

I, BARBARA PARTAIN, as City Clerk of the CITY OF HAMILTON, ALABAMA, hereby certify that the attached pages numbered consecutively from 1 to 6, inclusive, together with

(a) the attached Lease Agreement designated Exhibit I,

(b) the attached Bond Guaranty Agreement designated Exhibit II,

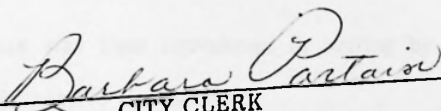
(c) the attached Bond Guaranty Agreement designated Exhibit III, and

(d) the attached Mortgage and Trust Indenture designated Exhibit IV,

constitute a true, correct, and complete copy of all those portions of the minutes of a regular meeting of the Mayor and City Council of the said City held on December 11, 1984, that pertain to the matters therein referred to, as the same appear in the records of said City.

WITNESS my signature as said City Clerk, under the seal of said City, this 11th day of December, 1984.

(S E A L)


CITY CLERK
CITY OF HAMILTON, ALABAMA

MINUTES OF A REGULAR MEETING OF THE MAYOR
AND CITY COUNCIL OF THE CITY OF HAMILTON,
ALABAMA, HELD ON DECEMBER 11, 1984

The Mayor and City Council of the City of Hamilton, Alabama, met in regular session at the City Hall in said City on December 11, 1984, at 6:00 o'clock P.M. The meeting was called to order by E. T. Sims, Jr., the Mayor of the City who presided as chairman of the meeting. Upon roll call, the following were found to be present:

Present:

Mayor E. T. Sims, Jr.
Councilmembers Bryce Banister
Chris Hamrick
Hugh Holland
Randy Jackson
James Jones

Absent:

none

Barbara Partain, the City Clerk, was also present and acted as clerk of the meeting. A quorum being present, the Mayor announced that the meeting was open for the transaction of business.

* * *

The following ordinance was then introduced in writing by Councilmember Chris Hamrick and read to the meeting:

ORDINANCE NO. 441

BE IT ORDAINED by the Mayor and City Council (herein called "the Council") of the CITY OF HAMILTON, ALABAMA (herein called "the City"), as follows:

Section 1. Findings. The Council has ascertained and does hereby find and declare that industry will be promoted, trade developed and the use of the natural resources of this state furthered

(a) by the acquisition by the City of the real property specifically described in the Lease and the Indenture hereinafter referred to (said real property being herein called "the Project Site"), by the construction thereon of a manufacturing plant (herein called "the Plant"), and by the acquisition and installation therein of certain items of machinery and equipment (herein called "the Equipment"), and

(b) by the lease of the Project Site, the Plant and the Equipment (herein together called "the Project") to North River Homes, Inc., a corporation organized and existing under the laws of the State of Alabama (herein called "the Company") for use as a manufacturing plant.

Section 2. Authorization of Undertakings and of Lease. Pursuant to the Interim Agreement between the City and the Company dated as of June 1, 1984, the City has acquired the Project Site and has commenced the construction of the Plant and the acquisition and installation of the Equipment. The acquisition of the Project Site by the City, the construction of the Plant and the acquisition and installation of the Equipment and the lease of the Project to the Company are hereby authorized, ratified and confirmed. The lease (herein called "the Lease") shall be in substantially the form presented to the meeting at which this Ordinance is adopted (which form shall be attached to the minutes of such meeting as Exhibit I and which is hereby adopted in all respects as if set out in full herein). The Mayor is hereby authorized and directed to execute and deliver the Lease for and in the name and behalf of the City and the City Clerk is hereby authorized and directed to affix the corporate seal of the City to the Lease and to attest the same; provided, that the Lease shall not be executed, sealed or attested on behalf of the City other than simultaneously with or subsequent to the execution and delivery (a) by the Company of a bond guaranty agreement in substantially the form presented to the meeting at which this Ordinance is adopted (which form shall be attached to the minutes of such meeting as Exhibit II and which is hereby approved in all respects as if set out in full herein), and (b) by River Oaks Industries, Inc., a Delaware corporation, of a bond guaranty agreement in substantially the form present to the meeting at which this Ordinance is adopted (which form shall be attached to the minutes of such meeting as Exhibit III and which is hereby approved in all respects as if set out in full herein).

Section 3. Authorization of Bond. In order to raise funds necessary to pay the costs of acquiring the Project Site, constructing the Plant, acquiring and installing the Equipment, and paying the expenses of issuing the bond hereinafter authorized, there is hereby authorized to be

issued by the City its First Mortgage Industrial Revenue Bond, Series 1984-NR, in the principal amount of \$1,500,000 (herein called "the Bond"). The Bond shall be dated such dates, shall mature at such times and in such manner, shall bear such rates of interest, shall be payable at such place, and shall be in such form and contain such provisions as are set out in the Mortgage and Trust Indenture (herein called "the Indenture") provided for in Section 6 of this Ordinance. All the provisions of the Indenture and of the Bond therein authorized and referred to are hereby adopted as part of this Ordinance as though the same were set out in full herein.

Section 4. Source of Payment. The principal of and the interest on the Bond shall be payable solely out of the revenues and receipts derived from the leasing or sale of the property described in the Indenture. Neither the Bond nor any of the agreements herein contained shall ever constitute an indebtedness of the City within the meaning of any state, constitutional or statutory provision or limitation. The general faith and credit of the City are not pledged to payment of the principal of or the interest on the Bond, and the Bond shall not be a general obligation of the City. None of the agreements, representations or warranties made or implied in this Ordinance, or in the issuance of the Bond, shall ever impose any personal or pecuniary liability or charge upon the City, whether before or after any breach by the City of any such agreement, representation or warranty, except with the moneys herein provided. Nothing contained in this section, however, shall relieve the City or its officers from its or their obligation to perform the several agreements on its or their part contained herein and in the Indenture so long as such performance does not impose a general liability or charge upon the City.

Section 5. Bond Payable at Par. All remittances of principal of and interest on the Bond to the holder thereof shall be made at par without any deduction for exchange or other costs, fees or expenses. The bank or banks at which the principal of and the interest on the Bond shall at any time be payable shall be considered, by acceptance of their duties hereunder, to have agreed that they will make or cause to be made remittances of principal of and interest on the Bond, out of the moneys provided for that purpose, in bankable funds at par without any deduction for exchange or other costs, fees or expenses. The City will pay, or cause to be paid, to such bank or banks all reasonable charges made and expenses incurred by them in making such remittances in bankable funds at par.

Section 6. Authorization of Indenture. As security for payment of the principal of and the interest on the Bond, the Council does hereby authorize and direct the Mayor to execute and deliver, for and in the name and behalf of the City, to AmSouth Bank, National Association, a Mortgage and Trust Indenture, and do hereby authorize and direct the City Clerk to affix the corporate seal of the City to the Indenture and to attest the same. The Indenture shall be in substantially the form presented to the meeting at which this Ordinance is adopted (which form shall be attached to said minutes as Exhibit IV and which is hereby adopted in all respects as if the same were set out in full herein).

Section 7. Sale of Bond. The Bond is hereby sold and awarded to AmSouth Bank, National Association at and for a purchase price equal to its face value, \$1,500,000. The Mayor is hereby authorized and directed to execute the Bond in the name and behalf of the City, and the City Clerk is hereby authorized and directed to affix the corporate seal of the City to the Bond and to attest the same, and the Mayor is hereby directed thereupon to deliver the Bond to AmSouth Bank, National Association, the Trustee under the Indenture, and to direct said Trustee to authenticate the Bond and to deliver the Bond to the said purchaser upon payment to the City of the purchase price therefor.

Section 8. Application of Proceeds. The entire proceeds derived from the sale of the Bond shall be paid by the City to AmSouth Bank, National Association, as Trustee under the Indenture, which is thereupon authorized and directed to apply and disburse such moneys for the purposes specified in Section 3.6 of the Indenture.

Section 9. Tax Election. The Council hereby elects to have the Bond treated as an exempt small issue having a face amount not in excess of \$10,000,000 under Section 103(b)(6)(D) of the Internal Revenue Code of 1954, as amended. The Mayor and the City Clerk are hereby authorized and directed to file such certificates as may be necessary to effect the aforesaid election, and to take such other action as may be necessary to effect the financing authorized by this Ordinance.

Section 10. Requisitions. The Mayor and the City Clerk and each other individual designated in a certificate signed by the Mayor, separately and severally, are hereby authorized to sign any requisition or payment request provided for in Section 7.2 of said Mortgage and Trust Indenture.

Section 11. Resolution a Contract. The provisions of this Ordinance shall constitute a contract between the City and the holders of the Bond.

Section 12. Severability Provisions. The various provisions of this Ordinance are hereby declared to be severable. In the event any provision hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this Ordinance.

ADOPTED and APPROVED this 11th day of December, 1984.

Mayor

ATTEST:

Barbara Pastain
City Clerk

Councilmember Bryce Banister moved that the rules be suspended and unanimous consent be given for immediate consideration of and action on said ordinance, which motion was seconded by Councilmember Hugh Holland and, upon the motion being put to vote, the following vote was recorded:

YEAS:

NAYS:

Mayor E. T. Sims, Jr.
Councilmembers Bryce Banister
Chris Hamrick
Hugh Holland
Randy Jackson
James Jones

None

The Mayor thereupon declared that the motion for unanimous consent for immediate consideration of and action on said ordinance had been unanimously carried.

Councilmember James Jones thereupon moved that the said ordinance be finally adopted, which motion was seconded by Councilmember Chris Hamrick and, upon the said motion being put to vote, the following vote was recorded:

YEAS:

Mayor E. T. Sims, Jr.
Councilmembers Bryce Banister
Chris Hamrick
Hugh Holland
Randy Jackson
James Jones

NAYS:

None

The Mayor thereupon announced that the motion for adoption of said ordinance had been unanimously carried.

* * *

There being no further business to come before the meeting, the same was, on motion duly made, seconded and unanimously carried, adjourned.

Mayor

Barbara Pastain

City Clerk