and the Indenture.

7. The forms, terms, and conditions and the execution, delivery, and performance of the Indenture and the Contract, attached hereto as Exhibits A and B, respectively, are hereby approved and authorized. The Indenture and the Contract (collectively the "Authority Contracts") shall be in substantially the forms submitted to the members of the Authority with such changes, corrections, deletions, insertions, variations, additions, or omissions as may be approved by the Chairman or Vice Chairman of the Authority, whose approval thereof shall be conclusively evidenced by the execution of each such instrument.

8. U.S. Bank National Association, Atlanta, Georgia, is hereby appointed and designated to act as trustee under the Indenture and paying agent and bond registrar for the Series 2015 Bonds.

9. The Chairman or Vice Chairman of the Authority is hereby authorized and directed to execute on behalf of the Authority the Authority Contracts, and the Secretary or Assistant Secretary of the Authority is hereby authorized and directed to affix thereto and attest the seal of the Authority, upon proper execution and delivery of the other parties thereto, provided, that in no event shall any such attestation or affixation of the seal of the Authority be required as a prerequisite to the effectiveness thereof, and the Chairman or Vice Chairman and Secretary or Assistant Secretary are authorized and directed to deliver such instruments and documents on behalf of the Authority to the County or the Trustee, as the case may be, and to execute and deliver all such other contracts, instruments, documents, affidavits, or certificates and to do and perform all such things and acts as each shall deem necessary or appropriate in furtherance of the issuance of the Series 2015 Bonds, the investment of the proceeds of the Series 2015 Bonds, and the carrying out of the transactions authorized by this Bond Resolution or contemplated by the instruments and documents referred to in this Bond Resolution. The Series 2015 Bonds shall be executed on behalf of the Authority by its Chairman or Vice Chairman by his manual or facsimile signature, and the official seal of the Authority shall be impressed or reproduced thereon and attested by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority. All such facsimile signatures and the reproduction of the official seal of the Authority on the Series 2015 Bonds shall have the same force and effect as if such officers had manually signed the Series 2015 Bonds and as if the official seal of the Authority had been impressed on the Series 2015 Bonds; provided that no Series 2015 Bond shall be valid or obligatory for any purpose unless and until the certificate of authentication contained in the form

of the Series 2015 Bonds shall have been duly executed by the manual signature of an authorized signatory of the Trustee, as required by the Indenture.

10. The terms of the Underwriter Engagement Agreement are hereby approved, and the execution and delivery of the Underwriter Engagement Agreement by the Executive Director of the Authority on behalf of the Authority is hereby ratified.

11. The attorney for the Authority, Donald F. Oliver, is hereby authorized and instructed to commence validation proceedings in accordance with the requirements of Article 3 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated, as amended, and to take all actions necessary to obtain an order of the Superior Court of Walker County, Georgia validating and confirming the Series 2015 Bonds and the security therefor. The Chairman or Vice Chairman is hereby authorized and directed to execute any pleadings in connection therewith.

12. This Bond Resolution and the Authority Contracts, as approved by this Bond Resolution, all of which are hereby incorporated in this Bond Resolution by this reference thereto, shall be placed on file at the office of the Authority and made available for public inspection by any interested party immediately following the passage and approval of this Bond Resolution.

13. No representation, statement, covenant, stipulation, obligation, or agreement herein contained, or contained in the Series 2015 Bonds, the Authority Contracts, or in any certificate or other instrument to be executed in connection with the issuance of the Series 2015 Bonds, shall be deemed to be a representation, statement, covenant, stipulation, obligation, or agreement of any member, officer, employee, or agent of the Authority in his or her individual capacity, and none of the foregoing persons nor any of the officers of the Authority executing the Series 2015 Bonds, the Authority Contracts, or any certificate or other instrument to be executed in connection with the issuance of the Series 2015 Bonds shall be liable personally thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

14. Except as otherwise expressly provided herein or in the Series 2015 Bonds or the Authority Contracts, nothing in this Bond Resolution or in the Series 2015 Bonds or the Authority Contracts, express or implied, is intended or shall be construed to confer upon any person, firm, corporation, or other organization, other than the Authority, the County, the Trustee, and the owners from time to time of the Series 2015 Bonds, any right, remedy, or claim, legal or equitable, under and by reason of this Bond Resolution or any provision hereof, or of the Series 2015 Bonds or the Authority Contracts, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Authority, the County, the Trustee, and the owners from time to time of the Series 2015 Bonds.

15. All acts, conditions, and things relating to the passage of this Bond Resolution; to the issuance, sale, and delivery of the Series 2015 Bonds; and to the execution and delivery of the Authority Contracts, required by the Constitution or other laws of the State of Georgia to happen, exist, and be performed precedent to the passage hereof, have happened, exist, and have been performed as so required, with the exception of the validation proceedings referred to in paragraph 11 above.

16. The members of the Authority and its officers, attorneys, engineers, or other agents or employees are hereby authorized to do all acts and things required of them by this Bond Resolution, the Series 2015 Bonds, and the Authority Contracts and to do all acts and things that are desirable and consistent with the requirements hereof or of the Series 2015 Bonds and the Authority Contracts, for the full, punctual, and complete performance of all the terms, covenants, and agreements contained herein or in the Series 2015 Bonds and the Authority Contracts.

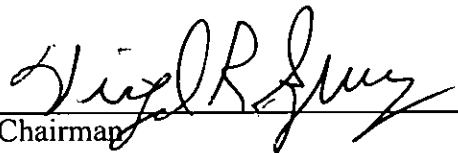
17. The Authority covenants and agrees that this Bond Resolution shall constitute a contract between the Authority and the owners from time to time of the Series 2015 Bonds, and that all covenants and agreements set forth herein and in the Series 2015 Bonds and the Authority Contracts to be performed by the Authority shall be for the equal and ratable benefit and security of the owners from time to time of the Series 2015 Bonds and any additional parity bonds issued under the Indenture, without privilege, priority, or distinction as to lien or otherwise of any of such bonds over any other of such bonds.

18. All motions, orders, ordinances, bylaws, resolutions, and parts thereof in conflict herewith are hereby repealed to the extent only of such conflict. This repealer shall not be construed as reviving any motion, order, ordinance, bylaw, resolution, or part thereof.


19. This Bond Resolution shall become effective immediately, and if any section, paragraph, clause, or provision hereof shall for any reason be held invalid or unenforceable, the invalidity or unenforceability thereof shall not affect any of the remaining provisions hereof.

**PASSED, ADOPTED, SIGNED, APPROVED, and EFFECTIVE** this 31st day of August 2015.

**WALKER COUNTY DEVELOPMENT  
AUTHORITY**

By:   
Chairman



  
Secretary

**EXHIBIT A**

---

**WALKER COUNTY DEVELOPMENT AUTHORITY**  
(a public corporation created and existing  
under the laws of the State of Georgia)

and

**U.S. BANK NATIONAL ASSOCIATION**  
(a banking association with trust powers chartered and existing  
under the laws of the United States of America)

as Trustee

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**TRUST INDENTURE AND SECURITY AGREEMENT**

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Dated as of September 1, 2015

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## TRUST INDENTURE AND SECURITY AGREEMENT

**THIS TRUST INDENTURE AND SECURITY AGREEMENT**, made and entered into as of September 1, 2015, between the Walker County Development Authority (the "Authority"), a public corporation duly created and existing under the laws of the State of Georgia, and U.S. Bank National Association (the "Trustee"), a banking association chartered and existing under the laws of the United States of America and duly authorized and empowered to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States of America, as trustee;

### WITNESSETH:

**WHEREAS**, the Authority has adopted a Series 2015 Bond Resolution, as supplemented by a Supplemental Series 2015 Bond Resolution (collectively the "Bond Resolution") authorizing the issuance of its revenue bonds for the purpose of obtaining funds (1) to repay loans (the "Industrial Park Loans") obtained by the Authority from Walker County, Georgia (the "County") to finance the costs of acquiring and improving land for use as two industrial parks owned by the Authority, known as "Rock Spring Industrial Park" and "Walker County Industrial Park" (collectively the "Industrial Parks"), (2) to finance the costs of improving the Industrial Parks, (3) to refund the Authority's Taxable Revenue Bond (Ohio Logistics Project), Series 2011 (the "Prior Bond"), presently outstanding in the principal amount of \$643,300, (4) to finance the costs of acquiring from the County (a) its Civic Center and its Agricultural Center located at 10052 North Highway 27 in Rock Spring, Georgia and (b) its Mountain Cove Resort Properties located on Dougherty Gap Road in unincorporated Walker County (collectively the "Properties"), and (5) to finance the costs of issuing such revenue bonds; and

**WHEREAS**, to accomplish the financing as contemplated in the Bond Resolution, the Authority and the County will enter into an Intergovernmental Economic Development Contract, dated the date hereof (the "Contract"), pursuant to the terms of which the County (1) will agree to make payments to the Authority in amounts sufficient to enable the Authority to pay, among other things, the principal of, premium, if any, and interest on the revenue bonds to be issued when due and (2) will agree to levy an annual ad valorem tax on all taxable property located within the territorial limits of the County, at such rates within the one mill limit or such greater millage limit hereafter authorized under applicable law, as may be necessary to produce in each year revenues that are sufficient to fulfill the County's obligations under the Contract; and

**WHEREAS**, to secure its obligation to pay principal of, premium, if any, and interest on the revenue bonds to be issued hereunder, the Authority has agreed to assign and pledge to the Trustee, and grant a first priority security interest in, all of its right, title, and interest in the Contract (except for the Unassigned Rights, as defined in the Contract) and certain funds established and held hereunder, all pursuant to the granting clauses of this Trust Indenture and Security Agreement (hereinafter sometimes referred to as this "Indenture"); and

**WHEREAS**, the execution and delivery of this Indenture and the Contract were authorized by the Bond Resolution, which was duly adopted and approved; and

**WHEREAS**, in order to obtain funds (1) to repay the Industrial Park Loans, (2) to finance the costs of improving the Industrial Parks, (3) to refund the Prior Bond, (4) to finance the costs of

acquiring the Properties, and (5) to finance related costs, including necessary expenses incidental thereto, the Authority will issue its revenue bonds to be designated "Walker County Development Authority Economic Development Revenue Bonds, Series 2015," in the original aggregate principal amount of \$ \_\_\_\_\_ (hereinafter referred to as the "Series 2015 Bonds"); and

**WHEREAS**, it is anticipated that additional amounts may be necessary to improve the Industrial Parks and the Properties, and as a result provision should be made for the issuance of additional parity bonds of the Authority from time to time as specified in Section 214 hereof (hereinafter sometimes referred to as the "Additional Bonds"); and

**WHEREAS**, all things necessary to make the Series 2015 Bonds, when executed by the Authority and when authenticated by the Trustee and issued as in this Indenture provided, the valid, binding, and legal obligations of the Authority according to the import thereof; to constitute this Indenture a valid lien on the interests in property hereby conveyed, a valid grant of a security interest in the interests in property hereby made, and a valid assignment and pledge of the revenues and receipts hereby made to secure the payment of the principal of, premium, if any, and interest on the Series 2015 Bonds; and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms have been done and performed, and the creation, execution, and delivery of this Indenture and the creation, execution, and issuance of the Series 2015 Bonds, subject to the terms hereof, have in all respects been duly authorized;

**NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, THIS TRUST INDENTURE AND SECURITY AGREEMENT WITNESSETH:**

#### **GRANTING CLAUSES**

That the Authority, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the Series 2015 Bonds and the Additional Bonds (collectively the "Bonds") by the owners thereof, and of the sum of one dollar, lawful money of the United States of America, to it duly paid by the Trustee at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, in order to secure the payment of the principal of, premium, if any, and interest on the Bonds according to their tenor and effect and to secure the performance and observance by the Authority of all the covenants expressed or implied herein and in the Bonds, does hereby, subject to the terms and provisions of the Contract, grant, bargain, sell, transfer, convey, pledge, and assign, without recourse and irrevocably in trust, unto U.S. Bank National Association, as trustee, and unto its successors in trust, and to its assigns forever, and does hereby grant a continuing security interest in (to the extent permitted by law), for the securing of the performance of the obligations of the Authority hereinafter set forth, the property described below:

#### **GRANTING CLAUSE FIRST**

All the right, title, and interest of the Authority in and to the Intergovernmental Economic Development Contract, dated as of September 1, 2015, between the Authority and the County (except for Unassigned Rights, as defined in the Contract), and all extensions and renewals of the term thereof, if any, and all amounts encumbered thereby, including, but without limiting the

generality of the foregoing, the present and continuing right to make claim for, collect, receive, and make receipt for payments and other sums of money payable, receivable, or to be held thereunder; to bring any actions and proceedings thereunder or for the enforcement thereof; and to do any and all other things that the Authority is or may become entitled to do under the foregoing, provided that the assignment made by this clause shall not impair or diminish any obligation of the Authority under the provisions of the foregoing.

### **GRANTING CLAUSE SECOND**

All the right, title, and interest of the Authority in and to all moneys held by the Trustee in the funds created under this Indenture, including the Bond Fund, the Project Fund, and the Issuance Cost Fund.

### **GRANTING CLAUSE THIRD**

All the right, title, and interest of the Authority in and to all moneys and securities and interest earnings thereon from time to time delivered to and held by the Trustee under the terms of this Indenture and all other property rights and interests of every kind and nature and any and all other property from time to time hereafter by delivery or by writing of any kind granted, bargained, sold, alienated, demised, released, hypothecated, conveyed, pledged, assigned, or transferred as and for additional security hereunder by the Authority or by anyone on its behalf or with its written consent to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

### **GRANTING CLAUSE FOURTH**

All the right, title, and interest of the Authority in and to all proceeds (cash and noncash) of any or all of the foregoing, including, without limiting the generality of the foregoing, all inventory, accounts, chattel paper, documents, equipment, instruments, investment property, deposit accounts, farm products, consumer goods, and general intangibles constituting proceeds acquired with cash proceeds of any or all of the foregoing.

**IN EACH CASE**, whether now owned or hereafter acquired by the Authority and howsoever its interest therein may arise or appear (whether by ownership, security interest, claim, or otherwise) and whether due or to become due and whether or not earned by performance;

**TO HAVE AND TO HOLD** all the same with all privileges and appurtenances hereby pledged, conveyed, and assigned, or agreed or intended so to be, to the Trustee and its successors in such trusts and to them and their assigns forever;

**IN TRUST NEVERTHELESS**, upon the terms and trusts herein set forth for the equal and proportionate benefit, security, and protection of all present and future owners of the Bonds from time to time issued under and secured by this Indenture without privilege, priority, or distinction as to the lien or otherwise of any of the Bonds over any of the other Bonds, except as herein otherwise expressly provided;

**PROVIDED, HOWEVER,** that if the Authority, its successors or assigns, shall well and truly pay or cause to be paid to the owners of the Bonds the principal, interest, and premium, if any, due or to become due thereon at the times and in the manner stipulated therein and herein, according to the true intent and meaning thereof, and shall cause the payments to be made into the Bond Fund as required hereby, or shall provide, as permitted hereby, for the payment thereof by depositing with the Trustee the entire amount due or to become due thereon and if the Authority shall well and truly keep, perform, and observe all and singular the covenants, conditions, and premises in the Bonds and in this Indenture expressed as to be kept, performed, and observed by it or on its part, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then these presents and the estate and rights hereby granted shall, at the option of the Authority, cease, determine, terminate, and be void, except to the extent specifically provided pursuant to Article VII hereof, and thereupon the Trustee shall cancel and discharge the lien of this Indenture and execute and deliver to the Authority such instruments in writing as shall be requisite to satisfy the lien hereof and reconvey to the Authority the estate hereby conveyed and assign and deliver to the Authority any property at the time subject to the lien of this Indenture that may then be in its possession, except amounts in the funds created hereunder required to be paid to the County under Section 513 hereof and except cash held by the Trustee for the payment of interest on and retirement of the Bonds; otherwise this Indenture to be and remain in full force and effect until such time as the principal of the Bonds and the interest and premium, if any, thereon have been paid or provided for as hereinafter set out.

**NOW, THEREFORE, THE AUTHORITY AND THE TRUSTEE FURTHER AGREE,** and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated, and delivered and all the revenues, receipts, property, rights, and interests hereby conveyed, pledged, and assigned and that are the subject of a grant of a security interest are to be dealt with and disposed of under, upon, and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes as herein expressed, and the Authority has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective owners, from time to time, of the Bonds, or any part thereof, as follows:

## ARTICLE I

### DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

**Section 101. Definitions.** Certain words and terms used in this Indenture shall have the meaning given them in Article I of the Contract, which by this reference is incorporated herein. In addition to the words and terms defined elsewhere herein, the following words and terms shall have the meanings set forth below. When used herein, such words and terms shall have the meanings given to them by the language employed in Article I of the Contract and in this Article I defining such words and terms, unless the context or use clearly indicates otherwise.

**“Authorized Authority Representative”** means the person at the time designated to act on behalf of the Authority by written certificate furnished to the County and the Trustee, containing the specimen signature of such person and signed on behalf of the Authority by the Chairman or Vice Chairman of the Authority. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

**“Authorized County Representative”** means the person at the time designated to act on behalf of the County by written certificate furnished to the Authority and the Trustee, containing the specimen signature of such person and signed on behalf of the County by the Commissioner of the County. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

**“Authorized Denomination”** means \$5,000 or any integral multiple thereof.

**“Beneficial Owner”** shall have the meaning specified in Section 213 hereof.

**“Bond Counsel”** means any firm of nationally recognized bond counsel experienced in matters relating to public finance, selected by the County and reasonably acceptable to the Trustee.

**“Bond Documents”** means, collectively, the Contract and the Indenture.

**“Bond Fund”** means the trust fund so designated, which is created pursuant to Section 501 of this Indenture.

**“Bond Resolution”** means the resolution or resolutions adopted by the governing body of the Authority authorizing the issuance and sale of the Bonds and the security therefor.

**“Business Day”** means a day that is not (a) a Saturday, Sunday, or legal holiday on which banking institutions in the State of Georgia, the State of New York, or the state in which the Principal Office of the Trustee is located are required or authorized by law or other governmental action to close or (b) a day on which the New York Stock Exchange is closed.

**“Capitalized Interest Account”** means the separate account so designated in the Bond Fund, which is created and established therein pursuant to Section 501 of this Indenture.

**“Closing Date”** means the date of the initial issuance and delivery of any series of Bonds.

**“Counsel”** means an attorney duly admitted to practice law before the highest court of any state in the United States of America or the District of Columbia, or any law firm, who or which, as the case may be, is not unsatisfactory to any recipient of the opinion required to be rendered by such Counsel.

**“Defaulted Interest”** means any interest on any Bond that is due and payable, but which is not punctually paid or duly provided for on any Interest Payment Date.

**“DTC”** means The Depository Trust Company, New York, New York or its nominee, or its successors and assigns, or any other depository performing similar functions under this Indenture.

**“Event of Default”** means the events specified in Section 801 of this Indenture.

**“Extraordinary Services of the Trustee”** and **“Extraordinary Expenses of the Trustee”** mean all services rendered and all expenses incurred by the Trustee under this Indenture, including reasonable counsel fees and expenses, other than Ordinary Services of the Trustee and Ordinary Expenses of the Trustee.

**“Fitch”** means Fitch Investors Service, L.P., or, if such limited partnership is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the County. The notice address of Fitch shall be One State Street Plaza, New York, New York 10004.

**“Fund”** means any of the funds established pursuant to this Indenture.

**“Government Obligations”** means:

(a) direct general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of Treasury of the United States of America) or obligations the payment of the principal of and interest on which when due are fully and unconditionally guaranteed by the United States of America;

(b) receipts or certificates that evidence an undivided ownership interest in the right to the payment of the principal of or interest on obligations described in clause (a) above, provided that such obligations are held in the custody of a bank or trust company acceptable to the Trustee, in a special account separate from the general assets of such custodian; and

(c) bonds, notes, or other obligations of any Governmental Issuer the timely payment of the principal of and interest on which is fully provided for (without reinvestment) by the deposit in trust or escrow of cash or non-callable obligations described in clauses (a) or (b) above.

**“Governmental Issuer”** means the State, any other state of the United States, any agency or instrumentality of the State, and any county, municipal corporation, or political subdivision of the State.

**“Interest Account”** means the separate account so designated in the Bond Fund, which is created and established therein pursuant to Section 501 of this Indenture.

**“Interest Payment Date”** means each February 1 and August 1, commencing February 1, 2016, in the case of Series 2015 Bonds, and the dates on which interest is scheduled to be paid, in the case of Additional Bonds.

**“Issuance Cost Fund”** means the trust fund so designated, which is created pursuant to Section 502 of this Indenture.

**“Joint Written Request”** means a Written Request of the Authority and the County.

**“Letter of Representations”** means the Blanket Issuer Letter of Representations, dated \_\_\_\_\_, between the Authority and DTC.

**“Moody’s”** means Moody’s Investors Service, Inc. or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the County. The notice address of Moody’s shall be 7 World Trade Center, 250 Greenwich Street, New York, New York 10007.

**“Officer’s Certificate”** means a certificate in writing signed by the Authorized County Representative.

**“Ordinary Services of the Trustee”** and **“Ordinary Expenses of the Trustee”** mean those reasonable services rendered and those reasonable expenses incurred by the Trustee in the performance of its duties under this Indenture of the type ordinarily performed by corporate trustees under like indentures, including reasonable counsel fees and expenses.

**“Outstanding Bonds”** or **“Bonds Outstanding”** or **“Outstanding”** means all Bonds that have been duly authenticated and delivered by the Trustee under this Indenture, except:

- (a) Bonds theretofore cancelled or required to be cancelled by the Trustee,
- (b) Bonds that are deemed to have been paid in accordance with the defeasance provisions of Article VII of this Indenture, and
- (c) Bonds in substitution for which other Bonds have been authenticated and delivered under Section 206 of this Indenture.

If this Indenture shall be discharged pursuant to the defeasance provisions of Article VII thereof, no Bonds shall be deemed to be Outstanding within the meaning of this provision.

**“Permitted Investments”** means obligations in which the Authority is permitted to invest moneys of the Authority pursuant to applicable law, which have (or are collateralized by obligations which have) a Rating by any Rating Agency that is equal to or greater than the third highest long-term Rating of such Rating Agency, or which bears (or are collateralized by obligations which bear) the second highest short-term Rating of such Rating Agency, or which consist of negotiable or non-negotiable certificates of deposit issued by or interest-bearing time or demand deposits in banks, provided that any such deposits are (a) fully insured by the Federal Deposit Insurance Corporation or (b) fully secured by Government Obligations. Obligations in which the Authority is permitted to

invest proceeds of Bonds are described, as of the date of execution of this Indenture, in Section 36-82-7 of the Official Code of Georgia Annotated.

**“Principal Account”** means the separate account so designated in the Bond Fund, which is created and established therein pursuant to Section 501 of this Indenture.

**“Principal Office”** means, when used with respect to the Trustee, the corporate trust office of the Trustee located in Atlanta, Georgia.

**“Project Fund”** means the trust fund so designated, which is created pursuant to Section 503 of this Indenture.

**“Rating”** means a rating in one of the categories by a Rating Agency, disregarding pluses, minuses, and numerical gradations.

**“Rating Agencies”** or **“Rating Agency”** means Fitch, Moody’s, and Standard & Poor’s or any successors thereto and any other nationally recognized credit rating agency then maintaining a rating on any Bonds at the request of the County. If at any time a particular Rating Agency does not have a rating outstanding with respect to the relevant Bonds, then a reference to Rating Agency or Rating Agencies shall not include such Rating Agency.

**“Record Date”** means the fifteenth (15th) day of the month immediately preceding each Interest Payment Date (whether or not a Business Day).

**“Redemption Account”** means the separate account so designated in the Bond Fund, which is created and established therein pursuant to Section 501 of this Indenture.

**“Series 2015 Purchase Agreement”** means the Bond Purchase Agreement, dated \_\_\_\_\_, 2015, among the Underwriter, the Authority, and the County, providing for the purchase of the Series 2015 Bonds.

**“Special Record Date”** means the date fixed by the Trustee for the payment of any Defaulted Interest pursuant to Section 202 of this Indenture.

**“Standard and Poor’s”** or **“S&P”** means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc., or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the County. The notice address of Standard & Poor’s shall be 55 Water Street, New York, New York 10041.

**“Trust Estate”** means any and all property subject to the operation of the granting clauses of this Indenture.

**“Underwriter”** means, for purposes of the Series 2015 Bonds, Stifel, Nicolaus & Company, Incorporated.



**“Written Request”** means, with reference to the Authority, a request in writing signed by the Authorized Authority Representative, and with reference to the County, a request in writing signed by the Authorized County Representative.

**Section 102. Construction of Certain Terms.** For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction shall apply:

- (1) The use of the masculine, feminine, or neuter gender is for convenience only and shall be deemed and construed to include correlative words of the masculine, feminine, or neuter gender, as appropriate.
- (2) All references in this instrument to designated “Articles,” “Sections,” and other subdivisions are to the designated Articles, Sections, and other subdivisions of this instrument. The words “herein,” “hereof,” “hereto,” “hereby,” and “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section, or other subdivision.
- (3) The terms defined in this Article include the plural as well as the singular.
- (4) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles.

**Section 103. Table of Contents; Titles and Headings.** The table of contents, the titles of the articles, and the headings of the sections of this Indenture are solely for convenience of reference, are not a part of this Indenture, and shall not be deemed to affect the meaning, construction, or effect of any of its provisions.

**Section 104. Contents of Certificates or Opinions.** Every certificate or opinion with respect to the compliance with a condition or covenant provided for in this Indenture and that is precedent to the taking of any action by the Trustee under this Indenture shall include (i) a statement that the person or persons making or giving such certificate or opinion have read such covenant or condition herein and the definitions herein relating thereto, (ii) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based, (iii) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such covenant or condition has been complied with, and (iv) a statement as to whether, in the opinion of the signers, such condition or covenant has been complied with.

Any such certificate or opinion made or given by an official of the Authority or the County may be based, insofar as it relates to legal or accounting matters, upon a certificate or an opinion of counsel or an accountant, which certificate or opinion has been given only after due inquiry of the relevant facts and circumstances, unless such official knows that the certificate or opinion with respect to the matters upon which his certificate or opinion may be based is erroneous or in the exercise of reasonable care should have known that the same was erroneous. Any such certificate or opinion made or given by counsel or an accountant may be based (insofar as it relates to factual matters with respect to information that is in the possession of an official of the Authority or the

County or any third party) upon the certificate or opinion of or representations by an official of the Authority or the County or any third party on whom counsel or an accountant could reasonably rely, unless such counsel or such accountant knows that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion may be based as aforesaid are erroneous or in the exercise of reasonable care should have known that the same were erroneous. The same official of the Authority or the County or the same counsel or accountant, as the case may be, need not certify to or render an opinion as to all of the matters required to be certified or covered by an opinion under any provision of this Indenture, but different officials, counsel, or accountants may certify to or render an opinion as to different matters, respectively.

[End of Article I]

## ARTICLE II

### THE BONDS

**Section 201. Authorized Amount of Bonds.** No Bonds may be issued under the provisions of this Indenture except in accordance with this Article. The total original aggregate principal amount of Series 2015 Bonds that may be issued and outstanding hereunder is expressly limited to \$ \_\_\_\_\_; provided, however, that Additional Bonds may be issued as provided in Section 214 hereof.

**Section 202. Number and Payment Provisions.** The Bonds shall be issuable only as fully registered Bonds, without coupons, in any Authorized Denomination. Unless the Authority shall otherwise direct, the Bonds of each series shall be lettered "R" and shall be numbered consecutively from 1 upward.

Each Bond authenticated prior to the first Interest Payment Date thereon shall bear interest from its dated date. Each Bond authenticated on or after the first Interest Payment Date thereon shall bear interest from the Interest Payment Date thereon next preceding the date of authentication thereof, unless such date of authentication shall be an Interest Payment Date to which interest on such Bond has been paid in full or duly provided for, in which case from such date of authentication; provided that if, as shown by the records of the Trustee, interest on such Bond shall be in default, such Bond shall bear interest from the date to which interest has been paid in full on such Bond or, if no interest has been paid on such Bond, its dated date. Each Bond shall bear interest on overdue principal and, to the extent permitted by law, on overdue premium, if any, and interest at the rate borne by such Bond.

The principal of, premium, if any, and interest on the Bonds shall be payable in any coin or currency of the United States of America that, at the respective dates of payment thereof, is legal tender for the payment of public and private debts.

The principal of and premium, if any, on any Bonds shall be payable to the Bondholder at the Principal Office of the Trustee, upon presentation and surrender of such Bond.

Payment of the interest on each Bond shall be made by the Trustee on each Interest Payment Date to the person appearing as the registered owner thereof as of the close of business on the Record Date preceding the Interest Payment Date by check mailed to such registered owner at its address as it appears on the registration books maintained by the Trustee, or at such other address as is furnished in writing by such registered owner to the Trustee, notwithstanding the cancellation of any such Bonds upon any exchange or transfer thereof subsequent to the Record Date and prior to such Interest Payment Date. Notwithstanding anything provided above, payment of interest on the Bonds may, at the option of the owner of such Bonds in an aggregate principal amount of at least \$1,000,000, be transmitted by wire transfer of immediately available funds to such owner to the bank account number on file with the Trustee, as of the relevant Record Date.

Defaulted Interest with respect to any Bond shall cease to be payable to the owner of such Bond on the relevant Record Date and shall be payable to the registered owner of such Bond at the close of business of the Trustee on the Special Record Date for the payment of such Defaulted

Interest, which shall be fixed in the following manner. The County shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be such as will enable the Trustee to comply with the next sentence hereof), and at the same time the County shall deposit, on behalf of the Authority, with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Bondholders entitled to such Defaulted Interest as provided in this Section. Following receipt of such funds, the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest, which shall be not more than fifteen nor less than ten days prior to the date of the proposed payment. The Trustee shall promptly notify the Authority of such Special Record Date and, in the name of the Authority and at the expense of the County, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each registered owner of a Bond at the address of such owner as it appears on the registration books not less than ten days prior to such Special Record Date. Such Defaulted Interest shall be paid to the owners in whose names the Bonds on which such Defaulted Interest is to be paid are registered on such Special Record Date.

**Section 203. Execution.** The Bonds shall be executed on behalf of the Authority by its Chairman or Vice Chairman with his manual or facsimile signature and shall be attested by the manual or facsimile signature of its Secretary or Assistant Secretary, and the official seal of the Authority shall be impressed or reproduced thereon. All such facsimile signatures shall have the same force and effect as if such officers had manually signed each of the Bonds. The reproduction of the official seal of the Authority on the Bonds shall have the same force and effect as if the official seal of the Authority had been impressed on the Bonds. In case any officer whose signature or a facsimile of whose signature shall appear on any Bonds shall cease to be such officer after the execution but before the delivery of such Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, and the Bonds may be issued and delivered as if such officer had remained in office until delivery.

**Section 204. Authentication.** Only such Bonds as shall have endorsed thereon a certificate of authentication substantially in the form set forth in Exhibit A attached hereto and duly executed by the Trustee shall be entitled to any right, security, or benefit under this Indenture. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Trustee, and such executed certificate upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Indenture and that the owner thereof is entitled to the benefits of the trust hereby created. The certificate of authentication on any Bond shall be deemed to have been duly executed by the Trustee if (a) signed by an authorized officer, agent, or signatory of the Trustee, but it shall not be necessary that the same officer, agent, or signatory sign the certificate of authentication on all of the Bonds or on all of the Bonds of any series issued hereunder, and (b) the date of registration and authentication of the Bond is inserted in the place provided therefor on the certificate of authentication.

**Section 205. Form of Series 2015 Bonds.** The Series 2015 Bonds shall be substantially in the form set forth in Exhibit A attached hereto with such variations, insertions, or omissions as are appropriate and not inconsistent herewith and shall conform generally to the rules and regulations of any governmental authority or usage or requirement of law with respect thereto.

**Section 206. Mutilated, Lost, Stolen, or Destroyed Bonds.** In the event any Bond is mutilated, lost, stolen, or destroyed, the Authority shall execute and the Trustee shall authenticate and deliver a new Bond of like series, date, number, interest rate, maturity, and denomination as that mutilated, lost, stolen, or destroyed; provided, that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen, or destroyed Bond, there shall be first furnished to the Authority and the Trustee evidence of such loss, theft, or destruction satisfactory to the Authority and the Trustee, together with indemnity satisfactory to them. In the event any such Bond shall have matured, or shall be about to mature or have been called for redemption, instead of issuing a duplicate Bond the Authority may pay the same without surrender thereof, making such requirements as it deems fit for its protection, including a lost instrument bond. The Authority and the Trustee may charge the owner of such Bond with their reasonable fees and expenses in connection with actions taken under this Section and may require the owner of such Bond to pay any tax, fee, or other governmental charge that may be imposed in relation thereto as conditions precedent to the issuance of any replacement Bond(s). The Authority shall cooperate with the Trustee in connection with the issuance of replacement Bonds, but nothing in this Section shall be construed in derogation of any rights that the Authority or the Trustee may have to receive indemnification against liability, or payment or reimbursement of expenses, in connection with the issuance of a replacement Bond.

Every substituted Bond issued pursuant to this Section shall constitute an original additional contractual obligation of the Authority, whether or not the Bond alleged to have been mutilated, destroyed, lost, or stolen shall be at any time enforceable by anyone, and shall be entitled to all the rights and benefits of this Indenture equally and proportionately with any and all other Bonds Outstanding duly issued hereunder.

All Bonds shall be held and owned upon the express condition that the foregoing provisions are, to the extent permitted by law, exclusive with respect to the replacement or payment of mutilated, destroyed, lost, or stolen Bonds, and shall preclude any and all other rights or remedies.

**Section 207. Cancellation and Destruction of Surrendered Bonds.** Whenever any Outstanding Bond shall be delivered to the Trustee for cancellation pursuant to this Indenture, upon payment of the principal amount represented thereby, or for replacement pursuant to Section 206 hereof or transfer or exchange pursuant to Section 208 hereof, such Bond shall be promptly cancelled and shall be cremated or otherwise destroyed by the Trustee.

**Section 208. Registration, Transfer, and Exchange.** The Bonds shall be and shall have all the qualities and incidents of negotiable instruments under the laws of the State, and the Bondholders, in accepting any of the Bonds, shall be conclusively deemed to have agreed that the Bonds shall be and have all of such qualities and incidents of negotiable instruments.

The Authority shall cause books for the registration of ownership of the Bonds and for the registration of transfer of the Bonds as provided in this Indenture to be kept by the Trustee, which is hereby constituted and appointed the Authority's bond registrar and agent for the transfer and exchange of the Bonds and as such shall maintain the books of the Authority for the registration of ownership of each Bond as provided in this Indenture. The Trustee, for and on behalf of the Authority, shall keep the Bond registration record, in which shall be recorded any and all transfers of ownership of Bonds. No Bonds shall be registered to bearer. At reasonable times and under

reasonable regulations established by the Trustee (in its capacity as registrar), such registration books may be inspected and copied by the Authority, the County, or the Beneficial Owners (or a designated representative thereof) of 15% or more in aggregate principal amount of the Bonds then unpaid.

Any Bond may be transferred upon the registration books upon surrender thereof at the Principal Office of the Trustee by the Bondholder in person or by its attorney-in-fact or legal representative duly authorized in writing together with a written instrument of transfer in form and with guarantee of signature satisfactory to the Trustee duly executed by the Bondholder or its attorney-in-fact or legal representative duly authorized in writing and upon payment by such Bondholder of a sum sufficient to cover any governmental tax, fee, or charge required to be paid as provided in this Indenture. Upon any such registration of transfer, the Authority shall cause to be executed and the Trustee shall authenticate and deliver in the name of the transferee a new fully registered Bond or Bonds of Authorized Denominations and of the same series, maturity or maturities, and interest rate(s) and in the same aggregate principal amount(s), and the Trustee shall enter the transfer of ownership in the registration books. No transfer of any Bond shall be effective until entered on the registration books.

Any Bonds, upon surrender thereof at the Principal Office of the Trustee with a written instrument of transfer in form and with guarantee of signature satisfactory to the Trustee, duly executed by the Bondholder or its attorney-in-fact or legal representative duly authorized in writing, may be exchanged, at the option of the Bondholder, and upon payment by such Bondholder of a sum sufficient to cover any governmental tax, fee, or charge required to be paid as provided in this Indenture, when not prohibited by law, for an equal aggregate principal amount of Bonds of the same series, interest rate(s), and maturity or maturities and of any other Authorized Denominations and registered in the name of the same Bondholder. The Authority shall cause to be executed and the Trustee shall authenticate and deliver Bonds that the Bondholder making the exchange is entitled to receive, bearing numbers not then outstanding, and the Trustee, as bond registrar, shall enter the exchange in the registration books.

Except as provided herein with respect to exchanges for certain temporary Bonds, the cost of printing, lithographing, and engraving of all Bonds shall be deemed to be an Ordinary Expense of the Trustee, and there shall be no charge to any Bondholder for the registration, exchange, or transfer of Bonds, although in each case the Trustee may require the payment by the Bondholder requesting exchange or transfer of any tax, fee, or other governmental charge required to be paid with respect thereto and may require that such amount be paid before any such new Bond shall be delivered.

The Authority, the Trustee, and the County may deem and treat the registered owner of any Bond as the absolute owner of such Bond for the purpose of receiving any payment on such Bond and for all other purposes of this Indenture and the other Bond Documents, whether such Bond shall be overdue or not, and the Authority, the Trustee, and the County shall not be affected by any notice or knowledge to the contrary. Payment of, or on account of, the principal of and interest and redemption premium, if any, on any Bond shall be made to or upon the written order of such registered owner or its attorney-in-fact or legal representative duly authorized in writing. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

The execution and attestation by the Chairman or Vice Chairman and Secretary or Assistant Secretary of the Authority of any Bond of any Authorized Denomination shall constitute full and due authorization of such denomination, and the Trustee shall thereby be authorized to authenticate and deliver such Bond. New Bonds delivered upon any transfer or exchange shall be valid limited obligations of the Authority, evidencing the same obligation as the Bonds surrendered, shall be secured by this Indenture, and shall be entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered. The Trustee shall not be required to transfer or exchange any Bond (a) after the notice calling such Bond for redemption has been given as herein provided, (b) during a period beginning at the opening of business on the fifteenth (15th) day (whether or not a Business Day) next preceding any date of selection of Bonds to be redeemed and ending at the close of business on the day on which the applicable notice of redemption is given, or (c) until the certificate of validation on such Bond shall have been properly executed by the Clerk of the Superior Court of Walker County, Georgia.

The inclusion of the foregoing provisions shall constitute (i) a continuing request from the Authority to the Clerk of the Superior Court of Walker County, Georgia to execute the certificate of validation on any replacement Bonds issued and (ii) the appointment of the Trustee as agent of the Authority to do any and all things necessary to effect any exchange or transfer.

**Section 209. Temporary Bonds.** Until Bonds in definitive form of any series are ready for delivery, or by agreement with the purchasers of all Bonds of any series, the Authority may execute, and upon its request in writing, the Trustee shall authenticate and deliver in lieu of definitive Bonds, subject to the provisions, limitations, and conditions set forth above, one or more printed, lithographed, typewritten, or otherwise produced Bonds in temporary form, substantially of the tenor of the Bonds in this Article II described, with appropriate omissions, variations, and insertions as may be required and in Authorized Denominations.

Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the same security, lien, and benefit of this Indenture and shall have the same rights, remedies, and security hereunder as definitive Bonds to be issued and authenticated hereunder. The Authority shall, without unreasonable delay, prepare, execute, and deliver definitive Bonds to the Trustee, and thereupon, upon the presentation and surrender of the Bond or Bonds in temporary form to the Trustee at its Principal Office, the Trustee shall cancel the same and authenticate and deliver, in exchange therefor, a Bond or Bonds of the same series, maturity, and interest rate, in definitive form in Authorized Denominations, and for the same aggregate principal amount as the Bond or Bonds in temporary form surrendered. Such exchange shall be made without making any charge therefor to any Bondholder. Notwithstanding the foregoing, Bonds in definitive form may be issued hereunder in typewritten form.

**Section 210. Limited Obligations.** The Bonds shall be special or limited and not general obligations of the Authority giving rise to no pecuniary liability of the Authority, shall be payable solely from the Trust Estate and the Funds, and shall be a valid claim of the respective owners thereof only against the Funds and the Trust Estate, which Trust Estate is hereby again specifically pledged and assigned for the equal and ratable payment of the Bonds and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds, except as may be otherwise expressly authorized in this Indenture. The Bonds shall not constitute a general or moral obligation of Walker County, Georgia nor a debt, indebtedness, or obligation of, or a pledge of the

faith and credit or taxing power of, Walker County, Georgia or the State or any political subdivision thereof, within the meaning of any constitutional or statutory provision whatsoever. Neither the faith and credit nor the taxing power of the State, Walker County, Georgia, or any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds or other costs incident thereto. The Authority has no taxing power. Neither the members of the Authority nor any person executing the Bonds shall be liable personally on the Bonds by reason of the issuance thereof.

**Section 211. Issuance of Series 2015 Economic Bonds.** The Series 2015 Bonds shall be designated "Walker County Development Authority Economic Development Revenue Bonds, Series 2015."

The Series 2015 Bonds shall be dated the date of issuance and delivery. The Series 2015 Bonds shall bear interest at the rates per annum set forth below, computed on the basis of a 360-day year consisting of twelve 30-day months, payable on February 1, 2016, and semiannually thereafter on August 1 and February 1 of each year and shall mature on August 1, in the years and in the amounts as follows, unless earlier called for redemption.

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>
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**Section 212. Delivery of Series 2015 Bonds.** Upon the execution and delivery of this Indenture, the Authority shall execute and deliver to the Trustee and the Trustee shall register and authenticate the Series 2015 Bonds in the original aggregate principal amount of \$ \_\_\_\_\_, and the Trustee shall deliver them as directed by the Authority as provided in this Section.



Prior to the delivery by the Trustee of any of the Series 2015 Bonds, there shall be filed with the Trustee:

- (a) original executed counterparts of this Indenture and the Contract;
- (b) the items, including the opinion of Bond Counsel, required to be furnished to the Underwriter pursuant to the Series 2015 Purchase Agreement before the delivery of the Series 2015 Bonds;
- (c) a request and authorization to the Trustee on behalf of the Authority, signed by the Chairman or Vice Chairman of the Authority, to authenticate and deliver the Series 2015 Bonds to the purchasers therein identified upon payment to the Trustee, but for the account of the Authority, of the purchase price therein specified (including accrued interest);
- (d) a certified copy of an order of the Superior Court of Walker County, Georgia validating and confirming the Series 2015 Bonds and the security therefor; and
- (e) such other documents, certificates, and instruments in connection with the transactions contemplated by this Indenture, in form and substance satisfactory to the Trustee, as the Trustee may reasonably request.

Upon receipt of the foregoing and of the purchase price for the Series 2015 Bonds, the Trustee shall authenticate and register and deliver the Series 2015 Bonds to or upon the order of the purchasers thereof. Upon payment of the proceeds of the Series 2015 Bonds to the Trustee, the Trustee shall deposit the proceeds pursuant to Article V hereof.

**Section 213. DTC Book-Entry.** The Series 2015 Bonds shall be initially issued in the name of Cede & Co., as nominee for DTC, as registered owner of the Series 2015 Bonds, and held in the custody of DTC. A single certificate will be issued and delivered to DTC for each maturity of the Series 2015 Bonds. The actual purchasers of the Series 2015 Bonds (the "Beneficial Owners") will not receive physical delivery of Series 2015 Bond certificates except as provided herein. Beneficial Owners are expected to receive a written confirmation of their purchase from DTC or the participants through which they purchased, providing details of each Series 2015 Bond acquired. For so long as DTC shall continue to serve as securities depository for the Series 2015 Bonds as provided herein, all transfers of beneficial ownership interests will be made by book-entry only, and no investor or other party purchasing, selling, or otherwise transferring beneficial ownership of Series 2015 Bonds is to receive, hold, or deliver any Series 2015 Bond certificate.

For every transfer and exchange of the Series 2015 Bonds, the Beneficial Owner may be charged a sum sufficient to cover such Beneficial Owner's allocable share of any tax, fee, or other governmental charge that may be imposed in relation thereto.

The Authority, the County, and the Trustee will recognize DTC or its nominee as the Bondholder for all purposes, including notices and voting.

The Authority and the Trustee covenant and agree, so long as DTC shall continue to serve as securities depository for the Series 2015 Bonds, to meet the requirements of DTC with respect to required notices and other provisions of the Letter of Representations.

The Trustee is authorized to rely conclusively upon a certificate furnished by DTC as to the identity of, and the respective principal amount of Series 2015 Bonds beneficially owned by, the Beneficial Owner or Beneficial Owners.

Whenever, during the term of the Series 2015 Bonds, the beneficial ownership thereof is determined by a book entry at DTC, the requirements in this Indenture of holding, delivering, or transferring Series 2015 Bonds shall be deemed modified to require the appropriate person to meet the requirements of DTC as to registering or transferring the book entry to produce the same effect.

If at any time, DTC ceases to hold the Series 2015 Bonds, a supplemental indenture amending the provisions hereof shall be executed and delivered and thereafter all references herein to DTC shall be of no further force or effect.

**Section 214. Issuance of Additional Bonds.** So long as no Event of Default hereunder is then existing, the Authority at the request of the County for the purposes and in the manner specified in Section 4.4 of the Contract and to the extent permitted by law in effect at the time thereof may in its sole discretion issue Additional Bonds on a parity with the Series 2015 Bonds and any Additional Bonds theretofore or thereafter issued and payable from the Bond Fund from time to time. Before any Additional Bonds are registered and authenticated, there shall be delivered to the Trustee the items required therefor by Section 215 hereof.

Such Additional Bonds shall be issued in such series and principal amounts, shall be dated, shall bear interest at such rate or rates, shall be subject to redemption at such times and prices, and shall mature in such years as the indenture supplemental hereto authorizing the issuance thereof shall fix and determine and shall be deposited with the Trustee for authentication and delivery.

**Section 215. Delivery of Additional Bonds.** Upon the execution and delivery in each instance of an appropriate indenture supplemental hereto, the Authority shall execute and deliver to the Trustee, and the Trustee shall register and authenticate, Additional Bonds and deliver them to the purchaser or purchasers as may be directed by the Authority, as hereinafter in this Section 215 provided. Prior to the delivery by the Trustee of any such Additional Bonds, there shall be filed with the Trustee:

- (a) a valid and effective amendment to the Contract, pursuant to Section 4.4 thereof, providing for an increase in the payment obligations of the County in accordance with Section 5.1 of the Contract and providing any other changes required by the issuance of Additional Bonds;
- (b) a valid and effective supplemental indenture providing for the issuance of such new series of Additional Bonds and subjecting to the lien and security interest of this Indenture and pledging and assigning the additional payments provided for in the amendment to the Contract and the amendment to the Contract, to the payment of the Bonds;

- (c) the items, including the opinion of Bond Counsel, required to be furnished to the Underwriter pursuant to the purchase agreement for such Additional Bonds before the delivery of such Additional Bonds;
- (d) a request and authorization to the Trustee on behalf of the Authority, signed by the Chairman or Vice Chairman of the Authority, to authenticate and deliver such Additional Bonds to the purchasers therein identified upon payment to the Trustee, but for the account of the Authority, of the purchase price therein specified (including accrued interest);
- (e) an Officer's Certificate to the effect that no Event of Default under this Indenture or the Contract is then existing or will result from the issuance of such Additional Bonds;
- (f) the items required by Section 5.2(d) of the Contract;
- (g) a certified copy of an order of the Superior Court of Walker County, Georgia validating and confirming such Additional Bonds and the security therefor; and
- (h) such other documents, certificates, and instruments in connection with the transactions contemplated by this Indenture, in form and substance satisfactory to the Trustee, as the Trustee may reasonably request.

Upon receipt of the foregoing and of the purchase price for such Additional Bonds, the Trustee shall authenticate and register and deliver such Additional Bonds to or upon the order of the purchasers thereof. Upon payment of the proceeds of such Additional Bonds to the Trustee, the Trustee shall deposit the proceeds pursuant to the supplemental indenture required by paragraph (b) above.

[End of Article II]

**ARTICLE III**

**REDEMPTION OF BONDS BEFORE MATURITY**

**Section 301. Optional Redemption of Series 2015 Bonds.** Any Series 2015 Bonds maturing on and after August 1, \_\_\_\_\_ shall be subject to optional redemption prior to maturity by the Authority upon the written request of the County pursuant to the Contract, from moneys on deposit in the Redemption Account, in whole on any Business Day or in part (and if in part in an Authorized Denomination) on any Interest Payment Date, in either case on or after August 1, \_\_\_\_\_, at the redemption price of 100% of the principal amount of Series 2015 Bonds called for redemption plus accrued interest to the redemption date.

**Section 302. Mandatory Sinking Fund Redemption of Series 2015 Bonds.** The Series 2015 Bonds are subject to mandatory redemption prior to maturity, in part by lot, in such manner as may be designated by the Trustee, on the following dates and in the following principal amounts at a redemption price of one hundred percent (100%) of the principal amount thereof plus accrued interest to the redemption date, but without premium:

Series 2015 Bonds Maturing August 1, \_\_\_\_\_

<u>August 1 of the Year</u>	<u>Principal Amount</u>	<u>August 1 of the Year</u>	<u>Principal Amount</u>
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(Leaving \$ \_\_\_\_\_ to mature August 1, \_\_\_\_\_)

**Section 303. General Provisions Regarding Optional and Mandatory Sinking Fund Redemption.** (a) No redemption of less than all of the Bonds Outstanding of any series shall be made unless the aggregate principal amount of Bonds of such series to be redeemed is equal to \$5,000 or integral multiples thereof.

(b) Bonds may be called for optional redemption by the Trustee upon receipt by the Trustee at least forty (40) days prior to the redemption date of a Joint Written Request requesting such redemption. Each such Joint Written Request shall specify the principal amount of the Bonds of each series so to be called for redemption, the applicable redemption price or prices, and the provision or provisions specified in this Article III pursuant to which such Bonds are to be called for redemption. In the case of an optional redemption under Section 301 hereof, any such Joint Written Request may state (1) that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Trustee no later than the date this is one (1) Business Day prior to the redemption date or (2) that the Authority and the County jointly retain the right to rescind such Joint Written Request on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such Joint Written Request and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described in subsection (e) of this Section.

(c) No notice from the Authority or the County is required in order to redeem Bonds pursuant to a mandatory sinking fund redemption.

(d) In lieu of redeeming Bonds pursuant to Article III hereof, the Trustee shall, at the written direction of the Authority upon the written request of the County pursuant to the Contract, use such funds otherwise available hereunder for redemption of Bonds to purchase Bonds of the same series in the open market on the redemption date then applicable hereunder at a price not exceeding the redemption price then applicable hereunder. Any Bonds so purchased in lieu of redemption shall be delivered to the Trustee for cancellation and shall be cancelled, all as provided in Section 207 hereof. It is understood that in the case of any optional redemption or purchase and cancellation of Bonds, the Authority shall receive credit against its mandatory sinking fund redemption obligation with respect to the Bonds of the series and maturity redeemed or purchased in such order as the County shall designate prior to the redemption or purchase and cancellation or, if no such election is made prior to such redemption or purchase and cancellation, in the inverse order thereof; provided, however, that following such reduction each such mandatory sinking fund redemption payment is made in an Authorized Denomination.

(e) Any Conditional Redemption may be rescinded in whole or in part at any time prior to the redemption date if the Authority and the County deliver a Joint Written Request to the Trustee instructing the Trustee to rescind the redemption notice. The Trustee shall give prompt notice of such rescission to the affected Bondholders. Any Bonds subject to Conditional Redemption for which redemption has been rescinded shall remain Outstanding, and the rescission shall not constitute an Event of Default. Further, in the case of a Conditional Redemption, the failure of the Authority or County to make funds available in part or in whole on or before the date that is one Business Day prior to the redemption date shall not constitute an Event of Default, and the Trustee shall give prompt notice to the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain Outstanding.

**Section 304. Notice of Redemption.** (a) A copy of the notice of the call for any redemption identifying the Bonds to be redeemed shall be given by first class mail, postage prepaid, not less than thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption, to the registered owners of Bonds to be redeemed at their addresses as shown on the registration books. Such notice shall specify the redemption date, the redemption price, the place and manner of payment, and that from the redemption date interest will cease to accrue on the Bonds that are the subject of such notice and shall include such other information as the Trustee shall deem appropriate or necessary at the time such notice is given to comply with any applicable law, regulation, or industry standard. If a redemption is a Conditional Redemption, the notice shall so state. Except for mandatory sinking fund redemptions and Conditional Redemptions, prior to the date that the redemption notice is first given as aforesaid, funds shall be placed with the Trustee to pay such Bonds and accrued interest thereon to the redemption date and premium, if any, thereon.

(b) Failure to give notice in the manner prescribed hereunder with respect to any Bond, or any defect in such notice, shall not affect the validity of the proceedings for redemption for any Bond with respect to which notice was properly given. Upon the happening of the above conditions and if sufficient moneys are on deposit with the Trustee on the applicable redemption date to redeem the Bonds to be redeemed and to pay interest due thereon and premium, if any, the Bonds thus called shall not after the applicable redemption date bear interest, be protected by this Indenture, or be

deemed to be Outstanding under the provisions of this Indenture, whether or not such Bonds are presented and surrendered for payment on such date.

(c) If any Bond is transferred or exchanged on the registration books maintained by the Trustee after notice has been given calling such Bond for redemption, the Trustee will attach a copy of such notice to the Bond issued in connection with such transfer or exchange.

**Section 305. No Partial Redemption After Default.** Anything in this Indenture to the contrary notwithstanding, if there shall have occurred and be continuing an Event of Default of which the Trustee has notice as set forth in Section 901(h) hereof, there shall be no redemption of less than all of the Bonds at the time Outstanding.

**Section 306. Partial Redemption.** If less than all of the Bonds of any series shall be called for redemption under any provision of this Indenture permitting such partial redemption, the particular Bonds or portions thereof to be redeemed shall be selected by the Trustee, in the principal amount designated to the Trustee by the County or otherwise as required by this Indenture; provided, however, that (i) in the case of the redemption of less than all Bonds of the same maturities of any series, such redemption shall be by lot in such manner as the Trustee may determine among such Bonds and (ii) subject to other applicable provisions of this Indenture, the portion of any Bond to be redeemed shall be in a principal amount equal to an Authorized Denomination. In selecting Bonds for redemption, the Trustee shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by the minimum Authorized Denomination. If it is determined that one or more, but not all, of the integral multiples of the Authorized Denomination of principal amount represented by any Bond is to be called for redemption, then, upon notice of intention to redeem such integral multiple of an Authorized Denomination, the owner of such Bond shall forthwith surrender such Bond to the Trustee for (a) payment to such owner of the redemption price of the integral multiple of the Authorized Denomination of principal amount called for redemption and (b) delivery to such owner of a new Bond or Bonds of the same series and maturity in the aggregate principal amount of the unredeemed balance of the principal amount of such Bond. New Bonds representing the unredeemed balance of the principal amount of such Bond shall be issued to the registered owner thereof without charge therefor.

**Section 307. Cancellation.** All Bonds that have been redeemed shall not be reissued but shall be cancelled and destroyed by the Trustee, in accordance with Section 207 hereof.

[End of Article III]

## ARTICLE IV

### GENERAL COVENANTS

**Section 401. Payment of Principal and Interest.** The Authority covenants that it will promptly pay or cause to be paid the principal of, premium, if any, and interest on every Bond issued under this Indenture at the place, on the dates, and in the manner provided herein and in the Bonds according to the true intent and meaning thereof, but solely from the amounts pledged therefor, which are from time to time held by the Trustee in the various accounts of the Bond Fund. The principal of, premium, if any, and interest on the Bonds are payable solely from the sources as provided herein, which sources are hereby specifically pledged to the payment thereof in the manner and to the extent herein specified, and nothing in the Bonds or in this Indenture shall be construed as pledging any other funds or assets of the Authority.

**Section 402. Performance of Covenants; Authority of the Authority.** The Authority covenants that it shall faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Indenture; in any and every Bond executed, authenticated, and delivered hereunder; and in all proceedings pertaining thereto. The Authority represents that it is duly authorized under the Constitution and statutes of the State to issue the Bonds authorized hereby and to execute this Indenture, to convey the Trust Estate to the Trustee, and to pledge the receipts, revenues, and collateral hereby pledged in the manner and to the extent herein set forth; that all action required on its part for the issuance of the Bonds and the execution and delivery of this Indenture have been duly and effectively taken; and that the Bonds in the hands of the owners thereof are and will be valid and enforceable obligations of the Authority according to the import thereof.

**Section 403. Instruments of Further Assurance.** The Authority agrees that the Trustee may defend its rights to the payments and other amounts due under the Contract, for the benefit of the Bondholders, against the claims and demands of all persons whomsoever. The Authority covenants that it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered such indentures supplemental hereto and such further acts, instruments, and transfers as the Trustee may reasonably require for the better assuring, transferring, conveying, pledging, assigning, and confirming unto the Trustee the Trust Estate. Any and all property hereafter acquired that is of the kind or nature provided herein to be and become subject to the lien and security interest hereof shall, without any further conveyance, assignment, or act on the part of the Authority or the Trustee, be and become subject to the lien and security interest of this Indenture as fully and completely as though specifically described herein, but nothing in this sentence contained shall be deemed to modify or change the obligations of the Authority under this Section 403. The Authority covenants and agrees that, except as herein and in the Contract provided, it has not and will not sell, convey, assign, pledge, encumber, grant a security interest in, or otherwise dispose of, or create or suffer to be created any lien, encumbrance, security interest, or charge upon, any part of the Trust Estate or the income and revenues therefrom or of its rights under the Contract, or enter into any contract or take any action by which the rights of the Trustee or the Bondholders may be impaired.

**Section 404. Rights Under and Possession of the Contract.** The Contract, a duly executed counterpart of which has been filed with the Trustee, sets forth the covenants and

obligations of the Authority and the County, including provisions that subsequent to the initial issuance of the Bonds and prior to their payment in full or provision for payment thereof in accordance with the provisions hereof, the Contract may not be effectively amended, changed, modified, altered, or terminated (other than as provided therein) without the written consent of the Trustee, and reference is hereby made to the Contract for a detailed statement of such covenants and obligations of the County under the Contract, and the Trustee in its own name or in the name of the Authority may enforce all rights of the Authority and all obligations of the County under and pursuant to the Contract and may enforce all rights of the Authority for and on behalf of the Bondholders, whether or not the Authority is in default hereunder.

So long as any of the Bonds remain Outstanding, and for such longer period when required by the Contract, the Authority shall faithfully and punctually perform and observe all obligations and undertakings on its part to be performed and observed under the Contract. The Authority covenants to maintain, at all times, the validity and effectiveness of the Contract, and (except as expressly permitted thereby) shall take no action, shall permit no action to be taken by others, and shall not omit to take any action or permit others to omit to take any action, which action or omission might release the County from its liabilities or obligations under the Contract or result in the surrender, termination, amendment, or modification of, or impair the validity of, the Contract.

The Authority covenants to diligently enforce all covenants, undertakings, and obligations of the County under the Contract, and the Authority hereby authorizes the Trustee to enforce any and all of the Authority's rights under the Contract on behalf of the Authority and the owners of the Bonds.

The Trustee shall retain possession of an executed counterpart of the Contract and shall release the same only in accordance with the provisions thereof. The Contract shall be available for inspection at reasonable times and under reasonable conditions by the Authority, the County, and any Beneficial Owner of 15% or more in aggregate principal amount of the Bonds then Outstanding.

**Section 405. Recording and Filing.** (a) The security interest of the Trustee created by this Indenture shall be perfected by the filing of financing or continuation statements required to be filed pursuant to the State Uniform Commercial Code, by the taking of possession of appropriate collateral, or by establishing control of any deposit account or securities account constituting part of the Trust Estate pursuant to the State Uniform Commercial Code. Such financing or continuation statements shall be filed from time to time, and the appropriate parties shall take or maintain possession or control of appropriate collateral, as is necessary to preserve the security interest of this Indenture.

(b) Notwithstanding anything to the contrary contained herein, the Trustee shall not be responsible for any initial filings of any financing statements or the information contained therein (including the exhibits thereto) perfecting the security interests created by this Indenture, for the perfection of any such security interests, or for the accuracy or sufficiency of any description of collateral in any such initial financing statements or for filing any modifications or amendments to the initial financing statements required by any amendments to Article 9 of the State Uniform Commercial Code. In addition, unless the Trustee shall have been notified in writing by the Authority that any such initial financing statement or description of collateral was or has become defective, the Trustee shall be fully protected in (i) conclusively relying on such initial financing



statement and descriptions of collateral in filing any financing or continuation statements or modifications thereto pursuant to this Section and (ii) filing any continuation statements in the same filing offices as the initial financing statements were filed. The Trustee shall cause to be filed a continuation statement with respect to each financing statement perfecting the security interests created by this Indenture, which was filed at the time of the issuance of the Series 2015 Bonds, in such manner and at such places as the initial financing statements were made, in order to continue the perfection of such security interests, provided that a copy of the filed original financing statement is timely delivered to the Trustee. The Authority shall be responsible for the reasonable costs and expenses (including reasonable attorney's fees, costs, and expenses, if any) incurred by the Trustee in the preparation and filing of all continuation statements required by this subsection (b).

**Section 406. Maintenance of Existence; Compliance with Laws.** The Authority shall at all times maintain its corporate existence or assure the assumption of its obligations under this Indenture by any other entity succeeding to its powers. The Authority shall comply with all valid acts, rules, regulations, orders, and directions of any legislative, executive, administrative, or judicial body known to it to be applicable to this Indenture.

**Section 407. Continuing Disclosure.** Pursuant to Section 5.3 of the Contract, the County has undertaken all responsibility for compliance with continuing disclosure requirements, and the Authority shall have no liability to the Bondholders or any other person with respect to such disclosure matters. Notwithstanding any other provision of this Indenture, failure of the County to comply with the Series 2015 Disclosure Certificate shall not be considered an Event of Default; however, any beneficial owner of the Series 2015 Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the County to comply with its obligations under Section 5.3 of the Contract.

[End of Article IV]

## ARTICLE V

### REVENUES AND FUNDS; APPLICATION OF PROCEEDS

**Section 501. Bond Fund.** There is hereby created by the Authority and ordered established with the Trustee a trust fund to be designated the "Bond Fund," which shall be used as a sinking fund to pay when due the principal of, premium, if any, and interest on the Bonds. There is hereby created by the Authority and ordered established with the Trustee four accounts within the Bond Fund to be designated the "Interest Account," the "Principal Account," the "Redemption Account," and the "Capitalized Interest Account."

(a) Interest Account. The Trustee shall promptly deposit into the Interest Account, as and when received, all payments specified in Section 5.1(a) and (b) of the Contract corresponding to interest on the Bonds. Moneys in the Interest Account shall be used solely to pay interest on the Bonds when due.

(b) Principal Account. The Trustee shall promptly deposit into the Principal Account, as and when received, all payments specified in Section 5.1(a) and (b) of the Contract corresponding to principal of the Bonds. Moneys in the Principal Account shall be used solely (i) for the payment of principal of the Bonds as the same shall become due and payable at maturity and (ii) to redeem the Bonds in accordance with the mandatory sinking fund redemption schedule set forth in Section 302 hereof.

(c) Redemption Account. In the event of deposit with the Trustee by the Authority or the County of moneys from any source for redeeming Bonds (other than mandatory sinking fund redemptions), such moneys shall be deposited in the Redemption Account. Moneys on deposit in the Redemption Account shall be used first to make up any deficiencies existing in the Interest Account or the Principal Account (in the order listed), and then for the purchase or redemption (other than mandatory sinking fund redemptions) of Bonds in accordance with the provisions of Article III hereof.

(d) Capitalized Interest Account. Moneys in the Capitalized Interest Account shall be transferred to the Interest Account at the Joint Written Request of the Authority and the County and used solely to pay interest on the Bonds when due.

**Section 502. Issuance Cost Fund.** There is hereby created by the Authority and ordered established with the Trustee a trust fund to be designated the "Issuance Cost Fund." Any moneys received by the Trustee from any series of Bonds for the purpose of paying the costs of issuing any Bonds shall be deposited in the Issuance Cost Fund. The moneys in the Issuance Cost Fund shall be held in trust by the Trustee and shall be applied to the payment of the costs of issuing the Bonds or transferred to the related account of the Project Fund, upon the Joint Written Request of the Authority and the County.

**Section 503. Project Fund.** (a) There is hereby created by the Authority and ordered established with the Trustee a trust fund to be designated the "Project Fund." The Authority shall establish within the Project Fund a separate account for each Project. There is hereby created by the Authority and ordered established with the Trustee an account within the Project Fund to be

designated the "Series 2015 Account." Any moneys received by the Trustee from any series of Bonds or from the County from any other source for the purpose of paying the costs of acquiring, constructing, and installing any Project shall be deposited in the related account of the Project Fund. The moneys in each account of the Project Fund shall be held in trust by the Trustee, shall be applied to the payment of the costs of the Project for which such account was established, and, pending such application, shall be held as trust funds under this Indenture until paid out or transferred as provided in this Section 503.

(b) Moneys deposited in the Project Fund shall be paid out from time to time by the Trustee on the Joint Written Request of the Authority and the County delivered pursuant to this Section 503(b), in order to pay, or as reimbursement for payment made, for the costs of any Project, in each case within three (3) banking days, or as soon as Project Fund investments can be liquidated, after receipt by the Trustee of a Joint Written Request described below together with bills of sale, invoices, or other evidence satisfactory to the Trustee that such costs are due and owing or have been incurred and previously paid by or on behalf of the Authority or the County. Each Joint Written Request shall certify:

(1) the item number of such Joint Written Request, the name of the Person to whom each such payment is due, each amount to be paid or reimbursed, the general classification of the costs for which each obligation to be paid was incurred, and that such costs were incurred for or in connection with the applicable Project;

(2) that such costs have been incurred by, or on behalf of, the Authority or the County and are presently due and payable or have been paid by the Authority or the County and are reimbursable hereunder and each item thereof is a proper charge against the applicable account of the Project Fund and has not been paid or reimbursed, as the case may be;

(3) that no part of such costs was included in any other Joint Written Request previously filed with the Trustee under the provisions hereof;

(4) that there has not been filed with or served upon the Authority any notice of any lien, right to a lien, or attachment upon or claim affecting the right of any Person to receive payment of the respective amount stated in such Joint Written Request;

(5) that the necessary permits and approvals, if any, required for that portion of the Project for which such withdrawal is to be made have been issued and are in full force and effect; and

(6) that the withdrawal and use of the Project Fund moneys for the purpose intended will not cause any of the representations or certifications contained in the Contract to be untrue.

(c) The completed construction on the Project shall be reviewed (at the time each Joint Written Request is submitted) by the Engineer, and the Engineer shall certify, to the best of its knowledge, information, and belief, to the Trustee as to (A) the cost of completed construction, (B) the percentage of completion, and (C) compliance with the Plans and Specifications.

**Section 504. Non-presentment of Bonds.** In the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity, at the date fixed for redemption thereof, or otherwise, or if any interest check shall not be cashed, if moneys sufficient to pay such Bond or interest shall have been made available to the Trustee for the benefit of the owner thereof, all liability of the Authority and the County to the owner thereof for the payment of such Bond or such interest shall forthwith cease, terminate, and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, uninvested and without liability for interest thereon, for the benefit of the owner of such Bond or the payee of such interest check, as the case may be, who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on its part under this Indenture or on, or with respect to, such Bond or interest.

Any moneys so deposited with and held by the Trustee not so applied to the payment of such Bond or such interest within five (5) years after the date on which the same shall have become due (or such earlier date as immediately precedes the date on which such funds would be required to escheat or be payable to the State or any other governmental unit under any laws governing unclaimed funds) shall be paid by the Trustee to the County, upon receipt of a Written Request of the County, and thereafter Bondholders shall be entitled to look only to the County for payment, and then only to the extent of the amount so repaid, and the County shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

**Section 505. Trustee's and Paying Agent's Fees, Charges, and Expenses.** The Authority shall pay the Trustee, until the principal of, interest, and premium, if any, on the Bonds shall have been fully paid, (i) an amount equal to the annual fee of the Trustee for the Ordinary Services of the Trustee rendered, as trustee, and its Ordinary Expenses of the Trustee incurred, as trustee, under this Indenture, as and when the same become due; (ii) the reasonable fees and charges of the Trustee, as bond registrar and paying agent, and of any paying agents and co-bond registrars for acting as paying agent or co-bond registrar pursuant to Section 910(b) hereof; and (iii) the reasonable fees and charges for the necessary Extraordinary Services of the Trustee and Extraordinary Expenses of the Trustee under this Indenture, as and when the same become due. The Authority may, without creating a default hereunder, contest in good faith the necessity for any such Extraordinary Services of the Trustee and Extraordinary Expenses of the Trustee and the reasonableness of any of the fees, charges, or expenses referred to herein, except after the occurrence and during the continuation of an Event of Default.

**Section 506. Moneys to be Held in Trust.** All moneys required to be deposited with or paid to the Trustee for the account of the Funds or any other trust fund or reserve under any provision of this Indenture shall be held by the Trustee in trust and shall, while held by the Trustee, constitute part of the Trust Estate and be subject to the trust created hereby and any lien or security interest granted with respect to the Trust Estate and shall be and remain entitled to the benefit and shall be subject to the security of this Indenture for the equal and proportionate benefit of the owners of all Outstanding Bonds. The Trustee hereby covenants that all moneys held in any fund under this Indenture and any collateral securing such funds are a part of the Trust Estate, and that the rights and interests of the Bondholders in and to such moneys and collateral are and shall be superior to the claims of the creditors and depositors of the Trustee and of any other financial institution in which such moneys are deposited or which has provided or pledged such collateral. To the extent not invested as provided in Article VI of this Indenture, all such moneys held by the Trustee in excess of the amount insured by the Federal Deposit Insurance Corporation or a successor federal agency shall

be continuously secured, for the benefit of the Authority and the owners of the Bonds, in the manner required by applicable State law. Subject to the foregoing requirements as to security, if at any time the commercial department of the Trustee is unwilling to accept such deposits or unable to secure them as provided above, the Trustee may deposit such moneys with any other depository that is authorized to receive and secure them as aforesaid and the deposits of which are insured by the Federal Deposit Insurance Corporation or a successor federal agency. All security for deposits shall be perfected in such manner as may be required or permitted under applicable law in order to grant to the Trustee a perfected lien on or security interest in such security.

**Section 507. Amounts Remaining in Funds and Accounts.** Any amounts remaining in the Funds or any other fund, account, or reserve created under this Indenture, after payment in full of the principal of, interest, and premium, if any, on the Bonds (or provision for payment thereof as provided in this Indenture); the fees, charges, and expenses of the Trustee, the Authority, and any paying agents; and all other amounts required to be paid hereunder, shall be promptly paid to the County as a refund of excess payments under the Contract.

**Section 508. Application of Series 2015 Bond Proceeds.** The Authority shall deposit with the Trustee all proceeds received from the sale of the Series 2015 Bonds, and the Trustee shall apply the proceeds of the sale of the Series 2015 Bonds as follows:

- (1) \$ \_\_\_\_\_ shall be deposited into the Capitalized Interest Account,
- (2) \$ \_\_\_\_\_ shall be deposited into the Issuance Cost Fund,
- (3) \$ \_\_\_\_\_ shall be applied to prepay the Prior Notes,
- (4) \$ \_\_\_\_\_ shall be applied to redeem the Prior Bond,
- (5) \$ \_\_\_\_\_ shall be paid to the County as purchase price for the Properties, and
- (6) the balance of the proceeds received from the sale of the Series 2015 Bonds shall be deposited into the Series 2015 Account of the Project Fund.

[End of Article V]

## ARTICLE VI

### INVESTMENTS

**Section 601. Investment of Funds and Accounts.** Subject to Article VII hereof, any moneys held as part of the Funds or other special trust funds created under this Indenture, or other accounts or funds held by the Trustee hereunder, to the extent permitted by law, shall be invested and reinvested by the Trustee, but only at the Written Request of the Authority in such Permitted Investments as may be specified in such Written Request. Any such investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the Funds, other special trust fund, or other account or fund, as the case may be, and the interest accruing thereon and any profit realized from such investments shall be credited as set forth in Section 602 of this Indenture, and any loss resulting from such investments shall be charged to such fund or account. The Trustee is directed to sell and reduce to cash funds a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient for the uses prescribed for moneys held in such fund or account. The Trustee may transfer investments from any fund or account to any other fund or account in lieu of cash when required or permitted by the provisions of this Indenture. In computing the assets of any fund or account, investments and accrued interest thereon shall be deemed a part thereof. Such investments shall be valued at fair market value on each Interest Payment Date. The Trustee shall not be liable for any depreciation in the value of any obligations in which moneys of funds or accounts shall be invested, as aforesaid, or for any loss arising from any investment.

Such investments shall be made only as follows:

- (i) moneys in the Bond Fund and all accounts of the Bond Fund, other than the Capitalized Interest Account, only in Permitted Investments maturing or redeemable at the option of the holder not later than the next-succeeding principal payment date, mandatory redemption payment date, or Interest Payment Date of the Bonds; and
- (ii) moneys in any other Funds or accounts, including the Capitalized Interest Account, only in Permitted Investments maturing or redeemable at the option of the holder in such amounts and on such dates as may be necessary to provide moneys to meet the payments from each such respective fund or account.

**Section 602. Allocation of Income from Investments.** All interest accruing from investments of moneys in the Funds and other funds and accounts and any profit realized therefrom shall be allocated as follows:

- (a) interest and profits from the investment of moneys of each account (except the Capitalized Interest Account) held in the Bond Fund shall be retained in the account of the Bond Fund to which such investments relate;
- (b) interest and profits from the investment of moneys in the Capitalized Interest Account shall be deposited in the Interest Account;

- (c) interest and profits from the investment of moneys of each account held in the Project Fund shall be retained in the account of the Project Fund to which such investments relate;
- (d) interest and profits from the investment of moneys in the Issuance Cost Fund shall be retained in the Issuance Cost Fund; and
- (e) interest and profits from the investment of moneys in any other funds shall, upon Written Request of the Authority, be retained in the respective funds or deposited in the Interest Account.

Nothing in this Section shall require the Trustee to allocate the interest and profits from the investment of moneys in any Funds any more frequently than monthly.

**Section 603. Trustee's Own Bond or Investment Department.** The Trustee may make any and all investments permitted under Section 601 hereof through its own bond or investment department or through its broker-dealer affiliate.

**Section 604. Investment Records.** The Trustee shall keep or cause to be kept proper and detailed books of record and account containing complete and correct entries of all transactions relating to the receipt, investment, disbursement, allocation, and application of the moneys held under this Indenture. Such records shall specify the account or fund to which each investment (or portion thereof) is to be allocated and shall set forth (a) its purchase price, including any accrued interest paid; (b) identifying information, including face amount, coupon rate, and payment dates; (c) the amount received at maturity or its disposition price, as the case may be, including accrued interest; (d) the amounts and dates of any payments made with respect thereto; and (e) the dates of acquisition and disposition or maturity.

The Trustee agrees to deliver to the Authority, upon the request of the Authority, copies of all records maintained pursuant to this Section 604. Such records shall be open to inspection by any owner of Bonds at any reasonable time during regular business hours on reasonable notice.

[End of Article VI]

## ARTICLE VII

### DISCHARGE OF INDENTURE

**Section 701. Discharge of Indenture.** If the Authority shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made, to or for the owners of the Bonds the principal, interest, and premium, if any, due or to become due thereon at the times and in the manner stipulated therein and herein and shall pay or cause to be paid all fees and expenses of the Trustee and each paying agent due or to become due under this Indenture and if the Authority shall keep, perform, and observe all and singular the covenants and promises in the Bonds and in this Indenture expressed as to be kept, performed, and observed by it or on its part, then this Indenture and these presents and the estate, lien, interests, and rights hereby created and granted shall cease, determine, terminate, and become null and void (except as to any surviving rights of registration, transfer, or exchange of Bonds herein provided for and except for the obligations under Section 604 hereof), and thereupon the Trustee shall cancel and discharge the lien and security interest of this Indenture and execute and deliver to the Authority such instruments in writing as shall be requested by the Authority and requisite to discharge and satisfy the lien and security interest hereof and convey to the Authority the estate hereby conveyed and release, assign, and deliver to the Authority any property at the time subject to the lien and security interest of this Indenture that may then be in its possession, except funds held by the Trustee for the payment of principal of, interest, and premium, if any, on the Bonds.

**Section 702. Defeasance of Bonds.** (a) Any Bond shall be deemed to be paid within the meaning of this Article VII and for all purposes of this Indenture when (a) payment of the principal of, premium, if any, and interest on such Bond to the due date thereof (whether such due date is by reason of maturity or upon redemption as provided herein) shall have been (i) made or caused to be made in accordance with the terms thereof or (ii) provided for by irrevocably depositing with the Trustee, in trust and irrevocably set aside exclusively for such payment, (1) moneys sufficient to make such payment or (2) non-callable Government Obligations maturing as to principal and interest in such amounts and at such times as will ensure, without further investment or reinvestment thereof, in the written opinion of an independent certified public accounting firm of national reputation in form and substance satisfactory to the Trustee, the availability of sufficient moneys to make such payment; and (b) all necessary and proper fees, compensation, and expenses of the Trustee pertaining to the Bonds with respect to which such deposit is made shall have been paid or the payment thereof shall have been provided for to the satisfaction of the Trustee. At such time as a Bond shall be deemed to be paid hereunder, such Bond shall no longer be secured by or entitled to the benefits of this Indenture, except for the purposes of any such payment from such moneys or Government Obligations.

(b) Notwithstanding the foregoing, no deposit under clause (a)(ii) of this Section 702 shall be deemed payment of such Bonds as aforesaid until (a) proper notice of redemption of such Bonds shall have been previously given in accordance with Article III of this Indenture or in the event such Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, until the Authority shall have given the Trustee, in form satisfactory to the Trustee, irrevocable written instructions to (i) give notice of redemption of such Bonds as provided in Article III of this Indenture and (ii) notify, as soon as practicable in the same manner as a notice of redemption of such Bonds as provided in Article III of this Indenture, the owners of such Bonds that the deposit required by (a)(ii)



above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Section and stating the maturity or redemption dates upon which moneys are to be available for the payment of the principal of, premium, if any, and interest on such Bonds or (b) the maturity of such Bonds.

(c) All moneys so deposited with the Trustee as provided in this Section may also be invested and reinvested, at the Written Request of the Authority, in non-callable Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Government Obligations in the hands of the Trustee pursuant to this Section that is not required for the payment of the Bonds and interest and premium thereon with respect to which such moneys shall have been so deposited shall be deposited in the Interest Account as and when realized and collected for use and application as are other moneys deposited in the Interest Account.

(d) Notwithstanding any provision of any other article of this Indenture that may be contrary to the provisions of this Section, all moneys or Government Obligations set aside and held in trust pursuant to the provisions of this Section for the payment of Bonds (including interest and premium, if any, thereon) shall be applied to and used solely for the payment of the particular Bonds (including the interest and premium, if any, thereon) with respect to which such moneys or Government Obligations have been so set aside in trust.

(e) Anything in Article XI hereof to the contrary notwithstanding, if moneys or Government Obligations have been deposited or set aside with the Trustee pursuant to this Section for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment to the provisions of this Section 702 shall be made without the consent of the owner of each Bond affected thereby.

[End of Article VII]

## ARTICLE VIII

### DEFAULTS AND REMEDIES

**Section 801. Defaults.** If any of the following events occur, subject to the provisions of Sections 809 and 810 hereof, it is hereby defined as and declared to be and to constitute a default and an "Event of Default":

- (a) default in the due and punctual payment of any interest on any Bond;
- (b) default in the due and punctual payment of the principal of any Bond (or premium thereon, if any), whether at the stated maturity thereof, or upon proceedings for redemption thereof;
- (c) any breach by the Authority of any representation or warranty made in this Indenture or default in the performance or observance of any other of the covenants, agreements, or conditions on the part of the Authority in this Indenture or in the Bonds contained, subject to the provisions of Section 810 of this Indenture;
- (d) the issuance of an order of relief by the Bankruptcy Court of the United States District Court having valid jurisdiction, granting the Authority or the County relief under federal bankruptcy law, or the issuance by any other court having valid jurisdiction of an order or decree under applicable federal or state law providing for the appointment of a receiver, liquidator, assignee, trustee, or sequestrator (or other similar official) of the Authority or the County or any substantial part of its property, affairs, or assets, and the continuance of any such decree or order is unstayed and in effect for a period of sixty consecutive days;
- (e) the consent by the Authority or the County to the institution of proceedings in bankruptcy against it, or to the institution of any proceeding against it under any federal or state insolvency laws, or to the filing of any petition, application, or complaint seeking the appointment of a receiver, liquidator, assignee, trustee, or sequestrator (or other similar official) of the Authority or the County or of any substantial part of its property, affairs, or assets;
- (f) failure by the County to pay any of the amounts owed under Section 5.1(a) or (b) of the Contract, when and as the same become due and payable; or
- (g) the County's breach in any material respect of any representation or warranty contained in the Contract or the County's failure in any material respect to observe, perform, or comply with any covenant, condition, or agreement in the Contract on the part of the County to be observed or performed, other than as referred to in subsection (f) of this Section, for a period of thirty (30) days after written notice specifying such breach or failure and requesting that it be remedied, given to the County by the Trustee, unless the Trustee shall agree in writing to an extension of such time prior to its expiration. In the case of any such breach or default that cannot with due diligence be cured within such thirty (30) day period but can be wholly

cured within a period of time not materially detrimental to the rights of the Trustee and the Bondholders, to be determined conclusively by the Trustee, it shall not constitute an Event of Default if corrective action is instituted by the County within the applicable period and diligently pursued until the breach or default is corrected in accordance with and subject to any directions or limitations of time established by the Trustee.

**Section 802. Remedies; Rights of Bondholders.** (a) Upon the occurrence of an Event of Default, the Trustee may exercise any rights, powers, or remedies it may have as a secured party under the Uniform Commercial Code of the State, or other similar laws in effect, and shall have the power to proceed with any available right or remedy granted by the Bond Documents or the laws of the State, as it may deem best, including any suit, action, mandamus, or special proceeding in equity or at law or in bankruptcy or otherwise for the collection of all amounts due and unpaid under the Bonds and the Bond Documents, for specific performance of any covenant or agreement contained herein or therein, or for the enforcement of any proper legal or equitable remedy as the Trustee shall deem most effective to protect the rights aforesaid, insofar as such may be authorized by law, and may enforce its right to the appointment of a receiver pursuant to Section 804 hereof. The Trustee, as the assignee of all of the right, title, and interest of the Authority in and to the Contract (except for the Unassigned Rights), shall enforce each and every right granted to the Authority under the Contract (except for the Unassigned Rights). Upon the occurrence of an Event of Default, the Trustee, in its own name and as trustee of an express trust, or in the name of the Authority without the necessity of joining the Authority, shall be entitled to institute any action or proceedings at law or in equity and may prosecute any such action or proceedings to judgment or final decree and may enforce any such judgment or final decree against any obligor thereon and collect in the manner provided by law, but limited as provided in the Bond Documents, out of the property of any obligor thereon wherever situated the moneys adjudged or decreed to be payable for the benefit of the Bondholders, or on behalf of the Authority. The rights herein specified are to be cumulative to all other available rights, remedies, or powers and shall not exclude any such rights, remedies, or powers.

In case there shall be pending proceedings for the bankruptcy or for the reorganization of any obligor under the Contract under federal bankruptcy law or any other applicable law, or in the case a receiver or trustee shall have been appointed for the property of any such obligor, or in the case of any other judicial proceedings relative to any obligor under the Contract or relative to the creditors or property of any such obligor, the Trustee (irrespective of whether the principal of the Bonds shall then be due and payable as therein expressed or otherwise and irrespective of whether the Trustee shall have made any demand pursuant to the power vested in it by this Indenture) shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the whole amount owing and unpaid and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for reasonable compensation to the Trustee, its agents, attorneys, and counsel and for reimbursement of all expenses and liabilities incurred and all advances made by the Trustee except as a result of its negligence or bad faith) and of the Bondholders allowed in any such judicial proceedings relative to the County or any other obligor under the Contract or relative to the creditors or property of the County, or relative to any such other obligor, as the case may be, and to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute all amounts received with respect to the claims of the Bondholders and of the Trustee on their behalf. Any receiver, assignee,

or trustee in bankruptcy or reorganization is hereby authorized by each of the Bondholders to make payments to the Trustee and in the event that the Trustee shall consent to the making of payments directly to the Bondholders, to pay to the Trustee such amount as shall be sufficient to cover reasonable compensation to the Trustee, its agents, attorneys, and counsel and all other expenses and liabilities incurred and all advances made by the Trustee except as a result of its negligence or bad faith.

(b) If an Event of Default occurs and is continuing, and if requested so to do by the owners of not less than twenty-five percent (25%) in aggregate principal amount of Bonds then Outstanding and if indemnified as provided in Section 914 hereof, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Section 802 as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Bondholders.

(c) No lien, right, or remedy by the terms of this Indenture conferred upon or reserved or otherwise available to the Trustee or to the Bondholders is intended to be or shall be construed to be exclusive of any other available lien, right, or remedy, but each and every such lien, right, or remedy shall be cumulative and shall be in addition to any other lien, right, or remedy given to the Trustee or to the Bondholders hereunder or now or hereafter existing at law or in equity or by statute.

(d) No delay or omission to exercise any right, power, or remedy accruing upon any default or Event of Default shall impair any such right, power, or remedy or shall be construed to be a waiver of any such default or Event of Default or an acquiescence therein, but every such right, power, or remedy may be exercised from time to time and as often as may be deemed expedient.

(e) No waiver of any default or Event of Default hereunder, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon. The giving, taking, or enforcement of any other or additional security, collateral, or guaranty for the payment of the Bonds shall not operate to prejudice, waive, or affect the Trust Estate or any rights, powers, or remedies under this Indenture, nor shall the Trustee be required to first look to, enforce, or exhaust such other additional security, collateral, or guarantors.

**Section 803. Rights of Bondholders to Direct Proceedings.** Subject to the provisions of Section 802 hereof, anything in this Indenture to the contrary notwithstanding, the owners of a majority in aggregate principal amount of Bonds then Outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, provided the Trustee is indemnified pursuant to Section 914 hereof, to direct the time, method, and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture or in connection with the appointment of a receiver or in connection with any other proceedings hereunder; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture.

**Section 804. Appointment of Receivers.** Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the owners of Bonds under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the revenues, earnings,

income, products, and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

**Section 805. Application of Moneys.** Upon an Event of Default and if moneys held by the Trustee are insufficient to pay the principal of, premium, if any, and interest on the Bonds, all moneys received and held by the Trustee pursuant to this Indenture and all moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities, and advances incurred or made by the Trustee, be applied as follows:

(a) Unless the principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

FIRST - To the payment of the fees for Ordinary Services of the Trustee and Extraordinary Services of the Trustee and the Ordinary Expenses and Extraordinary Expenses of the Trustee and the costs and compensation of any advances made by the Trustee and any receiver and the reasonable attorneys' fees of the Trustee or any receiver;

SECOND - To the payment to the persons entitled thereto of all installments of interest then due on the Bonds, with interest on overdue installments, if lawful, at the rate per annum borne by the Bonds, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege;

THIRD - To the payment to the persons entitled thereto of the unpaid principal of and premium, if any, on any of the Bonds that shall have become due (other than Bonds matured or called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates, with interest at the same rate as the interest on such Bonds from the respective dates upon which they became due and, if the amount available shall not be sufficient to pay in full principal of, premium, if any, and interest on the Bonds due on any particular date, then to the payment ratably, according to the amount of the principal, interest, and premium, if any, due on such date, to the persons entitled thereto without any discrimination or privilege; and

FOURTH - To be held for the payment to the Bondholders entitled thereto as the same shall become due of the principal of, premium, if any, and interest on the Bonds that may thereafter become due either at maturity or upon call for redemption prior to maturity and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with interest and premium, if any, then due and owing thereon, payment shall be made ratably according to the amount of principal, premium, if any, and interest due on such date to the Bondholders entitled thereto without any discrimination or privilege.

(b) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied first to the items described in paragraph FIRST of the preceding subsection (a) and then to the payment to the persons entitled thereto of the principal, premium, if any, and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal, premium, if any, and interest, to the persons entitled thereto without any discrimination or privilege.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times and from time to time as the Trustee shall determine, having due regard to the amount of such moneys available for such application and the likelihood of additional money becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, but in accordance with the provisions of Section 202 hereof, and shall not be required to make payment to the owner of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Whenever all principal of, premium, if any, and interest on all Bonds have been paid under the provisions of this Section 805 and whenever all fees, expenses, and charges of the Trustee shall have been paid, any Trust Estate remaining hereunder shall be paid, transferred, and assigned to the County.

**Section 806. Remedies Vested in the Trustee.** All rights of action (including the right to file proof of claims) under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any owners of the Bonds, and any recovery of judgment shall be for the equal and ratable benefit of the owners of the Outstanding Bonds, subject to the provisions of this Indenture.

**Section 807. Limitations on Rights and Remedies of Bondholders.** No Bondholder shall have any right to institute any suit, action, or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereof or for the appointment of a receiver or any other remedy hereunder, unless: (i) a default has occurred of which the Trustee has been notified as provided in subsection (h) of Section 901, or of which by such subsection it is deemed to have notice; (ii) such default shall have become an Event of Default; (iii) the owners of at least twenty-five percent (25%) in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee and provided the indemnity required by Section 914 of this Indenture and shall have offered reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit, or proceeding in its own name; and (iv) the Trustee shall thereafter fail or refuse to exercise the powers hereinbefore granted or to institute such action, suit, or proceeding in its own name. Such notification, request, and offer of opportunity and indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of this Indenture and to any action or cause of action for the

enforcement of this Indenture or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more owners of the Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice the lien of this Indenture by its, his, or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had, and maintained in the manner herein provided and for the equal and ratable benefit of the owners of all Bonds then Outstanding. Nothing in this Indenture contained shall, however, affect or impair the right of any Bondholder to enforce the payment of the principal of, premium, if any, and interest on any Bond at and after the maturity thereof or the obligation of the Authority to pay the principal of, premium, if any, and interest on each of the Bonds issued hereunder to the respective owners thereof at the time, place, from the source, and in the manner in such Bonds expressed.

**Section 808. Termination of Proceedings.** In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every such case the Authority, the Trustee, and the Bondholders shall be restored to their former positions and rights hereunder, and all rights, remedies, and powers of the Trustee shall continue unimpaired as if no such proceedings had been taken.

**Section 809. Waivers of Events of Default.** The Trustee may in its discretion waive any Event of Default hereunder and rescind its consequences and shall waive any Event of Default hereunder and its consequences upon the written request of the owners of a majority in aggregate principal amount of all Bonds then Outstanding; provided, however, that there shall not be waived any Event of Default specified in subsection (a) or (b) of Section 801 unless prior to such waiver or rescission, all arrears of principal, premium, if any, and interest, with interest on such overdue amounts (to the extent permitted by law) at the rate borne by the Bonds, and all expenses of the Trustee in connection with such Event of Default, shall have been paid or provided for. In the case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely to the Trustee, then and in every such case the Authority, the Trustee, and the Bondholders shall be restored to their former positions and rights hereunder respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default or impair any right consequent thereon. All waivers under this Indenture shall be in writing.

**Section 810. Notice of Defaults; Opportunity of the Authority and the County to Cure Defaults.** (a) Anything herein to the contrary notwithstanding, no default under Section 801(c) hereof shall constitute an Event of Default until actual written notice of such default by registered or certified mail shall be given by the Trustee or by the owners of not less than twenty-five percent (25%) of the aggregate principal amount of Bonds then Outstanding to the County and the Authority, and the County and the Authority shall have had thirty (30) days after receipt of such notice to correct such default or cause such default to be corrected and shall not have corrected such default or caused such default to be corrected within the applicable period; provided, however, if such default be such that it cannot with due diligence be cured within the applicable period but can be wholly cured within a period of time not materially detrimental to the rights of the Trustee and the Bondholders, to be determined conclusively by the Trustee, it shall not constitute an Event of Default if corrective action is instituted by the County or the Authority, as the case may be, within

the applicable period and diligently pursued until the default is corrected in accordance with and subject to any directions or limitations of time established by the Trustee.

With regard to any alleged default concerning which notice is given to the County under the provisions of this Section 810, the Authority hereby grants the County full authority for the account of the Authority to perform any covenant or obligation alleged in such notice to constitute a default, in the name and stead of the Authority with full power to do any and all things and acts to the same extent that the Authority could do and perform any such things and acts and with power of substitution.

(b) In addition, the Trustee shall immediately give written notice of all Events of Default under this Indenture by registered or certified mail to the County and the Authority, provided, however, such notice shall not be a condition precedent to the Trustee or the Bondholders exercising any right or remedy granted to them hereunder, except as provided in subsection (a) above.

[End of Article VIII]



## ARTICLE IX

### THE TRUSTEE

**Section 901. Acceptance of the Trusts.** The Trustee hereby accepts the trusts imposed upon it by this Indenture, represents and covenants that it is fully empowered under applicable laws and regulations to accept such trusts, and agrees to perform such trusts, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

- (a) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default that may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations should be read into this Indenture against the Trustee. In case an Event of Default has occurred (which has not been cured or waived), the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.
- (b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, accountants, agents, receivers, employees, or other experts, and shall not be responsible for the acts of any attorneys, accountants, agents, receivers, employees, or other experts appointed by it in good faith and without negligence, and shall be entitled to advice of its counsel, accountant, or other expert concerning all matters of trusts hereof and the duties hereunder and may in all cases pay and be reimbursed for such reasonable compensation to all such attorneys, accountants, agents, receivers, employees, and other experts as may be reasonably employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorneys, accountants, or other experts (who may be the attorneys, accountants, or other experts for the Authority or the County) approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action taken in good faith in reliance upon such opinion or advice.
- (c) The Trustee shall not be responsible for any recital other than its own contained herein or in the Bonds (except in respect to the authentication certificate of the Trustee endorsed on the Bonds) or for the recording or re-recording or filing or re-filing of this Indenture or any financing statement or for the validity of the execution by the Authority of this Indenture or any supplemental indentures hereto or instruments of further assurance or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby or for the value or title of the property conveyed hereby or otherwise as to the maintenance of the security hereof; except that in the event the Trustee enters into possession of a part or all of the property conveyed hereby pursuant to any provision of this Indenture, it shall use due diligence in preserving such property. The Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions, or agreements on the part of the Authority or the County under the Contract except as

herein expressly set forth, but the Trustee may require of the Authority or the County full information and advice as to the agreements aforesaid and as to the condition of the property conveyed hereby. Except as otherwise provided in this Indenture or the Contract, the Trustee shall perform all of the duties or obligations of the Authority under the Contract, but shall not be answerable for the performance of any such duty or obligation for other than its negligence or willful misconduct.

- (d) The Trustee shall not be accountable for the use of the proceeds from the sale of the Bonds disbursed in accordance with the provisions of this Indenture. The Trustee may become the owner of Bonds secured hereby with the same rights that it would have if not Trustee.
- (e) The Trustee shall be protected in acting in good faith upon any notice, request, resolution, consent, certificate, order, affidavit, letter, telegram, facsimile transmission, electronic mail, or other paper or document, or oral communication or direction, reasonably believed to be genuine and to have been signed or sent or given by the proper person or persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the registered owner of any Bond shall be conclusive and binding upon all future owners of the same Bond and of any Bond or Bonds issued in exchange therefor or upon transfer of or in place thereof.
- (f) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper, or proceedings, the Trustee shall be entitled to rely upon a certificate signed on behalf of the Authority by the Authorized Authority Representative or by its Chairman or Vice Chairman and attested by the Secretary or Assistant Secretary of the Authority and upon a certificate signed on behalf of the County by the Authorized County Representative or by the Commissioner of the County, as sufficient evidence of the facts therein contained and prior to the occurrence of a default of which the Trustee has been notified as provided in subsection (h) of this Section or of which by such subsection it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction, or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of the Secretary or Assistant Secretary of the Authority under its seal to the effect that a resolution in the form therein set forth has been adopted by its governing body as conclusive evidence that such a resolution has been duly adopted and is in full force and effect.
- (g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be answerable with respect to any such permissive right for other than its negligence or willful misconduct.
- (h) The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder except (i) failure by the Authority to cause to be made any of the

payments required to be made by the Bonds or (ii) failure by the County to make any of the payments to the Trustee required to be made by Section 5.1(a) or (b) of the Contract, unless the Trustee shall be specifically notified in writing of such default by the Authority or by the owners of at least twenty-five percent (25%) in aggregate principal amount of all Bonds then Outstanding. All notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered in accordance with Section 1304 hereof, and in the absence of such notice so delivered the Trustee may conclusively assume there is no default except as aforesaid.

- (i) At any and all reasonable times the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants, and representatives shall have the right, but shall not be required, to fully to inspect any and all of the books, papers, and records of the Authority pertaining to the Contract and the Bonds and to take such memoranda from and in regard thereto as may be desired.
- (j) The Trustee shall not be required to give any bond or surety in respect of the execution of its trusts and powers hereunder or otherwise in respect of the premises hereof.
- (k) Notwithstanding anything elsewhere in this Indenture contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or the taking of any action whatsoever within the purview of this Indenture, the delivery of any showings, certificates, opinions, appraisals, or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of any such action by the Trustee, deemed reasonably necessary for the purpose of establishing the right of the Authority to the authentication of any Bonds, the withdrawal of any cash, the release of any property, or the taking of any other action by the Trustee.
- (l) All moneys received by the Trustee or any paying agent shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law or by this Indenture. The Trustee and any paying agent shall not be under any liability for interest on any moneys received hereunder except such as may be separately agreed upon in writing.
- (m) The Trustee may construe any provision hereof insofar as such may appear to it to be ambiguous or inconsistent with any other provision hereof, and any construction of any such provision by the Trustee shall be binding upon the Bondholders and the Authority.
- (n) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the owners of a majority in aggregate principal amount of the Outstanding Bonds relating to the time, method, and place of

conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee under this Indenture.

- (o) No provisions of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers, if there shall be reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.
- (p) The Trustee shall not be liable for any debts contracted or for damages to persons or to personal property injured or damaged or for salaries or nonfulfillment of contracts related to the Industrial Parks, other than for its negligence or willful misconduct.
- (q) The Trustee shall have no responsibility for any information in any official statement, offering memorandum, or other disclosure material distributed with respect to the Bonds, and the Trustee shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds.
- (r) In the event that the Trustee receives inconsistent or conflicting requests and indemnity from two or more groups of Bondholders, each representing less than a majority in aggregate principal amount of the Bonds Outstanding, pursuant to the provisions of this Indenture, then the Trustee, in its sole discretion, may determine what action or actions, if any, shall be taken or not taken.
- (s) The Trustee's reliance upon the written investment instructions of the Authorized Authority Representative shall fully protect the Trustee as to whether the investments covered by such instructions are permitted under applicable state law.

**Section 902. Fees, Charges, and Expenses of the Trustee.** The Trustee shall be entitled to payment and reimbursement for reasonable fees for Ordinary Services of the Trustee rendered hereunder, and all advances, attorneys' fees, and other Ordinary Expenses of the Trustee reasonably made or incurred by the Trustee in connection with such Ordinary Services of the Trustee, and in the event that it should become necessary that the Trustee perform Extraordinary Services of the Trustee, it shall be entitled to reasonable extra compensation therefor and to reimbursement for reasonable Extraordinary Expenses of the Trustee in connection therewith; provided, that if such Extraordinary Services of the Trustee or Extraordinary Expenses of the Trustee are occasioned by the negligence or willful misconduct of the Trustee, it shall not be entitled to compensation or reimbursement therefor. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as bond registrar and paying agent for the Bonds as hereinabove provided. Upon an Event of Default hereunder, but only upon such an Event of Default, the Trustee shall have a right of payment prior to payment on account of principal of, or premium, if any, or interest on, any Bond for the foregoing advances, fees, costs, and expenses incurred; provided, however, that in no event shall the Trustee have any such prior right of payment or claim therefor against (a) moneys held to pay redemption price of the Bonds, (b) moneys or obligations deposited with or paid to the Trustee for the redemption or payment of Bonds that are deemed to have been paid in accordance with Article VII hereof, or (c) funds held pursuant to Section 504

hereof. The Trustee's right to compensation shall survive discharge of this Indenture, the resignation or removal of the Trustee hereunder, and payment in full of the Bonds.

**Section 903. Notice to Bondholders if Default Occurs.** If a default occurs of which the Trustee is by subsection (h) of Section 901 hereof required to take notice or if notice of default is given as in such subsection (h) provided, the Trustee shall give such notice to the County and the Authority as is specified in Section 810 hereof and shall give written notice thereof by first-class, registered or certified mail, within fifteen (15) days (unless such default is cured or waived), to the owners of all Bonds then Outstanding shown by the registration books maintained by the Trustee pursuant to Section 208 hereof, provided that, except in the case of a default in the payment of the principal of, premium, if any, or interest on any Bond, the Trustee may withhold such notice to the Bondholders if and so long as the Trustee in good faith determines that the withholding of such notice is in the interests of the Bondholders.

**Section 904. Intervention by the Trustee.** The Trustee may intervene on behalf of Bondholders in any judicial proceeding to which the Authority or the County is a party and which, in the reasonable opinion of the Trustee and its counsel, has a substantial bearing on the interests of owners of the Bonds and shall do so if requested in writing by the owners of at least twenty-five percent (25%) in aggregate principal amount of all Bonds then Outstanding and the indemnity required by Section 914 hereof has been provided. The rights and obligations of the Trustee under this Section are subject to the approval of a court of competent jurisdiction, if such approval is required by law as a condition to such intervention.

**Section 905. Successor Trustee.** Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell, lease, or transfer its corporate trust business and corporate trust assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation, or transfer to which it is a party, if otherwise eligible under Section 910 hereof, ipso facto, shall be and become successor trustee hereunder and vested with all of the title to the Trust Estate and all the trusts, powers, rights, obligations, duties, remedies, discretions, immunities, privileges, and all other matters as was its predecessor, without the execution or filing of any instruments or any further act, deed, or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

**Section 906. Resignation by the Trustee.** The Trustee and any successor trustee may at any time resign from the trusts hereby created by executing an instrument in writing resigning such trusts and specifying the date when such resignation shall take effect, and filing the same with the Authority and the County not less than 45 days before the date specified in such instrument when such resignation shall take effect, and by giving notice of such resignation by first class mail, postage prepaid, not less than 20 days prior to such resignation date, to each Bondholder shown on the registration records maintained pursuant to Section 208 hereof, and such resignation shall only take effect at the appointment of a successor trustee pursuant to the provisions of Section 908 hereof and acceptance by the successor trustee of such trusts.

**Section 907. Removal of the Trustee.** The Trustee may be removed at any time by the Authority, by an instrument in writing delivered to the Trustee, for any breach of the trusts set forth herein or for failure or refusal to act as trustee, or by an instrument or concurrent instruments in

writing delivered to the Trustee, the Authority, and the County and signed by the owners of a majority in aggregate principal amount of all Bonds then Outstanding; provided, however, that no such removal shall be effective until a successor trustee has been appointed and qualified.

**Section 908. Appointment of Successor Trustee; Temporary Trustee.** In case the Trustee hereunder shall (a) resign or be removed or (b) be dissolved or shall be in the course of dissolution or liquidation, or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court or otherwise become incapable of acting hereunder, a successor may be appointed by an instrument executed and signed by the Chairman or Vice Chairman and attested by the Secretary or Assistant Secretary of the Authority under its seal and executed by the Commissioner of the County; provided, that if a successor trustee is not so appointed within ten (10) days after notice of resignation is mailed or an instrument of removal is delivered as provided under Sections 906 and 907 hereof, respectively, or within ten (10) days of the Authority's knowledge of any of the events specified in clause (b) hereinabove, then the owners of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing signed by or on behalf of such owners, delivered personally or sent by registered mail to the Authority and the County, may designate a successor trustee. Until a successor trustee shall be appointed by the Bondholders in the manner above provided, the Authority, by resolution and upon written notice to the County, shall appoint a temporary trustee to fill such vacancy, and any such temporary trustee so appointed by the Authority shall immediately and without further act be superseded by the successor trustee so appointed by the Bondholders. Notice of the appointment of a successor trustee shall be given in the same manner as provided by Section 906 hereof with respect to the resignation of the Trustee.

In case at any time the Trustee shall give notice of its intent to resign and no appointment of a successor trustee shall be made pursuant to the foregoing provisions of this Article prior to the date specified in the notice of resignation as the date when such resignation shall take effect, the owner of any Bond or the resigning Trustee may apply to any court of competent jurisdiction to appoint a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper, appoint a successor trustee.

**Section 909. Concerning Any Successor Trustee.** Every successor trustee appointed hereunder shall execute, acknowledge, and deliver to its predecessor and also to the Authority an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed, or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, remedies, immunities, privileges, duties, and obligations of its predecessor, but such predecessor shall, nevertheless, on the written request of the Authority, or of its successor, and upon payment of all amounts due such predecessor pursuant to Section 902 hereof, execute and deliver an instrument transferring to such successor trustee all the estates, properties, obligations, duties, remedies, immunities, privileges, rights, powers, and trusts of such predecessor hereunder, and every predecessor trustee shall deliver all securities and moneys held by it as trustee hereunder to its successors, and every predecessor trustee shall deliver the registration books held by it as bond registrar hereunder to its successors. Should any instrument in writing from the Authority be required by a successor trustee for more fully and certainly vesting in such successor the estates, trusts, obligations, remedies, immunities, privileges, rights, powers, and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged, and delivered by the Authority. The resignation of any trustee and the

instrument or instruments removing any trustee and appointing a successor hereunder, together with all other instruments provided for in this Article, shall be filed or recorded by the successor trustee in each recording office where this Indenture or a notice hereof or a financing statement relating to this Indenture shall have been filed or recorded, if any. Any predecessor trustee shall not be liable for any action taken or omitted to be taken by a successor trustee.

**Section 910. Trustee Required; Paying Agents, Co-Authenticating Agent, and Co-Bond Registrar.** (a) There shall at all times be a trustee hereunder, which shall be a corporation or association with trust powers duly organized and existing under the laws of the United States of America or any state or territory thereof and authorized by law to perform all the duties imposed upon it by this Indenture and shall be (1) a bank or trust company, (2) a wholly-owned subsidiary of a bank or trust company, or (3) a wholly-owned subsidiary of a bank holding company the principal banking subsidiary of which is a bank or trust company, which bank or trust company, in case of (1), (2), or (3) of this subsection, is subject to examination by federal or state authority and has a reported capital and surplus of not less than \$75,000,000, if there be such an institution willing, qualified, and able to accept the trusts imposed under this Indenture upon reasonable or customary terms. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection, it shall resign immediately in the manner provided in Section 906 hereof. No resignation or removal of the Trustee and no appointment of a successor trustee shall become effective until the successor trustee has accepted its appointment under Section 909 hereof.

(b) The Authority hereby appoints and designates the Principal Office of the Trustee as the place of payment for the Bonds, and the Trustee as the paying agent for the Bonds. The Authority shall, upon the written request from the County and payment of any expenses incurred in connection therewith pursuant to Section 5.1(c) of the Contract, cause the necessary arrangements to be made through the Trustee for the designation of additional paying agents as specified by the County for the making available of funds for the payment of such of the Bonds as shall be presented when due at the principal office of such additional paying agents. The Trustee may designate a co-authenticating agent and a co-bond registrar, which may perform the duties of authenticating agent and bond registrar on behalf of the Trustee, and all references herein to authenticating agent and bond registrar shall include any such co-authenticating agent and co-bond registrar.

**Section 911. Trustee Protected in Relying Upon Resolutions.** The resolutions, opinions, certificates, and other instruments provided for in this Indenture may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection, and authority to the Trustee for the release of property and the withdrawal of cash or other action taken hereunder.

**Section 912. Successor Trustee as Trustee of Funds and Accounts, as Paying Agent, and as Bond Registrar.** In the event of a change in the office of trustee, the predecessor trustee that has resigned or has been removed shall cease to be trustee of the Funds and any special trust funds hereunder created and shall cease to be paying agent for the payment of principal of and interest and premium, if any, on the Bonds and shall cease to be bond registrar, and the successor trustee as qualified under Section 908 hereof shall become such trustee, paying agent, and bond registrar.

**Section 913. Trust Estate May Be Vested in Separate Trustee or Co-Trustee.** It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including

particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture or the Bond Documents and in particular in case of the enforcement of either on an Event of Default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights, or remedies herein granted to the Trustee or may not hold title to the Trust Estate, in trust, as herein granted, or may not take any other action that may be necessary or desirable in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate trustee or co-trustee. The following provisions of this Section 913 are adopted to these ends.

In the event that the Trustee appoints an additional individual or institution as a separate trustee or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, duty, obligation, interest, security interest, and lien expressed or intended by this Indenture to be exercised by or vested in or granted or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate trustee or co-trustee but only to the extent necessary to enable such separate trustee or co-trustee to exercise such powers, rights, and remedies, and every covenant and obligation necessary to the exercise thereof by such separate trustee or co-trustee shall run to and be enforceable by either of them.

Should any deed, conveyance, or instrument in writing from the Authority be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such properties, rights, powers, trusts, duties, and obligations, any and all such deeds, conveyances, and instruments in writing shall, on request, be executed, acknowledged, and delivered by the Authority. In case any separate trustee or co-trustee, or a successor to either, shall die, become incapable of acting, resign, or be removed, all the estates, properties, rights, powers, trusts, duties, and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee. Any co-trustee appointed by the Trustee pursuant to this Section may be removed by the Trustee, in which case all powers, rights, and remedies vested in the co-trustee shall again vest in the Trustee as if no such appointment of a co-trustee had been made. The Trustee shall not be liable for any action taken or omitted to be taken by any such separate trustee or co-trustee.

**Section 914. Indemnification of Trustee.** Before taking any action under this Indenture (other than paying the principal of, premium, if any, and interest on the Bonds as the same shall become due and payable) at the direction or request of the Bondholders, the Trustee may require that a satisfactory indemnity bond be furnished for reimbursement of all expenses it may incur and to protect it against all liabilities, except for liability that is adjudicated to have resulted from the negligence or willful misconduct of the Trustee by reason of any action so taken.

**Section 915. Reports.** The Trustee shall provide to the Authority, the County, the Underwriter, or any Beneficial Owner of 15% or more in aggregate principal amount of the Bonds then Outstanding, on written request, the following items:

- (1) copies of all notices, documents, or reports provided to or by it under this Indenture;



- (2) a description of the character and amount of any advances (and if the Trustee elects so to state, the circumstances surrounding the making thereof) made by the Trustee (as such), which remain unpaid on the date of such report, and for the reimbursement of which it claims or may claim a lien or charge, prior to that of the Bonds, on any property or funds held or collected by it as Trustee, except that the Trustee shall not be required (but may elect) to report such advances if such advances so remaining unpaid aggregate not more than one-half of one percent (1/2 of 1%) of the principal amount of the Outstanding Bonds on the date of such report;
- (3) a description of the property and funds, if any, physically in the possession of the Trustee as such on the date of such report; and
- (4) a description of any additional issue of Bonds that the Trustee has not previously reported.

[End of Article IX]

## ARTICLE X

### MEETINGS OF BONDHOLDERS

**Section 1001. Purpose of Meetings.** A meeting of Bondholders may be called at any time and from time to time pursuant to the provisions of this Article X, to the extent relevant to the Bondholders, to take any action (i) authorized to be taken by or on behalf of the Bondholders of any specified aggregate principal amount of the Bonds or (ii) under any provision of this Indenture or authorized or permitted by law.

**Section 1002. Call of Meetings.** The Trustee may call at any time a meeting of Bondholders to be held at any reasonable time and place as the Trustee shall determine. Notice of such meeting, setting forth the time, place, and the general subject matter thereof, shall be mailed by first class mail, postage prepaid, not less than fifteen (15) nor more than ninety (90) days prior to the date of the meeting, to the County and the Authority and to the Bondholders at their addresses as they appear on the registration books of the Authority on the fifteenth (15th) day preceding the date of such mailing, which fifteenth day preceding the date of such mailing shall be the record date for the meeting.

If at any time the Authority or the County or the owners of at least twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding shall have requested the Trustee to call a meeting of Bondholders, by written request setting forth the purpose of the meeting, and if the Trustee shall not have mailed the notice of the meeting within twenty (20) days after the receipt of the request, then the Authority, the County, or the owners of the Bonds in the amount above specified may determine the time and place of the meeting and may call the meeting to take any action authorized in Section 1001 hereof, by mailing notice thereof as provided above.

Any meetings of Bondholders shall be valid without notice, if the owners of the Bonds then Outstanding that are required to be present at such meeting are present in person or by proxy, or if notice is waived before or after the meeting by the owners of the Bonds Outstanding that were required to be present at such meeting and who were not so present at the meeting, and if the Authority, the County, and the Trustee are either present by duly authorized representatives or have waived notice, before or after the meeting.

**Section 1003. Voting.** To be entitled to vote at any meeting of Bondholders, a Person shall (a) be a Bondholder as of the record date for the meeting as determined in Section 1002 hereof or (b) be a person appointed as a representative by proxy by an instrument or document in writing by a Bondholder as of the record date for the meeting.

The vote upon any resolution submitted to any meeting of Bondholders shall be by written ballots upon which shall be subscribed the signatures of the Bondholders or of their representative by proxy and the identifying number(s) of the Bonds held or represented by them.

**Section 1004. Meetings.** Notwithstanding any other provisions of this Indenture, the Trustee may make any reasonable regulations that it may deem to be advisable for meetings of Bondholders, with regard to:

- (a) proof of the ownership of Bonds and of the appointment of representatives by proxy;
- (b) the appointment and duties of inspectors of votes;
- (c) the recordation of the proceedings of the meetings;
- (d) the execution, submission, and examination of proxies and other evidence of the right to vote; and
- (e) any other matters concerning the conduct, adjournment, or reconvening of meetings that it may deem appropriate or necessary.

The Trustee shall appoint a temporary chair of the meeting by an instrument or document in writing, unless the meeting shall have been called by the Authority, the County, or the Bondholders, as provided in Section 1002 hereof, in which case the Authority, the County, or the Bondholders calling the meeting, as the case may be, shall appoint a temporary chair in like manner. A permanent chair and a permanent secretary of the meeting shall be elected by vote of the owners of a majority in aggregate principal amount of the Bonds represented at the meeting and entitled to vote at such meeting.

The only persons who shall be entitled to be present or to speak at any meeting of Bondholders shall be the persons entitled to vote at the meeting and their counsel, any representatives of the Authority and its counsel, any representatives of the Trustee and its counsel, and any representatives of the County and its counsel.

Meetings shall be conducted in accordance with rules, regulations, orders, and procedures established by the chair of the meeting. Unless otherwise specifically required in this Indenture, all issues, matters, motions, or resolutions at any meeting shall be determined by the majority of votes represented at the meeting in person or by proxy.

**Section 1005. Miscellaneous.** Nothing contained in this Article X shall be deemed or construed to authorize or permit any hindrance or delay in the exercise of any right or rights conferred upon or reserved to the Trustee or to the Bondholders under any of the provisions of this Indenture or of the Bonds by reason of any call of a meeting of Bondholders or by reason of any rights expressly or impliedly conferred by this Article X to call a meeting of Bondholders.

[End of Article X]

## ARTICLE XI

### SUPPLEMENTAL INDENTURES

**Section 1101. Supplemental Indentures Not Requiring Consent of Bondholders.** (a) The Authority and the Trustee may, without the consent of or notice to any of the Bondholders, but with the consent of the County, enter into an indenture or indentures supplemental to this Indenture as shall not be inconsistent with the terms and provisions hereof for any one or more of the following purposes:

- (1) to cure any ambiguity or formal defect or omission in, or to correct or supplement any defective provision of, this Indenture;
- (2) to add to the covenants and agreements of, and limitations and restrictions upon, the Authority in this Indenture other covenants, agreements, limitations, and restrictions to be observed by the Authority for the protection of the Bondholders;
- (3) to evidence the appointment of a separate trustee or a co-trustee, or the succession of a new trustee or the appointment of a new or additional paying agent or bond registrar;
- (4) to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, benefits, security, liabilities, duties, or authority that may lawfully be granted to or conferred or imposed upon the Bondholders or the Trustee or either of them;
- (5) to subject to the lien and security interest of this Indenture additional revenues, properties, or collateral;
- (6) to modify, amend, or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any state, and, if they so determine, to add to this Indenture or any indenture supplemental hereto such other terms, conditions, and provisions as may be permitted by the Trust Indenture Act of 1939, as amended, or any similar federal statute;
- (7) to reflect a change in applicable law provided that the Trustee shall determine that such supplemental indenture does not materially prejudice the rights of Bondholders;
- (8) in connection with any other change herein that, in the judgment of the Trustee, does not materially prejudice or materially adversely affect the Bondholders or impair the Trust Estate; or
- (9) to provide for certificated Bonds or for the issuance of coupons and bearer Bonds or Bonds registered only as to principal, if permitted by law.

(b) The Authority and the Trustee shall, without the consent of or notice to any of the Bondholders, enter into an indenture or indentures supplemental to this Indenture (i) in connection with the issuance of any Additional Bonds in accordance with Section 214 hereof and the inclusion of additional collateral in the Trust Estate in connection therewith; or (ii) with respect to any changes required to be made in the description of the Trust Estate in order to conform with similar changes made in the Contract as permitted by Section 1201 hereof.

**Section 1102. Supplemental Indentures Requiring Consent of Bondholders.** Exclusive of indentures supplemental hereto covered by Section 1101 hereof and subject to the terms and provisions contained in this Section and not otherwise, the owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding, with the prior written consent of the County, shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Authority and the Trustee of such indenture or indentures supplemental hereto as shall be deemed necessary and desirable by the Authority for the purpose of modifying, altering, amending, adding to, or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any supplemental indenture; provided, however, that nothing in this Section or in Section 1101 contained shall permit, or be construed as permitting, (a) an extension of the stated maturity or reduction in the principal amount of, or a reduction in the rate or an extension of the time of payment of interest on, or a reduction of any premium payable on the redemption of, any Bonds, without the consent of every owner of such Bonds; or (b) the creation of any lien or security interest prior to or on a parity with the lien and security interest of this Indenture or the deprivation of any Bondholders of the lien created by this Indenture, without the consent of the owners of all the Bonds at the time Outstanding that would be affected by the action to be taken; or (c) a reduction in the amount, or an extension of the time of any payment, required by the mandatory sinking fund redemption provisions of this Indenture, without the consent of the owners of all the Bonds at the time Outstanding that would be affected by the action to be taken; or (d) a reduction in the aforesaid aggregate principal amount of Bonds the owners of which are required to consent to any such supplemental indenture, without the consent of the owners of all the Bonds at the time Outstanding that would be affected by the action to be taken; or (e) the modification of the trusts, powers, obligations, remedies, privileges, rights, duties, or immunities of the Trustee, without the written consent of the Trustee; or (f) a privilege or priority of any Bond or Bonds over any other Bond or Bonds; or (g) the release of or requirements for the release of this Indenture, without the consent of the owners of all the Bonds at the time Outstanding that would be affected by the action to be taken.

If at any time the Authority shall request the Trustee to enter into any such supplemental indenture for any of the purposes allowed by this Section, the Trustee shall, upon being reasonably indemnified with respect to expenses, cause notice of the proposed execution of such supplemental indenture to be given in substantially the manner provided in Section 304 hereof with respect to redemption of Bonds. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the Principal Office of the Trustee for inspection by all Bondholders. The Trustee shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail such notice, and any such failure shall not affect the validity of such supplemental indenture when consented to and approved as provided in this Section. If, within sixty (60) days or such longer period as shall be reasonably prescribed by the Authority following the giving of such notice, the owners of the requisite principal amount of affected Bonds Outstanding at the time of the execution of any such supplemental indenture shall have consented to

and approved the execution thereof as herein provided, no owner of any Bond shall have any right to object to any of the terms and provisions contained therein or to the operation thereof or in any manner to question the propriety of the execution thereof or to enjoin or restrain the Trustee or the Authority from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such supplemental indenture as in this Section permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith. The Trustee may require or request and rely upon an opinion of counsel as conclusive evidence that execution and delivery of a supplemental indenture has been effected in compliance with the provisions of this Article XI.

[End of Article XI]

## ARTICLE XII

### AMENDMENT OF OTHER BOND DOCUMENTS

**Section 1201. Amendments to Other Bond Documents Not Requiring Consent of Bondholders.** The Authority and the Trustee shall, without the consent of or notice to the Bondholders, consent to any amendment, change, or modification of the Bond Documents other than this Indenture as may be required (i) by the provisions of this Indenture and the Contract; (ii) for the purpose of curing any ambiguity or formal defect or omission therein; (iii) so as to add rights acquired in accordance with the provisions of the Bond Documents; (iv) in connection with the issuance of Additional Bonds as provided in Section 214 hereof; or (v) in connection with any other change therein that, in the judgment of the Trustee, does not prejudice the Trustee or materially adversely affect the owners of the Bonds.

**Section 1202. Amendments to Other Bond Documents Requiring Consent of Bondholders.** Except for the amendments, changes, or modifications as provided in Section 1201 hereof, neither the Authority nor the Trustee shall consent to any other amendment, change, or modification of the Bond Documents other than this Indenture without giving notice to and obtaining the written approval or consent of the owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding, given and procured as in Section 1102 hereof provided; provided, however, that nothing in this Section or Section 1201 hereof shall permit or be construed as permitting, (a) an extension of the time for payment of any amounts payable under the Contract or a reduction in the amount of any payment or in the total amount due under the Contract, without the consent of every owner of Bonds affected thereby; or (b) a reduction in the aforesaid aggregate principal amount of Bonds the owners of which are required to consent to any such amendment, change, or modification of such other Bond Documents, without the consent of the owners of all the Bonds at the time Outstanding that would be affected by the action to be taken. If at any time the Authority and the County shall request the consent of the Trustee to any such proposed amendment, change, or modification of such other Bond Documents, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change, or modification to be given in the same manner as provided by Section 1102 hereof with respect to supplemental indentures. Such notice shall briefly set forth the nature of such proposed amendment, change, or modification and shall state that copies of the instrument embodying the same are on file at the Principal Office of the Trustee for inspection by all Bondholders. The Trustee shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail such notice, and any such failure shall not affect the validity of such amendment, change, or modification when consented to and approved as provided in this Section. If, within sixty (60) days or such longer period as shall be reasonably prescribed by the Authority following the giving of such notice, the owners of not less than the requisite principal amount of the affected Bonds Outstanding at the time of the execution of such proposed amendment, change, or modification shall have consented to and approved the execution thereof as herein provided, no owner of any Bond shall have any right to object to any of the terms and provisions contained therein or to the operation thereof or in any manner to question the propriety of the execution thereof or to enjoin or restrain the Trustee from consenting to the execution thereof or to enjoin or restrain the Authority or the County from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such amendment, change, or modification as in this Section permitted and provided, such other Bond Documents shall be and be deemed to be modified,

changed, and amended in accordance therewith. The Trustee may require or request and rely upon an opinion of counsel as conclusive evidence that execution and delivery of an amendment, change, or modification of any Bond Document other than this Indenture has been effected in compliance with the provisions of this Article XII.

[End of Article XII]



## ARTICLE XIII

### MISCELLANEOUS

**Section 1301. Consents of Bondholders.** Any consent, request, direction, approval, waiver, objection, or other instrument required by this Indenture to be signed and executed by the Bondholders may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed in writing. Proof of the execution of any consent, request, direction, approval, waiver, objection, or other instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Indenture and shall be conclusive in favor of the Trustee and the Authority, with regard to any action taken under such request or other instrument, namely:

- (a) the fact and date of the execution by any person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer of any jurisdiction authorized by the laws thereof to take acknowledgments of deeds, certifying that the person signing such instrument or writing acknowledged to him the execution thereof; where such execution is by an officer of a corporation or association or a member of a partnership or a manager of a limited liability company on behalf of such corporation, association, partnership, or limited liability company, such affidavit or certificate shall also constitute sufficient proof of his authority;
- (b) the fact of ownership of Bonds and the amount or amounts, numbers, other identification of such Bonds, and the date of ownership shall be proved by the registration books of the Authority maintained by the Trustee pursuant to Section 208 hereof;
- (c) any request, consent, or vote of the owner of any Bond shall bind every future owner of the same Bond and the owner of every Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Authority in pursuance of such request, consent, or vote; and
- (d) in determining whether the owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent, or waiver under this Indenture, Bonds that are owned by the Authority, by the County, by any other obligor under the Bond Documents or on the Bonds, or by any Affiliate of the foregoing, shall be disregarded and deemed not to be outstanding for the purpose of determining whether the Trustee shall be protected in relying on any such demand, request, direction, consent, or waiver, but only Bonds that the Trustee knows to be so owned shall be disregarded; Bonds so owned that have been pledged in good faith may be regarded as outstanding for the purposes of this Section 1301 if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds and that the pledgee is not an Affiliate of the Authority, the County, or any other obligor under the Bond Documents or on the Bonds; in case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee.

**Section 1302. Limitation of Rights.** With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any Person other than the parties hereto, the County, and the owners of the Bonds any legal or equitable right, remedy, or claim under or in respect to this Indenture, or any covenants, conditions, and provisions herein contained. This Indenture and all of the covenants, conditions, and provisions hereof are intended to be and are for the sole and exclusive benefit of the parties hereto, the County, and the owners of the Bonds herein provided for.

**Section 1303. Severability.** If any provision of this Indenture shall be held or be deemed to be or shall, in fact, be illegal, invalid, inoperative, or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of law or public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained illegal, invalid, inoperative, or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses, or sections in this Indenture contained shall not affect the remaining portions of this Indenture or any part thereof.

**Section 1304. Notices.** All notices, certificates, requests, demands, or other communications hereunder shall be sufficiently given and shall be deemed given upon receipt, by hand delivery, mail, overnight delivery, telecopy, or other electronic means, addressed as follows:

If to the Authority: Walker County Development Authority  
101 South Duke Street  
LaFayette, Georgia 30728  
Telecopy: (706) \_\_\_\_ - \_\_\_\_  
Attention: Chairman

If to the County: Walker County, Georgia  
101 South Duke Street  
LaFayette, Georgia 30728  
Telecopy: (706) \_\_\_\_ - \_\_\_\_  
Attention: County Attorney

If to the Trustee: U.S. Bank National Association  
1349 West Peachtree Street, N.W.  
Suite 1050  
EX-GA-ATPT  
Atlanta, Georgia 30309  
Telecopy: (\_\_\_\_) \_\_\_\_ - \_\_\_\_  
Attention: Corporate Trust Department

A duplicate copy of each notice, certificate, or other communication given hereunder shall also be given to the Trustee. Any party named in this Section 1304 may, by notice given to all parties to this

Indenture and the other Bond Documents, designate any additional or different addresses to which subsequent notices, certificates, or other communications shall be sent. For purposes of this Section, "electronic means" shall mean telecopy or facsimile transmission or other similar electronic means of communication that produces evidence of transmission.

**Section 1305. Payments Due on Saturdays, Sundays, and Holidays.** In any case where the date of maturity of interest on or principal of any Bonds or the date fixed for redemption of any Bonds shall be a day other than a Business Day, then payment of interest or principal (and premium, if any) need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date.

**Section 1306. Counterparts.** This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 1307. Laws Governing Indenture and Situs and Administration of Trust.** The effect and meanings of this Indenture and the rights of all parties hereunder shall be governed by and construed according to the laws of the State, exclusive of such State's rules regarding choice of law, but it is the intention of the Authority that the situs of the trust created by this Indenture be in the state in which is located the Principal Office of the Trustee from time to time acting under this Indenture. The word "Trustee" as used in the preceding sentence shall not be deemed to include any additional individual or institution appointed as a separate or co-trustee pursuant to Section 913 of this Indenture. It is the further intention of the Authority that the Trustee administer such trust in the state in which it is located, from time to time, and that the same be, for all purposes hereunder, the situs of such trust.

**Section 1308. No Personal Liability.** No recourse under or upon any obligation, covenant, or agreement contained in this Indenture, or in the Bonds, or for any claim based thereon, or under any judgment obtained against the Authority or the Trustee, or by the enforcement of any assessment or penalty or otherwise or by any legal or equitable proceeding by virtue of any constitution, rule of law or equity, or statute or otherwise or under any other circumstances, under or independent of this Indenture, shall be had against any incorporator, member, director, or officer, as such, past, present, or future, of the Authority or the Trustee, or any incorporator, member, director, or officer of any successor corporation, as such, either directly or through the Authority or the Trustee or any successor corporation, or otherwise, for the payment for or to the Authority or any receiver thereof, or for or to the Trustee as trustee for the Bondholders or otherwise, of any sum that may be due and unpaid by the Authority upon the Bonds. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such incorporator, member, director, or officer, as such, to respond by reason of any act or omission on his part or otherwise, for the payment for or to the Authority or any receiver thereof, or for or to the Trustee as trustee for the Bondholders or otherwise, of any sum that may remain due and unpaid upon the Bonds, is hereby expressly waived and released as a condition of and in consideration for the execution of this Indenture and the issuance of the Bonds.

[End of Article XIII]

**SIGNATURES AND SEALS**

**IN WITNESS WHEREOF**, the Authority has executed this Indenture by causing its name to be hereunto subscribed by its Chairman and by causing the official seal of the Authority to be impressed hereon and attested by its Secretary; and the Trustee, to evidence its acceptance of the trusts created hereunder, has executed this Indenture by causing its name to be hereunto subscribed by its Authorized Officer, all being done as of the day and year first above written but actually executed by the Authority on September \_\_, 2015 and by the Trustee on September \_\_, 2015.

**WALKER COUNTY DEVELOPMENT  
AUTHORITY**

(SEAL)

By: \_\_\_\_\_  
Chairman

Attest:

\_\_\_\_\_  
Secretary

**U.S. BANK NATIONAL ASSOCIATION,**  
as trustee

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT B**

---

**WALKER COUNTY, GEORGIA**  
(a political subdivision duly created and  
existing under the laws of  
the State of Georgia)

and

**WALKER COUNTY DEVELOPMENT AUTHORITY**  
(a public corporation duly created and  
existing under the laws of the State of Georgia)

---

**INTERGOVERNMENTAL ECONOMIC DEVELOPMENT CONTRACT**

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Dated as of September 1, 2015

---

THE RIGHTS AND INTEREST OF THE WALKER COUNTY DEVELOPMENT AUTHORITY IN THIS INTERGOVERNMENTAL ECONOMIC DEVELOPMENT CONTRACT AND THE REVENUES AND RECEIPTS DERIVED HEREFROM, EXCEPT FOR ITS UNASSIGNED RIGHTS, AS DEFINED HEREIN, HAVE BEEN COLLATERALLY ASSIGNED AND ARE THE SUBJECT OF A GRANT OF A SECURITY INTEREST TO U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE, UNDER A TRUST INDENTURE AND SECURITY AGREEMENT, DATED THE DATE HEREOF.

# INTERGOVERNMENTAL ECONOMIC DEVELOPMENT CONTRACT

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(This Table of Contents is not a part of the Intergovernmental Economic Development Contract and is only for convenience of reference.)

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## INTERGOVERNMENTAL ECONOMIC DEVELOPMENT CONTRACT

This **INTERGOVERNMENTAL ECONOMIC DEVELOPMENT CONTRACT** (this "Contract"), made and entered into as of September 1, 2015, by and between Walker County, Georgia (the "County"), a political subdivision duly created and existing under the laws of the State of Georgia, and the Walker County Development Authority (the "Authority"), a public corporation duly created and existing under the laws of the State of Georgia;

### WITNESSETH:

**WHEREAS**, the Authority proposes to issue, sell, and deliver its revenue bonds to be known as "Walker County Development Authority Economic Development Revenue Bonds, Series 2015" (the "Series 2015 Bonds"), in the original aggregate principal amount of \$\_\_\_\_\_, for the purpose of obtaining funds (1) to repay loans (the "Industrial Park Loans") obtained by the Authority from the County to finance the costs of acquiring and improving land for use as two industrial parks owned by the Authority, known as "Rock Spring Industrial Park" and "Walker County Industrial Park" (collectively the "Industrial Parks"), (2) to finance the costs of improving the Industrial Parks, (3) to refund the Authority's Taxable Revenue Bond (Ohio Logistics Project), Series 2011 (the "Prior Bond"), presently outstanding in the principal amount of \$643,300, (4) to finance the costs of acquiring from the County (a) its Civic Center and its Agricultural Center located at 10052 North Highway 27 in Rock Spring, Georgia and (b) its Mountain Cove Resort Properties located on Dougherty Gap Road in unincorporated Walker County (collectively the "Properties"), and (5) to finance the costs of issuing the Series 2015 Bonds; and

**WHEREAS**, the Authority and the County propose to enter into this Contract, under the terms of which the County (1) will agree to make payments to the Authority in amounts sufficient to enable the Authority to pay, among other things, the principal of, premium, if any, and interest on the Series 2015 Bonds when due and (2) will agree to levy an annual ad valorem tax on all taxable property located within the territorial limits of the County, at such rates within the one mill limit or such greater millage limit hereafter authorized under applicable law, as may be necessary to produce in each year revenues that are sufficient to fulfill the County's obligations under this Contract; and

**WHEREAS**, the Authority proposes to issue the Series 2015 Bonds pursuant to a Trust Indenture and Security Agreement, dated the date hereof (the "Indenture"), between the Authority and U.S. Bank National Association, as trustee (the "Trustee"); and

**WHEREAS**, to secure its obligation to pay principal of, premium, if any, and interest on the Series 2015 Bonds, the Authority proposes to assign and pledge to the Trustee, and proposes to grant a first priority security interest in, all of its right, title, and interest in this Contract (except for the Unassigned Rights, as defined herein) and all revenues, payments, receipts, and moneys to be received and held thereunder, pursuant to the Indenture;

**NOW, THEREFORE**, in consideration of the respective covenants, representations, and agreements hereinafter contained and in furtherance of the mutual public purposes hereby sought to be achieved, the County and the Authority agree as follows:

## ARTICLE I

### DEFINITIONS

In addition to the words and terms defined elsewhere herein, the following words and terms shall have the meanings specified below, unless the context or use indicates another or different meaning or intent:

**"2015 Project"** means the initial capital improvements to be made to the Industrial Park known as "Walker County Industrial Park."

**"Additional Bonds"** means the additional parity Bonds authorized to be issued by the Authority pursuant to the terms and conditions of Section 214 of the Indenture.

**"Additional Contract"** means a contract or supplemental agreement between the County and the Authority or any other development authority that is now existing or that may hereafter be created or activated, pursuant to the terms of which a payment obligation from the County to any such authority is created or expanded.

**"Affiliate"** of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, (i) "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the power to appoint and remove its directors, the ownership of voting securities, by contract, membership, or otherwise, and (ii) the terms "controlling" and "controlled" have meanings correlative to the foregoing.

**"Authority"** shall have the meaning assigned to that term in the recitals to this Contract and its successors and assigns.

**"Bond Year"** means the twelve-month period beginning on August 2 of each calendar year and ending on August 1 of the next succeeding calendar year.

**"Bondholders"** means the Persons in whose names any of the Bonds are registered on the books kept and maintained by the Trustee as bond registrar.

**"Bonds"** means the Series 2015 Bonds and all series of Additional Bonds from time to time authenticated and delivered under the Indenture.

**"Contract"** means this Intergovernmental Economic Development Contract between the County and the Authority, as it may be supplemented and amended from time to time in accordance with the provisions hereof.

**"Contracts"** means this Contract and all Additional Contracts.

**"County"** shall have the meaning assigned to that term in the recitals to this Contract and its successors and assigns.



**“Engineer”** means an Independent Person who is a registered engineer in the State, who or which is appointed by the Authority for the purpose of passing on questions relating to the design or construction of any particular Project, has all licenses and certifications necessary for the performance of such services, and, in the good faith opinion of the Authority, has a favorable reputation for skill and experience in performing similar services in respect of capital improvements of a comparable size and nature.

**“Indenture”** shall have the meaning assigned to that term in the recitals to this Contract, as it may be amended, restated, supplemented, or modified from time to time.

**“Independent,”** when used with respect to any specified Person, means such a Person who (i) does not have any direct financial interest in the Authority or the County, other than the payment to be received under the contract for services to be performed by such Person; (ii) is not an officer, employee, underwriter, partner, Affiliate, subsidiary, or person performing similar functions for the Authority or the County; and (iii) is not a trustee or director of the Authority or the County.

**“Industrial Parks”** shall have the meaning assigned to that term in the recitals to this Contract.

**“Person”** means an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a joint venture, a trust, an unincorporated organization, a governmental unit or an agency, a political subdivision or instrumentality thereof, or any other group or organization of individuals.

**“Plans and Specifications”** means the detailed plans and specifications for the construction of any Project prepared by an Engineer or by engineers acceptable to an Engineer and approved by such Engineer, as amended from time to time by the Authority, a copy of which is or will be on file with the Trustee.

**“Prior Bond”** shall have the meaning assigned to that term in the recitals to this Contract.

**“Prior Notes”** means, collectively, the Authority’s Promissory Note, dated May 20, 1997, in the principal amount outstanding of \$450,000, and the Authority’s Promissory Note, dated \_\_\_\_\_, in the principal amount outstanding of \$ \_\_\_\_\_, each payable to the County and each evidencing the Authority’s obligation to repay loans made by the County to the Authority to finance the costs of acquiring and improving the Industrial Parks.

**“Project”** means the 2015 Project or any future capital improvements to the Industrial Parks or the Properties.

**“Properties”** shall have the meaning assigned to that term in the recitals to this Contract.

**“Series 2015 Bonds”** means the revenue bonds designated “Walker County Development Authority Economic Development Revenue Bonds, Series 2015,” to be dated the date of their issuance and delivery, in the original aggregate principal amount of \$ \_\_\_\_\_, to be issued pursuant to the Indenture.

**“Series 2015 Disclosure Certificate”** means the Continuing Disclosure Certificate of the County, dated the date hereof, as originally executed and as it may be amended from time to time in accordance with its terms.

**“State”** means the State of Georgia.

**“Tax”** means the one mill ad valorem tax authorized by Section 48-5-220(20) of the Official Code of Georgia Annotated.

**“Trustee”** means the trustee or the co-trustee at the time serving as such under the Indenture. U.S. Bank National Association, Atlanta, Georgia, is the initial Trustee.

**“Unassigned Rights”** means all of the rights of the Authority to receive reimbursements and payments pursuant to Section 5.1(c) and (d) hereof.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES OF THE COUNTY

**Section 2.1. Representations and Warranties by the County.** The County makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) **Creation and Authority.** The County is a political subdivision duly created and validly existing under the laws of the State. The County has all requisite power and authority under the laws of the State to contract with the Authority to own the Industrial Parks and the Properties and to enter into, perform its obligations under, and exercise its rights under this Contract.

(b) **Pending Litigation.** There are no actions, suits, proceedings, inquiries, or investigations pending or, to the knowledge of the County, after making due inquiry with respect thereto, threatened against or affecting the County in any court or by or before any governmental authority or arbitration board or tribunal, which involve the possibility of materially and adversely affecting the levy and collection of the Tax by the County, or the ability of the County to perform its obligations under this Contract, or the transactions contemplated by this Contract or which, in any way, would adversely affect the validity or enforceability of this Contract or any agreement or instrument to which the County is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or thereby, nor is the County aware of any facts or circumstances presently existing that would form the basis for any such actions, suits, or proceedings. The County is not in default with respect to any judgment, order, writ, injunction, decree, demand, rule, or regulation of any court, governmental authority, or arbitration board or tribunal.

(c) **Contract Is Legal and Authorized.** The execution and delivery by the County of this Contract, the consummation of the transactions herein contemplated, and the fulfillment of or the compliance with all of the provisions hereof (i) are within the power, legal right, and authority of the County; (ii) are legal and will not conflict with or constitute on the part of the County a violation of or a breach of or a default under, any organic document, indenture, mortgage, security deed, pledge, note, lease, loan, or installment sale agreement, contract, or other agreement or instrument to which

the County is a party or by which the County or its properties are otherwise subject or bound, or any license, law, statute, rule, regulation, judgment, order, writ, injunction, decree, or demand of any court or governmental agency or body having jurisdiction over the County or any of its activities or properties; and (iii) have been duly authorized by all necessary and appropriate official action on the part of the Commissioner of the County. This Contract is the valid, legal, binding, and enforceable obligation of the County. The officials of the County executing this Contract are duly and properly in office and are fully authorized and empowered to execute the same for and on behalf of the County.

(d) Governmental Consents. Neither the County nor any of its activities or properties, nor any relationship between the County and any other Person, nor any circumstances in connection with the execution, delivery, and performance by the County of its obligations under this Contract or the offer, issue, sale, or delivery by the Authority of the Bonds, is such as to require the consent, approval, permission, order, license, or authorization of, or the filing, registration, or qualification with, any governmental authority on the part of the County in connection with the execution, delivery, and performance of this Contract or the consummation of any transaction herein contemplated, or the offer, issue, sale, or delivery of the Bonds, except as shall have been obtained or made and as are in full force and effect and except as are not presently obtainable. To the knowledge of the County, after making due inquiry with respect thereto, the County will be able to obtain all such additional consents, approvals, permissions, orders, licenses, or authorizations of governmental authorities as may be required on or prior to the date the County is legally required to obtain the same.

(e) No Defaults. To the knowledge of the County, after making due inquiry with respect thereto, the County is not in default or violation in any material respect under any organic document or other agreement or instrument to which it is a party or by which it may be bound, which default might materially and adversely affect the levy and collection of the Tax by the County.

(f) Compliance with Law. To the knowledge of the County, after making due inquiry with respect thereto, the County is not in violation of any laws, ordinances, or governmental rules or regulations to which it or its properties are subject and has not failed to obtain any licenses, permits, franchises, or other governmental authorizations (which are presently obtainable) necessary to the levy and collection of the Tax by the County, which violation or failure to obtain might materially and adversely affect the levy and collection of the Tax by the County, and there have been no citations, notices, or orders of noncompliance issued to the County under any such law, ordinance, rule, or regulation.

(g) Restrictions on the County. The County is not a party to or bound by any contract, instrument, or agreement, or subject to any other restriction, that materially and adversely affects the levy and collection of the Tax by the County. The County is not a party to any contract or agreement that restricts the right or ability of the County to enter into agreements for the ownership of the Industrial Parks by the Authority in exchange for payments on an installment basis.

(h) Disclosure. The representations of the County contained in this Contract and any certificate, document, written statement, or other instrument furnished by or on behalf of the County to the Authority in connection with the transactions contemplated hereby, do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements

contained herein or therein not misleading. There is no fact that the County has not disclosed to the Authority in writing that materially and adversely affects or in the future may (so far as the County can now reasonably foresee) materially and adversely affect the levy and collection of the Tax by the County, or the ability of the County to perform its obligations under this Contract or any of the documents or transactions contemplated hereby or thereby or any other transactions contemplated by this Contract, which has not been set forth in writing to the Authority or in the certificates, documents, and instruments furnished to the Authority by or on behalf of the County prior to the date of execution of this Contract in connection with the transactions contemplated hereby.

(i) Financial Statements. The balance sheet of the County as of September 30, 2014, and the statement of revenues, expenditures, and changes in fund balances of the County for the year ended September 30, 2014 (copies of which, audited by Johnson, Hickey & Murchison, P.C., independent certified public accountants, have been furnished to the Authority) present fairly the financial position of the County as of September 30, 2014, and the changes in financial position for the year ended September 30, 2014, with such exceptions as may be disclosed in the audit report. Since September 30, 2014, there has been no material adverse change in the financial position or changes in financial position of the County, except as disclosed in writing to the Authority.

(j) Other Contracts Related to the Tax. The County represents that there is not presently in force and effect any other contract or agreement that obligates the County to levy the Tax, to provide revenues to fulfill the County's obligations under such contract or agreement.

(k) Sovereign Immunity. The County may not assert the defense of sovereign immunity to any action at law (as opposed to equity) for the breach of this Contract or to any action at law (as opposed to equity) to enforce a judgment taken for the breach of this Contract.

**Section 2.2. Reliance by Bondholders**. The County acknowledges and agrees that these representations and warranties are made to induce the Bondholders to purchase the Bonds and that such representations and warranties and any other representations and warranties made by the County in this Contract are made for the benefit of the Bondholders and may be relied upon by the Bondholders.

### ARTICLE III

#### TERM OF CONTRACT; CONTRACT AS SECURITY FOR BONDS

**Section 3.1. Term**. The term of this Contract shall commence with the execution and delivery hereof and shall extend until 91 days after the principal of, premium, if any, and interest on the Bonds and all other amounts payable under the Indenture have been paid in full or until provision has been duly made therefor, but in no event shall the term hereof exceed thirty (30) years from the date hereof. The obligations of the County set forth in Section 5.1(c) and (d) hereof shall survive the termination of this Contract, but in no event shall extend beyond thirty (30) years from the date hereof.

**Section 3.2. This Contract as Security for the Bonds**. The parties hereto agree and intend that:

(a) This Contract shall constitute security for the benefit of the Bondholders and the obligations of the County hereunder shall be absolute and unconditional irrespective of any defense or any rights of setoff, recoupment, or counterclaim, except for payment, it may otherwise have against the Authority. The County agrees that it shall not (i) withhold, suspend, abate, reduce, abrogate, diminish, postpone, modify, or discontinue any payments provided for in Section 5.1 hereof; (ii) fail to observe any of its other agreements contained in this Contract; or (iii) terminate its obligations under this Contract for any contingency, act of God, event, or cause whatsoever, including, without limiting the generality of the foregoing, failure of the Authority to own and improve the Industrial Parks or the Properties; any change or delay in the time of availability of the Industrial Parks or the Properties; any acts or circumstances that may impair or preclude the use or possession of the Industrial Parks; any defect in the title, merchantability, fitness, or condition of the Industrial Parks or the Properties or in the suitability of the Industrial Parks or the Properties for the Authority's purposes or needs; failure of consideration; any declaration or finding that any of the Bonds are unenforceable or invalid; the invalidity of any provision of this Contract; any acts or circumstances that may constitute an eviction or constructive eviction; the taking by eminent domain of title to or the use of all or any part of the Industrial Parks or the Properties; commercial frustration of purpose; any change in the tax or other laws of the United States of America or of the State or any political subdivision of either thereof or in the rules or regulations of any governmental authority; or any failure of the Authority to perform and observe any agreement, whether express or implied, or any duty, liability, or obligation arising out of or connected with this Contract. Nothing contained in this Section 3.2(a) shall be construed to release the Authority from the performance of any of the agreements on its part herein contained. In the event the Authority should fail to perform any such agreement on its part, the County may institute such action against the Authority as the County may deem necessary to compel performance so long as such action does not abrogate the County's obligations hereunder. The Authority hereby agrees that it shall not take or omit to take any action that would cause this Contract to be terminated.

(b) The payments to be made under Section 5.1(a) and (b) of this Contract by the County to the Authority will be assigned and pledged by the Authority to the Trustee pursuant to the Indenture.

(c) Following the issuance of the Series 2015 Bonds, the payments to be made to the Authority by the County under the provisions of Section 5.1(a) and (b) of this Contract shall be made directly to the Trustee for the account of the Authority.

(d) This Contract may not be amended, changed, modified, altered, or terminated except as provided in the Indenture.

(e) The Authority may collaterally assign, grant a security interest in, or otherwise collaterally transfer its rights in this Contract to any other person or entity, and such other person or entity shall thereupon become vested with all the benefits in respect thereof granted to the Authority herein or otherwise. It is understood and agreed that the Authority, contemporaneously with the execution and delivery of this Contract, will collaterally assign its rights under and grant a security interest in its right, title, and interest in this Contract to the Trustee for the benefit of the Bondholders pursuant to the Indenture, and the County hereby consents to the collateral assignment and grant of the security interest and hereby agrees that any notice given to the Authority herein required shall in addition be given to the Trustee at the address provided for herein and that any consent of the Authority shall not be deemed to have been given unless such consent is obtained in writing from the

Trustee. Upon the issuance and delivery of the Series 2015 Bonds, all appointments, designations, representations, warranties, covenants, assurances, remedies, title, interest, privileges, permits, licenses, and rights of every kind whatsoever herein conferred upon the Authority shall be deemed to be conferred also upon the Trustee for the benefit of the Bondholders, and any reference herein to the Authority shall be deemed, with the necessary changes in detail, to include the Trustee, and the Trustee and the Bondholders are deemed to be and are third party beneficiaries of the representations, covenants, and agreements of the County herein contained.

## ARTICLE IV

### AUTHORITY'S OBLIGATIONS HEREUNDER

**Section 4.1. Issuance of Series 2015 Bonds; Application of Bond Proceeds.** The Authority agrees that simultaneously with the execution and delivery hereof it will issue the Series 2015 Bonds containing the terms, including principal amounts, interest rates, and maturities, set forth in the Indenture, for the purposes of (1) prepaying all of the outstanding Prior Notes, (2) financing the costs of the 2015 Project, (3) redeeming the Prior Bond, (4) financing the costs of acquiring the Properties, and (5) financing the costs of issuing the Series 2015 Bonds. The Authority hereby covenants and agrees that it will apply the proceeds derived from the sale of the Series 2015 Bonds as specified in Section 508 of the Indenture. The 2015 Project shall be constructed in accordance with, or substantially in accordance with, the Plans and Specifications.

**Section 4.2. The Industrial Parks and the Properties.** (a) The Authority agrees that throughout the term of this Contract title to the Industrial Parks shall be vested in and shall be the sole property of the Authority, subject to any liens or leases that the Authority, with the written consent of the County, may create during the term of this Contract. The Authority shall, as directed by the County, negotiate sales and leases of portions of the Industrial Parks and work with prospective purchasers and prospective tenants of portions of the Industrial Parks upon such terms and conditions as are directed by the County and as are permitted by law. The Authority shall investigate and make financial analyses and recommendations to the County with respect to all proposals submitted by such prospective purchasers or tenants desiring to purchase or lease portions of the Industrial Parks. The Authority agrees that the proceeds of any sale, lease, or other disposition of any portion of the Industrial Parks shall be deposited or disposed of as directed by the County (including, if directed by the County, transferred to the County). The County agrees that none of the sale, lease, or other disposition of all or any portion of the Industrial Parks or any interest therein shall affect its obligations under this Contract.

(b) Unless default shall have occurred on the part of the County in the performance of the covenants herein contained on its part to be performed, the Authority shall at all times during the term of this Contract maintain and have available for the use on the part of the County, upon direction and authorization from the proper County authorities, the Properties. So long as this Contract remains in full force and effect, it shall operate, or cause to be operated, the Properties on as economical a basis as is reasonably practicable, and any sums received over and above maintenance and operation costs, debt service requirements, required reserves for contingencies and Projects, whether by payments from the County or from other sources, shall be deposited or disposed of as directed by the County (including, if directed by the County, transferred to the County). The Authority, however, shall be the final arbiter and judge as to such excess earnings over and above

debt service requirements, maintenance and operation costs, and reserves for contingencies and Projects.

**Section 4.3. Transfers to County.** If and to the extent the Authority has available on January 25 of each year revenues of any nature derived from the operation of the Industrial Parks and the Properties after provision has been made for payment of all expenses reasonably incurred or to be incurred in connection with the operation and maintenance of the Industrial Parks and the Properties, the Authority shall, at the request of the County, transfer such revenues to the County on each such January 25 (or if such date is not a business day, on the next succeeding business day); provided, however, the cumulative amount of such transfers described in this Section 4.3 shall at no time exceed the cumulative amount of payments made by the County pursuant to all Contracts.

**Section 4.4. Additional Bonds.** (a) Additional Bonds may be issued by the Authority to provide funds to pay any one or more of the following: (i) the costs of acquiring, constructing, and installing any Project as the County may deem necessary or desirable and as will not impair the nature of the Industrial Parks and the Properties; (ii) to refund any Bonds; and (iii) the costs of the issuance and sale of the Bonds and capitalized or funded interest for such period and such other costs reasonably related to the financing as shall be agreed upon by the County and the Authority.

(b) If the County is not in default hereunder, the Authority may, on request of the County, from time to time in its sole discretion issue the amount of Additional Bonds specified by the County; provided that the sale of any Additional Bonds shall be the sole responsibility of the County, and provided further that the County and the Authority shall have entered into an amendment to this Contract to provide for additional payments in an amount at least sufficient to pay principal of and interest on the Additional Bonds when due and to provide for any additional terms or changes to this Contract required because of such Additional Bonds, and provided further that the Authority shall have otherwise complied with the provisions of Section 215 of the Indenture with respect to the issuance of such Additional Bonds.

**Section 4.5. Redemption of Bonds.** The Authority, at the written request of the County at any time and if the Bonds are then callable or available for purchase, and if there are funds available therefor, shall forthwith take all steps that may be necessary under the applicable redemption or purchase provisions of the Indenture to effect redemption or purchase of all or part of the then unpaid Bonds, as may be specified by the County, on the earliest date on which such redemption or purchase may be made under such applicable provisions.

## ARTICLE V

### COUNTY'S OBLIGATIONS HEREUNDER

**Section 5.1. County's Payment Obligations.** In order to provide financial assistance to the Authority for the purpose of developing trade, commerce, industry, and employment opportunities, the County agrees that:

(a) It shall pay to the Authority, by making such payments directly to the Trustee for the account of the Authority for deposit in the Bond Fund held under the Indenture on or before January 25 of each year, an amount sufficient, when added to funds held at the time of such payment

in the Bond Fund, to cause the balance held therein to equal the full amount of principal of, premium, if any, and interest on the Bonds coming due during the then current Bond Year.

(b) The provisions of paragraph (a) above to the contrary notwithstanding, if, for any reason, on the third business day preceding any interest payment date and any redemption date with respect to the Bonds, there is not on deposit in the Bond Fund moneys sufficient to pay the total principal, interest, and premium coming due on the Bonds on such interest payment date or redemption date (whether by mandatory redemption, maturity, or otherwise), the County shall on such date pay to the Authority, by making such payments directly to the Trustee for the account of the Authority for deposit into the Bond Fund, an amount equal to the amount by which the total principal, interest, and premium coming due on the Bonds (whether by mandatory redemption, maturity, or otherwise) on the next interest payment date or redemption date exceeds the amount in the Bond Fund (and not being held for the payment of Bonds not yet presented for payment or interest checks not cashed).

(c) It shall also pay to the Authority an amount equal to (i) any costs incurred by the Authority in connection with the issuance of any series of Bonds to the extent such costs are not paid from proceeds of such Bonds and (ii) the fees and expenses of the Trustee if the Authority is unable to pay such fees and expenses from the revenues derived from the Industrial Parks.

(d) In addition to and over and above the sums set forth in Section 5.1(a), (b), and (c) of this Contract, the County shall pay additional monthly payments to the Authority as may be necessary to assure the continuous operation of the Properties and to provide reasonable reserves for contingencies and for the maintenance and repair of the properties constituting, and the services provided by, the Properties.

**Section 5.2. Source of Funds for County's Payment Obligations; Limitations on Additional Contracts.** (a) The obligation of the County to make payments under this Contract shall constitute a general obligation of the County, payable out of any funds lawfully available to it for such purpose, from whatever source derived (including general funds). The County covenants and agrees that it shall, to the extent necessary, levy an annual ad valorem tax on all taxable property located within the territorial limits of the County, as now existent and as the same may hereafter be extended, at such rate or rates within the one (1) mill limit authorized pursuant to Section 48-5-220(20) of the Official Code of Georgia Annotated or within such greater millage as may hereafter be prescribed by applicable law, as may be necessary to produce in each year revenues that will be sufficient to fulfill the County's obligations under this Contract, from which revenues the County agrees to appropriate sums sufficient to pay in full when due all of the County's obligations under this Contract. The County hereby creates and grants a lien in favor of the Authority on any and all revenues realized by the County from such tax, to make the payments that are required under this Contract, which lien is superior to any that can hereafter be created, except that this lien may be extended to cover any Additional Contracts, as permitted by Section 5.2(d) hereof. Nothing herein contained, however, shall be construed as limiting the right of the County to make the payments called for by this Contract out of any funds lawfully available to it for such purpose, from whatever source derived (including general funds).

(b) The County's obligation to levy an annual ad valorem tax within the one (1) mill limit authorized by Section 48-5-220(20) of the Official Code of Georgia Annotated, or such greater



millage hereafter authorized by law, for the purpose of providing funds to meet the County's payment obligations under this Contract shall not be junior and subordinate, but shall be superior or equal to the County's obligation to levy an annual ad valorem tax at such rate or rates within such one (1) mill limit or such greater millage as hereafter prescribed by law pursuant to the provisions of any Additional Contract. It is expressly provided, however, that the County shall not be required to levy a tax in any year at a rate or rates exceeding in the aggregate the maximum one (1) mill now authorized by Section 48-5-220(20) of the Official Code of Georgia Annotated, or any greater millage hereafter prescribed by law, in order to meet its obligations under all Contracts.

(c) So long as any of the Bonds are Outstanding (as defined in the Indenture), the County shall not:

(1) enter into an Additional Contract that creates a lien on the revenues to be derived from the tax to be levied hereunder by the County to fulfill its obligations hereunder, which is superior to the lien created hereunder;

(2) enter into any other contract or agreement creating a lien on such tax revenues for any purpose other than debt service payments (including creation and maintenance of reasonable reserves therefor) superior to or on a parity with the lien created thereon to fulfill the obligations of the County hereunder; and

(3) enter into any Additional Contract that provides for payment to be made by the County from moneys derived from the levy of a tax within the maximum millage now or hereafter authorized by law if each annual payment of all amounts payable with respect to debt service or that are otherwise fixed in amount or currently budgeted in amount under all Contracts then in existence, together with each annual payment to be made under the proposed Additional Contract, in each future calendar year, would exceed the amount then capable of being produced by a levy of a tax within the maximum millage now or hereafter authorized by law on the taxable value of property located within the territorial limits of the County subject to taxation for such purposes, as shown by the latest tax digest available immediately preceding the execution of any such Additional Contract.

(d) It is further expressly provided that so long as any of the Bonds are Outstanding, the County shall not hereafter enter into any Additional Contract for the purpose of debt service payments (including creation and maintenance of reserves therefor), unless the amount then capable of being produced by the levy of an ad valorem tax within the maximum millage then authorized under Section 48-5-220(20) of the Official Code of Georgia Annotated or any successor provision on all taxable property within the territorial limits of the County, as shown by the latest tax digest available immediately preceding the execution of such Additional Contract, is equal to at least one and twenty hundredths (1.20) times the maximum combined amount payable in any future calendar year with respect to debt service under all existing Contracts and any such Additional Contract. Debt service for purposes of this paragraph (d) shall mean required payments of principal, including principal to be paid through mandatory redemption, interest, and amounts required to be paid for creation and maintenance of reasonable debt service reserves and to establish and maintain mandatory investment programs, less principal and interest received or to be received from investment of any of the foregoing amounts (except funds on hand or to be on hand in any debt

service reserve) required to be applied to debt service in each calendar year. The County shall furnish the Authority, not less than five (5) nor more than sixty (60) days prior to the date of execution and delivery of any such Additional Contract, a report of an independent certified public accountant to the effect that, based upon an affidavit of the Tax Commissioner of Walker County as to the taxable value of property located within the territorial limits of the County, the requirements of this paragraph (d) have been met.

**Section 5.3. Continuing Disclosure.** The County hereby covenants and agrees that it shall comply with and carry out all of the provisions of the Series 2015 Disclosure Certificate. Notwithstanding any other provision of this Contract, failure of the County to comply with the Series 2015 Disclosure Certificate shall not be considered an event of default or default under this Contract; however, any beneficial owner of the Series 2015 Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the County to comply with its obligations under this Section 5.3.

## ARTICLE VI

### MISCELLANEOUS

**Section 6.1. Governing Law.** This Contract and the rights and obligations of the parties hereto (including third party beneficiaries) shall be governed, construed, and interpreted according to the laws of the State of Georgia.

**Section 6.2. Entire Agreement.** This Contract expresses the entire understanding and all agreements between the parties hereto.

**Section 6.3. Severability.** If any provision of this Contract shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses, or sections contained in this Contract shall not affect the remaining portions of this Contract or any part thereof.

**Section 6.4. Survival of Warranties.** All agreements, representations, and warranties of the parties hereunder, or made in writing by or on behalf of them in connection with the transactions contemplated hereby, shall survive the execution and delivery hereof, regardless of any investigation or other action taken by any person relying thereon.

**Section 6.5. Counterparts.** This Contract may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

**Section 6.6. Amendments in Writing.** No waiver, amendment, release, or modification of this Contract shall be established by conduct, custom, or course of dealing, but solely by an instrument in writing only executed by the parties hereto in accordance with the Indenture.

**Section 6.7. Notices.** Except as otherwise specifically provided herein, any notices, demands, approvals, consents, requests, and other communications hereunder shall be in writing and shall be deemed given when the writing is delivered in person or five days after being mailed, if mailed, by certified mail, return receipt requested, postage prepaid, to the County and the Authority, respectively, at the addresses shown below or at such other addresses as may be furnished by the County or the Authority in writing from time to time:

County: Walker County, Georgia  
101 South Duke Street  
LaFayette, Georgia 30728  
Attention: County Attorney

Authority: Walker County Development Authority  
101 South Duke Street  
LaFayette, Georgia 30728  
Attention: Chairman

**Section 6.8. Limitation of Rights.** Nothing in this Contract, express or implied, shall give to any person, other than the parties hereto and their successors and assigns hereunder, any benefit or any legal or equitable right, remedy, or claim under this Contract.

**IN WITNESS WHEREOF**, the County and the Authority have caused this Contract to be executed in their respective corporate names and have caused their respective corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the day and year first above written.

**WALKER COUNTY, GEORGIA**

(SEAL)

By: \_\_\_\_\_  
Commissioner of Walker County

Attest:

\_\_\_\_\_  
Clerk of Walker County

**WALKER COUNTY DEVELOPMENT  
AUTHORITY**

(SEAL)

By: \_\_\_\_\_  
Chairman

Attest:

\_\_\_\_\_  
Secretary

SECRETARY'S CERTIFICATE

I, Roy Erith Parrish II, the duly appointed, qualified, and acting Secretary of the Walker County Development Authority (the "Authority"), **DO HEREBY CERTIFY** that the foregoing pages of typewritten matter pertaining to the revenue bonds designated "Walker County Development Authority Economic Development Revenue Bonds, Series 2015" constitute a true and correct copy of the Series 2015 Bond Resolution adopted on August 31, 2015 by the members of the Authority in a meeting duly called and assembled, after due and reasonable notice was given in accordance with the procedures of the Authority and with applicable provisions of law, which was open to the public and at which a quorum was present and acting throughout, and that the original of such Bond Resolution appears of public record in the Minute Book of the Authority, which is in my custody and control.

I further certify that such Bond Resolution has not been rescinded, repealed, or modified.

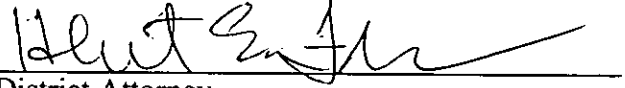
Given under my signature and the seal of the Authority, this 31st day of August 2015.

  
Secretary, Walker County Development Authority



**ACKNOWLEDGMENT**

I hereby acknowledge personal service of the foregoing Notice; copy received and any and all other notice and service are hereby waived, this 31st day of August 2015.



District Attorney,  
Lookout Mountain Judicial Circuit