

RESOLUTION NO. 89-133
of the
BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA

A RESOLUTION APPROVING THE ISSUANCE BY ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY OF \$5,680,000 PRINCIPAL AMOUNT OF ITS INDUSTRIAL DEVELOPMENT REVENUE REFUNDING BONDS (V.A.W. OF AMERICA, INCORPORATED PROJECT), SERIES 1989 FOR THE PURPOSE OF FINANCING A PART OF THE COST OF REFUNDING THE OUTSTANDING ST. JOHNS COUNTY, FLORIDA, INDUSTRIAL DEVELOPMENT BONDS (V.A.W. OF AMERICA, INC. PROJECT), SERIES A AND B, WHICH WERE ISSUED ON MAY 9, 1979 TO FINANCE THE COST OF A CAPITAL PROJECT COMPRISING A MANUFACTURING PLANT TO BE LOCATED IN ST. JOHNS COUNTY, FLORIDA, AND TO BE OWNED BY V.A.W. OF AMERICA, INCORPORATED; ALL PURSUANT TO CHAPTER 159, PARTS II AND III, FLORIDA STATUTES, AS AMENDED.

RECEIVED
ST. JOHNS COUNTY, FLORIDA
JUN 15 8:17
CLERK, COUNTY COMMISSION

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA:

SECTION 1. Findings. It is hereby found, ascertained, determined and declared that:

A. St. Johns County Industrial Development Authority (the "Issuer") is a public body corporate and politic duly created and existing as a local governmental body and duly constituted as a public instrumentality for the purposes of industrial development, under and by virtue of Chapter 159, Part III, Florida Statutes, as amended, and is duly authorized and empowered by such act and by Chapter 159, Part II, Florida Statutes, as amended (collectively, the "Act"), to provide for the issuance of and to issue and sell its industrial development revenue bonds for the purpose of financing all or any part of the "cost" of any "project," including any "manufacturing plant" (as such terms are defined or described in the Act), and to issue its industrial development revenue refunding bonds for the purpose of refunding any outstanding industrial development revenue bonds issued under the Act to finance the cost thereof, in order to promote and foster the economic growth and development of St. Johns County, Florida (the "County"), and of the State of Florida (the "State"), to increase purchasing power and opportunities for gainful employment, and to advance and improve the prosperity and the welfare of the State and its inhabitants, to foster the industrial and

business development of the County, and to otherwise provide for and contribute to the health, safety and welfare of the people of the State.

C. V.A.W. of America, Incorporated, a New York corporation (the "Borrower"), has submitted to the Board of County Commissioners a resolution of the Issuer adopted June 7, 1989 (the "Bond Resolution") authorizing the issuance by the Issuer of \$5,680,000 principal amount of its Industrial Development Revenue Refunding Bonds (V.A.W. of America, Incorporated Project), Series 1989 (the "Bonds"), for the purpose of financing a part of the cost of refunding the outstanding St. Johns County, Florida, Industrial Development Revenue Bonds (V.A.W. of America, Inc. Project), Series A and B (the "Refunded Bonds"), which Refunded Bonds were issued on May 9, 1979 to finance the cost of the acquisition, construction and installation of a manufacturing plant (the "Project"), including land, buildings, equipment and related property and appurtenances, located in an unincorporated area of the County, at 200 Riviera Boulevard, St. Augustine, Florida, to be owned by the Borrower, and to be used by the Borrower to manufacture aluminum products, including tubing, extrusions and conduit.

D. The Bond Resolution shows that it was adopted by the Issuer on June 7, 1989, after a public hearing, which public hearing was duly conducted by the Issuer on that date upon reasonable public notice, and that at such hearing members of the public were afforded reasonable opportunity to be heard on all matters pertaining to the location and nature of the Project and to the issuance of the Bonds.

E. By the Bond Resolution, the Issuer has recommended and requested that the Board of County Commissioners approve the issuance of the Bonds, in order to satisfy the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (together with the Regulations promulgated under such Code, whether proposed, temporary or final, the "Code"), and the requirements of Sections 159.47(1)(f) and 125.01(1)(z), Florida Statutes, as amended.

F. The Bond Resolution shows that the Issuer has acted in accordance with all requirements of law and has made appropriate provisions for the Bonds to be issued and sold and for the proceeds of the Bonds to be used in accordance with all applicable requirements of law, and that the refunding of the Refunded Bonds and the refinancing of the cost of the Project in the manner provided in the Bond Resolution will serve significant public purposes as provided in the Act.


G. The purposes of the Act will be effectively served, and it is necessary and desirable and in the best interest of the County that, the issuance of the Bonds, be approved by the Board of County Commissioners.

SECTION 2. Approval of Issuance of Bonds. The issuance of the Bonds as contemplated by the Bond Resolution be and is hereby approved.

SECTION 3. Repealing Clause. All resolutions or orders and parts thereof in conflict herewith, to the extent of such conflict, are hereby superseded and repealed.

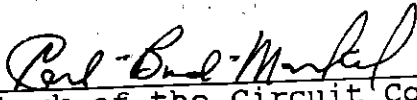
SECTION 4. Effective Date. This Resolution shall take effect immediately.

PASSED AND ADOPTED this 13th day of June, 1989.



Chairman, Board of County
Commissioners of St. Johns
County, Florida

(OFFICIAL SEAL)



Clerk of the Circuit Court of
St. Johns County, Florida, ex
officio Clerk of the Board of
County Commissioners of St.
Johns County, Florida

GT15RS1

RESOLUTION NO. 89-2

A RESOLUTION PROVIDING FOR AND AUTHORIZING THE ISSUANCE BY THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY OF \$5,680,000 PRINCIPAL AMOUNT OF ITS INDUSTRIAL DEVELOPMENT REVENUE REFUNDING BONDS (V.A.W. OF AMERICA, INCORPORATED PROJECT), SERIES 1989, FOR THE PURPOSE OF FINANCING A PART OF THE COST OF REFUNDING THE OUTSTANDING ST. JOHNS COUNTY, FLORIDA, INDUSTRIAL DEVELOPMENT REVENUE BONDS (V.A.W. OF AMERICA, INC. PROJECT), SERIES A AND B, WHICH WERE ISSUED ON MAY 9, 1979 TO FINANCE THE COST OF A CAPITAL PROJECT COMPRISING A MANUFACTURING PLANT TO BE LOCATED IN ST. JOHNS COUNTY, FLORIDA, AND TO BE OWNED BY V.A.W. OF AMERICA, INCORPORATED; PROVIDING FOR A LOAN BY THE AUTHORITY TO SAID COMPANY IN A PRINCIPAL AMOUNT EQUAL TO THE PRINCIPAL AMOUNT OF SUCH SERIES 1989 BONDS, TO FINANCE A PART OF THE COST OF SUCH REFUNDING AND THEREBY REFINANCE A PART OF THE COST OF SAID PROJECT; PROVIDING THAT SUCH SERIES 1989 BONDS SHALL NOT CONSTITUTE A GENERAL DEBT, LIABILITY OR OBLIGATION OF THE AUTHORITY OR ST. JOHNS COUNTY OR THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE REVENUES HEREIN PROVIDED; MAKING FINDINGS OF FACT; APPROVING THE FORM OF AND AUTHORIZING THE MODIFICATION AND THE EXECUTION AND DELIVERY OF A TRUST INDENTURE; APPOINTING BARNETT BANKS TRUST COMPANY, N.A., AS INITIAL TRUSTEE THEREUNDER; APPROVING THE FORM OF AND AUTHORIZING THE MODIFICATION AND EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND AN ASSIGNMENT OF PROMISSORY NOTE; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN OTHER DOCUMENTS REQUIRED IN CONNECTION WITH THE FOREGOING; AUTHORIZING THE AWARD OF THE SALE OF SUCH SERIES 1989 BONDS BY NEGOTIATED SALE AND APPROVING THE CONDITIONS AND CRITERIA OF SUCH SALE; APPROVING THE FORM OF AND AUTHORIZING THE MODIFICATION AND EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT; PROVIDING CERTAIN OTHER DETAILS IN CONNECTION THEREWITH; ALL PURSUANT TO CHAPTER 159, PARTS II AND III, FLORIDA STATUTES, AS AMENDED; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE MEMBERS OF THE ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the Constitution of the State of Florida, Parts II and III of Chapter 159, Florida Statutes, as amended (the "Act"), and other applicable provisions of law.

SECTION 2. DEFINITIONS. Unless the context otherwise requires, the terms defined in this Resolution shall have the meanings specified herein. Words importing the singular shall include the plural, words importing the plural shall include the singular, and words importing persons shall include corporations and other entities or associations.

SECTION 3. FINDINGS. The St. Johns County Industrial Development Authority (the "Issuer") has found and determined and does hereby declare that:

A. The Issuer is a public body corporate and politic duly created and existing as a local governmental body duly constituted as a public instrumentality for the purposes of industrial development, under and by virtue of Part III of Chapter 159, Florida Statutes, as amended, and is duly authorized and empowered by the Act, to finance and refinance the acquisition, construction, reconstruction, improvement, rehabilitation, renovation, expansion and enlargement, or additions to, furnishing and equipping of any capital project, including any "project" for any "manufacturing plant" (as the quoted terms are used in the Act), including land, rights in land, buildings and other structures, machinery, equipment, appurtenances and facilities incidental thereto, and other improvements necessary or convenient therefor, and to obtain funds to finance the cost thereof by the issuance of its revenue bonds, and to issue its revenue refunding bonds for the purpose of refunding any outstanding revenue bonds issued under the Act to finance the cost thereof, for the purposes of enhancing and expanding economic activity and economic development in St. Johns County (the "County") and in the State of Florida (the "State") by encouraging manufacturing development, business enterprise management and other activities conducive to economic promotion, and for the purpose of increasing purchasing power and opportunities for gainful employment, improving the prosperity and welfare of the State and its inhabitants, and otherwise providing for and contributing to the health, safety and welfare of the people of the State.

B. On May 9, 1979, the County issued its Industrial Development Revenue Bonds (V.A.W. of America, Inc. Project), Series A and B, dated as of May 1, 1979, in the original principal amount of \$6,500,000 (the "Refunded Bonds"), for the purpose

of financing the cost of the acquisition, construction and installation of a manufacturing plant (the "Project"), including land, buildings, equipment and related property and appurtenances, located in an unincorporated area of the County, at 200 Riviera Boulevard, St. Augustine, Florida, to be owned by V.A.W. of America, Incorporated, a New York corporation (the "Borrower"), and to be used by the Borrower to manufacture aluminum products, including tubing, extrusions and conduit. The Borrower has requested the Issuer to issue its Industrial Development Revenue Refunding Bonds (V.A.W. of America, Incorporated Project), Series 1989, in the aggregate principal amount of \$5,680,000 (the "Bonds"), for the purpose of financing a part of the cost of refunding the Refunded Bonds, in order to effect a reduction in the interest rate on the indebtedness evidenced thereby and thereby effect a cost savings to the Borrower.

C. A public hearing was held by the Issuer on JUNE 7, 1989, upon public notice published in a newspaper of general circulation in the County, no less than 14 days prior to the scheduled date of such public hearing, at which hearing members of the public were afforded reasonable opportunity to be heard on all matters pertaining to the location and nature of the Project and to the proposed issuance of the Bonds. The public hearing provided a reasonable opportunity for interested individuals to express their views, both orally and in writing, on the proposed issuance of the Bonds and the location and nature of the Project, and was held in a location which, under the facts and circumstances, was convenient for residents of the County of the proposed issue, stated that the Issuer would be the issuer of the Bonds, stated the time and place for the hearing and contained the information required by the Internal Revenue Code of 1986, as amended, and applicable regulations thereunder (the "Code"). The 14-day period was adequate for notice to be brought to the attention of all interested persons, exceeds the normal periods for notices of public hearings conducted by the Board of County Commissioners of the County and various agencies of the County and the State, and provided sufficient time for interested persons to prepare for and to express their views at such hearing.

D. The Issuer has initially determined that the interest on the Bonds will be excluded from gross income for federal income tax purposes under Section 103(a) of the Code, based in part on a certificate to be obtained from the Borrower; and the Bonds will not be issued unless the Issuer has received a satisfactory opinion of bond counsel to the effect (among other things) that the interest on such Bonds will be excluded from gross income for federal income tax purposes at the time of the delivery of the Bonds.

E. The Borrower has shown and the County has recognized that the Project will alleviate unemployment in the County, it will foster the economic growth and development and the industrial and business development of the County and the State, it will have the incidental effect of adding to the tax base, and serve other predominantly public purposes as set forth in the Act. It is desirable and will further the public purposes of the Act, and it will most effectively serve the purposes of the Act, for the Issuer to issue and sell the Bonds under the Indenture hereinafter described, as revenue refunding bonds, for the purpose of providing funds to refund the Refunded Bonds and thereby refinance the cost of the Project, all as provided in the Indenture and the Agreement hereinafter described, which contain such provisions as are necessary or convenient to effectuate the purposes of the Act. The Project is appropriate to the needs and circumstances of, and shall make a significant contribution to the economic growth of the County; shall provide or preserve gainful employment; shall protect the environment; or shall serve a public purpose by advancing the economic prosperity, the public health, or the general welfare of the State and its people as stated in Section 159.26, Florida Statutes, as amended.

F. The County and other local agencies have been and will be able to cope satisfactorily with the impact of the Project and have been and will be able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that have been or will be necessary for the construction, operation, repair and maintenance of the Project and on account of any increases in population or other circumstances resulting therefrom.

G. Adequate provision has been made in the documents attached hereto for a loan by the Issuer to the Borrower to finance a portion of the cost of refunding the Refunded Bonds, for the operation, repair and maintenance of the Project at the expense of the Borrower and for the repayment by the Borrower of the loan in installments sufficient to pay the principal of, premium, if any, and the interest on the Bonds and all costs and expenses relating thereto in the amounts and at the times required, and for the payment by the Borrower of all costs incurred by the Issuer in connection with the refunding of the Refunded Bonds and the refinancing and administration of the Project.

H. The Borrower and Deutsche Bank AG, New York Branch (which will issue the Letter of Credit, as that term is hereinafter defined), are financially responsible based on the criteria established by the Act, the Borrower is fully capable and willing to fulfill its obligations under the Promissory Note (the "Note") and the Loan Agreement (the "Agreement"), hereinafter more particularly described, and any other agreements to be made in connection with the issuance of the Bonds and the use of the Bond proceeds for financing a portion of

the cost of refunding the Refunded Bonds, including the obligation to pay loan payments or other payments in an amount sufficient in the aggregate to pay all of the interest, principal and redemption premiums; if any, on the Bonds in the amounts and at the times required, the obligation to operate, repair and maintain the Project at its own expense, and to serve the purposes of the Act and other such responsibilities as may be imposed under the Agreement. The payments to be made by the Borrower to the Issuer and the other security provided by the Agreement, the Note, the Indenture and the Letter of Credit, as those terms are hereinafter defined, are adequate within the meaning of the Act for the security of the Bonds.

I. The Issuer is not obligated to pay the Bonds except from the proceeds derived from the repayment of the loan to the Borrower, or from the other security pledged therefor or from draws under the Letter of Credit, as hereinafter defined, and neither the faith and credit nor the taxing power of the Issuer, the County, the State or any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or the interest on the Bonds.

J. The Issuer and the Borrower will concurrently with the issuance of the Bonds execute the documentation required for the financing contemplated hereby.

K. A negotiated sale of the Bonds is required and necessary and is in the best interest of the Issuer for the following reasons: the Bonds will be special and limited obligations of the Issuer payable out of moneys derived by the Issuer from the Borrower's operations or as otherwise provided herein; the Borrower will be required to pay all costs of the Issuer in connection with the refunding of the Refunded Bonds and the refinancing and administration of the Project and to operate and maintain the Project at its own expense; the cost of issuance of the Bonds, which must be borne directly by the Borrower, would most likely be greater if the Bonds are sold at public sale by competitive bids than if the Bonds are sold at negotiated sale, and there is no basis, considering prevailing market conditions, for any expectation that the terms and conditions of a sale of the Bonds at public sale by competitive bids would be any more favorable than at negotiated sale; because prevailing market conditions are uncertain, it is desirable to sell the Bonds at a predetermined price; and industrial development revenue bonds having the characteristics of the Bonds are typically sold at negotiated sale under prevailing market conditions.

L. Exhibit "IV" attached hereto is a proposal to purchase the Bonds, which upon approval of the terms of such sale as herein provided will be executed in the form of a Bond Purchase

Agreement (the "Purchase Agreement"), hereinafter more particularly described, among Merrill Lynch, Pierce, Fenner & Smith Incorporated, New York, New York (the "Purchaser"), the Borrower and the Issuer, and it is in the best interest of the Issuer to authorize the Chairman (hereinafter defined) of the Issuer to accept such proposal to purchase \$5,680,000 aggregate principal amount of the Bonds, at a privately negotiated sale. Upon the execution of the Purchase Agreement by the Issuer, the Borrower and the Purchaser, the Bonds shall be sold to the Purchaser, pursuant to the terms and provisions of the Purchase Agreement.

M. The costs paid from the proceeds of the Refunded Bonds were "costs" of a "project" within the meaning of the Act. All of the proceeds of the Bonds will be applied to the current refunding and immediate discharge of the Refunded Bonds.

N. The Issuer has been advised by bond counsel that an allocation of the private activity bond volume limitation pursuant to Section 146 of the Code and Part VI of Chapter 159, Florida Statutes, as amended, will not be required for the Bonds because the aggregate principal amount of the Bonds will not exceed the outstanding aggregate principal amount of the Refunded Bonds and the proceeds of the Bonds will be applied to the current refunding and immediate discharge of the Refunded Bonds.

O. All conditions precedent to the refunding of the Refunded Bonds have been satisfied, or will be satisfied prior to the delivery of the Bonds, and the issuance of the Bonds will otherwise comply with all of the provisions of the Act.

P. The purposes of the Act will be most effectively served by the refunding of the Refunded Bonds and the refinancing of a portion of the cost of the Project in the manner provided in the Indenture and the Agreement.

SECTION 4. REFUNDING OF REFUNDED BONDS AUTHORIZED. The refunding of the Refunded Bonds and the refinancing of a portion of the cost of the Project in the manner provided in the Indenture and the Agreement is hereby authorized.

SECTION 5. AUTHORIZATION OF BONDS. For the purpose of refunding the Refunded Bonds, the issuance of revenue refunding bonds of the Issuer under the authority of the Act in the original aggregate principal amount of \$5,680,000 is hereby authorized. Such Bonds shall not be issued unless and until (i) the Board of the County Commissioners of the County shall have approved the issuance of the Bonds by the Authority and (ii) the Bonds shall have been validated pursuant to Chapter 75, Florida Statutes, as amended. The Bonds shall be designated "St. Johns County Industrial Development Authority Industrial Development Revenue Refunding Bonds (V.A.W. of America, Incorporated Project), Series 1989," and be subject to award of sale thereof as hereinafter provided

and payment as provided in the Indenture of Trust by and between the Issuer and the trustee thereunder, a proposed form of which is attached hereto as Exhibit "I" (the "Indenture"), and shall be issued in the name of and delivered to the Purchaser or as otherwise directed by the Purchaser. The Chairman or the Vice Chairman of the Issuer (hereinafter, the "Chairman") is hereby authorized and directed to award the sale of the Bonds in the aggregate principal amount of \$5,680,000; at an aggregate purchase price of par plus accrued interest thereon to the date of delivery, at an Initial Fixed Interest Rate (as such term is defined in the Indenture), as approved by the Chairman, not to exceed 9% (the "Maximum Initial Rate"), with such rate to be thereafter adjusted in accordance with the terms of the Indenture, and with a final maturity date, as approved by the Chairman, not to exceed 25 years from the date of issuance thereof (the "Maximum Final Maturity").

The Bonds shall be dated such date, shall bear interest at such rates, shall be payable or shall mature on such date or dates, shall be issued in such denominations, shall be subject to optional and mandatory redemption at such time or times, and upon such terms and conditions, shall be payable at the place or places and in the manner, shall be executed, authenticated and delivered, shall otherwise be in such form, and subject to such terms and conditions, all as provided in the Indenture, as may be established by resolution of the Issuer adopted prior to the issuance of the Bonds, or as may be approved by the Chairman, and the authority to approve such matters is hereby expressly delegated to the Chairman, with his approval to be conclusively evidenced by his execution of any documents including such terms.

The Bonds and the premium, if any, and the interest thereon shall not be deemed to constitute a general debt, liability or obligation of the Issuer or of the County or of the State or of any political subdivision thereof, or a pledge of the faith and credit of the Issuer or of the County or of the State or of any political subdivision thereof, but shall be payable solely from the revenues provided therefor, and the Issuer is not obligated to pay the Bonds or the interest thereon except from the revenue and proceeds pledged therefor and neither the faith and credit nor the taxing power of the Issuer, the County, the State or any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or the interest on the Bonds.

SECTION 6. AUTHORIZATION OF EXECUTION AND DELIVERY OF INDENTURE; APPOINTMENT OF TRUSTEE. In order to secure the payment of the principal of, premium, if any, and the interest on the Bonds herein authorized, according to their tenor, purport and effect, and in order to secure the performance and observance of all of the covenants, agreements and conditions in said Bonds, the execution and delivery of the Indenture, a proposed form of which is attached hereto as Exhibit "I", is hereby authorized. The form of the Indenture is hereby approved, subject to and with

such changes, insertions and omissions and such filling of blanks therein as may be approved and made in such form of Indenture by either of the officers of the Issuer executing the same, in a manner consistent with the provisions of this Resolution, such execution to be conclusive evidence of such approval. Barnett Banks Trust Company, N.A., Jacksonville, Florida, is hereby designated as the initial trustee (in such capacity, the "Trustee") under the Indenture and as paying agent with respect to the Bonds.

SECTION 7. AUTHORIZATION OF EXECUTION AND DELIVERY OF AGREEMENT AND ASSIGNMENT OF NOTE. As authorized by and in conformity with the Act, it is desirable and in the public interest that the Issuer loan funds to the Borrower to finance a portion of the cost of refunding the Refunded Bonds and thereby refinance a portion of the cost of the Project, such loan to be evidenced by the Note of the Borrower, a proposed form of which is attached as Exhibit "A" to the Agreement, and to be made pursuant to the Agreement between the Issuer and the Borrower, a proposed form of which is attached hereto as Exhibit "II", and the execution and delivery of the Agreement are hereby authorized, and the assignment of certain rights of the Issuer under the Note and the Agreement by the Issuer to the Trustee are hereby authorized. The forms of the Note and the Agreement are each hereby approved, subject to and with such changes, insertions and omissions and such filling of blanks therein as may be approved and made in the forms of the Note and the Agreement by either of the officers of the Issuer executing the same and by the Borrower, in a manner consistent with the provisions of this Resolution, such execution to be conclusive evidence of any such approval.

SECTION 8. APPROVAL OF LETTER OF CREDIT. To provide additional security for the payment of the Bonds, and for the payment by the Borrower of its obligations under the Agreement and the Note, the Borrower has agreed to obtain from Deutsche Bank AG, acting through its New York Branch (in such capacity, the "Bank"), an Irrevocable Letter of Credit (the "Letter of Credit"). The form of the Letter of Credit is attached hereto as Exhibit "III," and is hereby approved, subject to and with such changes, insertions and omissions and such filling of blanks therein as may be approved in such form by the Borrower, the Bank and by the Chairman, such approval by the Borrower and by the Chairman to be evidenced conclusively by their execution of the Agreement.

SECTION 9. AUTHORIZATION OF EXECUTION AND DELIVERY OF PURCHASE AGREEMENT. The form of the Purchase Agreement, a copy of which is attached hereto as Exhibit "IV," is hereby approved, subject to and with such changes, insertions and omissions and such filling of blanks therein as may be approved by the Borrower, by the Purchaser and by either of the officers of the Issuer executing the same, such execution thereof to be conclusive

evidence of such approval. The Chairman is hereby authorized to accept the offer of the Purchaser to purchase the Bonds in the aggregate principal amount of \$5,680,000, at a purchase price of par plus accrued interest thereon to the date of delivery, with an Initial Fixed Interest Rate not exceeding the Maximum Initial Rate, and with a final maturity not exceeding the Maximum Final Maturity, upon the terms and conditions set forth in the Purchase Agreement. The Chairman and the Secretary or Assistant Secretary of the Issuer (collectively, the "Secretary") are hereby authorized to execute and deliver the Purchase Agreement for and on behalf of the Issuer pursuant to the terms hereof.

SECTION 10. ELECTION. The Issuer hereby elects to have the provisions as to the \$10,000,000 limit of industrial development bonds specified in Section 103(b)(6)(D) of the Internal Revenue Code of the 1954, as amended, apply to the Bonds. This election is made pursuant to Section 103(b)(6)(D) of the Internal Revenue Code of 1954, as amended, and Section 1.103-10(b)(2)(vi) of the Treasury Regulations.

SECTION 11. ASSIGNMENT OF NOTE AND AGREEMENT. Certain rights of the Issuer under the Note and the Agreement shall be assigned by the Issuer to the Trustee under the terms of the Indenture.

SECTION 12. AUTHORIZED OFFICERS OF ISSUER. The Chairman and the Secretary are hereby authorized and empowered to execute and deliver the Bonds, the Indenture, the Agreement, the assignment of the Note, and the Purchase Agreement, and all documents contemplated thereby, in each case, subject to such changes and modifications as such officers may approve, such execution to be conclusive evidence of any such approval, and to affix thereto or impress thereon, the seal of the Issuer.

SECTION 13. AUTHORIZATION OF EXECUTION OF OTHER DOCUMENTS, INSTRUMENTS, CONTRACTS AND CERTIFICATES. The officers, employees and agents of the Issuer and the Issuer are hereby authorized and directed to execute such documents, instruments and contracts, whether or not expressly contemplated hereby, and to do all acts and things required by the provisions of this Resolution and by the provisions of the Bonds, the Indenture, the Agreement, the Note, the assignment of the Note, the Letter of Credit and the Purchase Agreement authorized herein, as may be necessary for the full, punctual and complete performance of all the terms, covenants, provisions and agreements herein and therein contained, or as otherwise may be necessary or desirable to effectuate the purpose and intent of this Resolution, or as may be requested by bond counsel, the Purchaser, the Bank, the Borrower or the Trustee. The Chairman and the Secretary are hereby designated as the primary officers of the Issuer charged with the responsibility of issuing the Bonds, and the Chairman is hereby authorized to delegate to

any other person any of the duties or authorizations of the Chairman or the Secretary hereunder.

SECTION 14: COMPLIANCE WITH CHAPTER 218, PART III, FLA. STATS. The Issuer hereby approves and authorizes the completion, execution and filing with the Division of Bond Finance, Department of General Services of the State of Florida, at the expense of the Borrower, of advance notice of the impending sale of the Bonds, of Bond Information Form BF 2003 and of a copy of Internal Revenue Service Form 8038, and any other acts as may be necessary to comply with Chapter 218, Part III, Florida Statutes, as amended.

SECTION 15. APPROVAL BY BOARD OF COUNTY COMMISSIONERS. The counsel for the Issuer is hereby directed to transmit an executed copy of this Resolution, including the exhibits attached hereto, to the Board of County Commissioners of the County. The Board of County Commissioners of the County is hereby requested to approve the issuance of the Bonds by the Issuer.

SECTION 16. BONDS TO BE VALIDATED. Mr. James G. Sisco, County Attorney, St. Johns County, Florida, counsel for the Issuer is hereby authorized on behalf of the Issuer, at the expense of the Borrower, to prepare and file proceedings in the Circuit Court for St. Johns County, Florida, to validate the Bonds pursuant to the provisions of Chapter 75, Florida Statutes, as amended.

SECTION 17. NO PERSONAL LIABILITY. No representation, statement, covenant, warranty, stipulation, obligation or agreement herein contained, or contained in the Bonds, the Agreement, the Note or the assignment thereof, the Indenture, the Letter of Credit, the Purchase Agreement or any certificate or other instrument to be executed on behalf of the Issuer in connection with the issuance of the Bonds, shall be deemed to be a representation, statement, covenant, warranty, stipulation, obligation or agreement of any member, officer, employee or agent of the Issuer in his individual capacity, and none of the foregoing persons nor any officer of the Issuer executing the Bonds, the Agreement, the Indenture, the assignment of the Note or the Purchase Agreement or any certificate or other instrument to be executed in connection with the issuance of the Bonds shall be liable personally thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

SECTION 18. THIS RESOLUTION CONSTITUTES A CONTRACT. The Issuer covenants and agrees that this Resolution shall constitute a contract between the Issuer and the Purchaser, and all subsequent owners from time to time of the Bonds, and that all covenants and agreements set forth herein and in the Bonds, the Agreement, the Indenture and the Purchase Agreement and the assignment of the Note, to be performed by the Issuer shall be for the equal and ratable benefit and security of the Purchaser and all

subsequent owners from time to time of the Bonds, without privilege, priority or distinction as to lien or otherwise of any of the Bonds over any other of the Bonds.

SECTION 19. NO THIRD PARTY BENEFICIARIES. Except as otherwise expressly provided herein or in the Bonds, the Agreement, the Indenture, the Note or the assignment thereof, or the Purchase Agreement, nothing in this Resolution, or in the Bonds, the Agreement, the Indenture, the Note or the assignment thereof, or the Purchase Agreement, express or implied, is intended or shall be construed to confer upon any person, firm, corporation or other organization, other than the Issuer, the Borrower, the Trustee and the Purchaser (and subsequent owners from time to time of the Bonds) any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof, or of the Bonds, the Agreement, the Indenture, the Note or the assignment thereof, or the Purchase Agreement, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Issuer, the Borrower, the Trustee and the Purchaser (and subsequent owners from time to time of the Bonds).

SECTION 20. PREREQUISITES PERFORMED. All acts, conditions and things relating to the passage of this Resolution, to the issuance, sale and delivery of the Bonds, to the execution and delivery of the Agreement, the Indenture, the Purchase Agreement, and to the assignment and delivery of the Note, required by the Constitution or other laws of the State, to happen, exist and be performed precedent to the passage hereof, and precedent to the issuance, sale and delivery of the Bonds, to the execution and delivery of the Agreement, the Indenture, the Purchase Agreement, and to the assignment and delivery of the Note, have either happened, exist and have been performed as so required or will have happened, will exist and will have been performed prior to such execution and delivery.

SECTION 21. SEVERABILITY OF INVALID PROVISIONS. In case any one or more of the provisions of this Resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Resolution, and this Resolution shall be construed and enforced as if such illegal or invalid provision had not been contained herein. This Resolution is adopted and the Indenture, the Agreement, the Purchase Agreement, and any other documents to be executed in connection with the issuance of the Bonds shall be executed, and the Bonds shall be issued, with the intent that the laws of the State shall govern their construction, except as shall otherwise be expressly provided by the terms thereof.

SECTION 22. REPEALING CLAUSE. All resolutions or parts thereof in conflict herewith are hereby repealed.

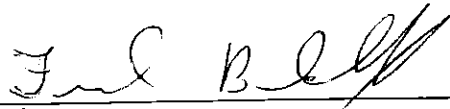
SECTION 23. EFFECTIVE DATE. This Resolution shall take effect immediately.

PASSED AND ADOPTED this 7 day of JUNE, 1989.

ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

(SEAL)

ATTEST:



Chairman

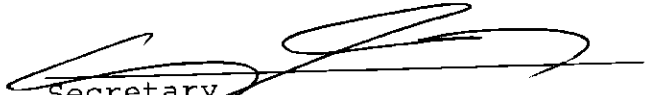


Secretary

SJ23RS3

I, Andrew J. DuPont, Jr., Secretary of the St. Johns County Industrial Development Authority, do hereby certify that the foregoing is a true and correct copy of the Resolution of said Authority passed and adopted on June 7, 1989.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said Authority this 7th day of June, 1989.


Secretary
St. Johns County Industrial
Development Authority

(OFFICIAL SEAL)

INDENTURE OF TRUST

From

ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

to

BARNETT BANKS TRUST COMPANY, N.A.,
as Trustee

Dated as of June 1, 1989

Relating to:

\$5,680,000
ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT REVENUE REFUNDING BONDS
(V.A.W. OF AMERICA, INCORPORATED PROJECT)
SERIES 1989

This Instrument Prepared By:

Chauncey W. Lever, Jr.
Foley & Lardner
1700 First Union Building
200 West Forsyth Street
Jacksonville, FL 32202
(904) 356-2029

EXHIBIT I

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST, made and dated as of June 1, 1989, by and between ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a public body corporate and politic of the State of Florida (the "Authority"), and BARNETT BANKS TRUST COMPANY, N.A., a national banking association organized, existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States of America, with its principal trust office located in Jacksonville, Florida, as Trustee (the "Trustee");

WITNESSETH:

WHEREAS, the Authority is a public body corporate and politic of the State of Florida (the "State"), authorized under Chapter 159, Parts II and III, Florida Statutes, as amended (the "Act"), to finance the acquisition, construction, reconstruction, improvement, rehabilitation, renovation, expansion and enlargement, or additions to, furnishing and equipping of any capital project for any "manufacturing plant" (as such term is used in the Act), including land, rights in land, buildings and other structures, machinery, equipment, appurtenances and facilities incidental thereto, and other improvements necessary or convenient therefor, and to obtain funds to finance the cost thereof by the issuance of its revenue bonds, and to issue its revenue refunding bonds for the purpose of refunding any outstanding revenue bonds issued under the Act to finance the cost thereof, for the purposes of enhancing and expanding economic activity in the State by attracting manufacturing development, business enterprise management and other activities conducive to economic promotion, and for the purpose of promoting and fostering the economic growth and development of St. Johns County (the "County") and the State, increasing purchasing power and opportunities for gainful employment, advancing and improving the economic prosperity of the County and the State and its inhabitants, fostering the industrial and business development of the County, and otherwise providing for and contributing to the health, safety and welfare of the people of the State, and the Authority is further authorized by the Act to pledge and assign as security for the payment of the principal of, premium, if any, and interest on such bonds, any revenues derived by the Authority pursuant to financing agreements with respect to such projects;

WHEREAS, by resolution duly adopted by the Board of County Commissioners of the County on January 9, 1979, as amended and supplemented, the County authorized the issuance and sale of St. Johns County, Florida, Industrial Development Revenue Bonds (V.A.W. of America, Inc. Project), Series A and B, dated as of

May 1, 1979, in the original principal amount of \$6,500,000 (the "Refunded Bonds"); on February 12, 1979 a final judgment was rendered in the Circuit Court for the Seventh Judicial Circuit in and for St. Johns County, Florida validating the Refunded Bonds; and on May 9, 1979, in furtherance of the purposes of the Act, the County issued the Refunded Bonds for the purpose of financing the cost of the acquisition, construction and installation of the Project hereinafter described; and

WHEREAS, the proceeds derived from the sale of the Refunded Bonds were applied to the payment of the cost of the acquisition, construction and installation of the Project, and the County entered into an Installment Sale Agreement, dated as of May 1, 1979, with V.A.W. of America, Incorporated, a New York corporation (the "Borrower"), pursuant to which the County provided for the installment sale by the County to the Borrower of the Project and the Borrower agreed to pay installments upon the purchase price for the Project in amounts sufficient to pay the principal of, premium, if any, and interest on the Refunded Bonds or the same become due and payable; and

WHEREAS, the outstanding principal amount of the Refunded Bonds on the date of the execution and delivery of this Indenture is \$5,680,000; and

WHEREAS, the Borrower has requested the Authority to issue its revenue refunding bonds in the aggregate principal amount of \$5,680,000 for the purpose of financing a portion of the cost of refunding the outstanding Refunded Bonds; and

WHEREAS, based upon representations of the Borrower, the Authority has found and determined that the issuance by the Authority of its revenue refunding bonds for the purpose of refunding the Refunded Bonds, will constitute the carrying out of a vital public purpose, which will benefit and protect the health, safety and general welfare of the people of the State, and will serve one or more of the public purposes set forth above; and

WHEREAS, the Authority by resolution duly adopted on _____, 1989, in accordance with all requirements of law, has authorized the issuance and sale of \$5,680,000 aggregate principal amount of its "St. Johns County Industrial Development Authority Industrial Development Revenue Refunding Bonds (V.A.W. of America, Incorporated Project), Series 1989" (the "Bonds"), under and pursuant to the terms of this Indenture; and

WHEREAS, on _____, 1989, the issuance of the Bonds was approved by the Board of County Commissioners of the County, which is the governing body of the County and consists of elected public officials, from which the Authority derives its

authority to issue revenue bonds such as the Bonds, and which is deemed to be the applicable elected representative of the Authority; and

WHEREAS, by Final Judgment of Validation dated _____, 1989, entered in the proceedings styled St. Johns County Industrial Development Authority vs. State of Florida, et. al., Case No. _____ in the Circuit Court for the Seventh Judicial Circuit in and for St. Johns County, Florida, the Bonds were validated pursuant to Chapter 75, Florida Statutes, as amended; and

WHEREAS, in accordance with the applicable provisions of the Act, the Authority has entered into a loan agreement (the "Agreement") of even date herewith with the Borrower pursuant to which the Authority has agreed to issue and sell the Bonds and to lend the proceeds thereof to the Borrower to finance a portion of the cost of refunding the Refunded Bonds and thereby refinance a portion of the cost of the Project, and in consideration thereof the Borrower has agreed to (i) deliver to the Authority its promissory note dated the date of the Bonds (the "Note") in the principal amount of \$5,680,000 providing for payments sufficient to pay the principal of, premium, if any, and interest on the Bonds as the same become due and payable and (ii) deliver to the Trustee the amounts described in Section 5.2(A) of the Indenture; and

WHEREAS, the Bonds are to be issued under and pursuant to and secured by this Indenture, pursuant to which the Agreement and the Note are being assigned by the Authority to the Trustee; and

WHEREAS in order to further secure the Bonds, the Borrower concurrently with the execution hereof has delivered or caused to be delivered to the Trustee an Irrevocable Letter of Credit (the "Letter of Credit") issued by Deutsche Bank AG (the "Credit Bank"), acting through its New York Branch, for the account of the Borrower in favor of the Trustee as beneficiary on behalf of the holders of the Bonds; and

WHEREAS, the Borrower and the Credit Bank have entered into a Letter of Credit Agreement dated as of June 1, 1989, obligating the Borrower, among other things, to repay all amounts drawn on the Letter of Credit; and

WHEREAS, the Bonds shall be special obligations of the Authority, payable solely out of the revenues and other receipts, funds or moneys to be derived by the Authority under the Agreement, or this Indenture and from any amounts otherwise available under the Letter of Credit or this Indenture for the payment of the Bonds; and

WHEREAS, the Bonds are to be issued as fully registered bonds and such Bonds and the Trustee's certificate of authentication to be endorsed thereon shall be in substantially the following form with appropriate variations, omissions and insertions as permitted or required by this Indenture, to wit:

(FORM OF BONDS)

UNITED STATES OF AMERICA
STATE OF FLORIDA
ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT REVENUE REFUNDING BONDS
(V.A.W. OF AMERICA, INCORPORATED PROJECT), SERIES 1989

Bond Date:

Maturity Date: June 1, _____

Registered Holder:

Principal Amount:

Bond Number:

CUSIP Number:

ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a public body corporate and politic of the State of Florida (the "Authority"), for value received, hereby promises to pay to the registered holder identified above or registered assigns on the maturity date set forth above, solely from the sources and in the manner hereinafter provided, the principal sum set forth above, and in like manner and solely from such sources to pay interest on the unpaid principal balance thereof from the date hereof until the principal balance has been paid or payment thereof duly provided for in the manner set forth in the Indenture (as hereinafter defined). Interest shall be payable from June 1, 1989, to June 1, 1999, at the rate of _____% per annum and thereafter as provided hereinbelow and in Article II of the Indenture, as hereinafter defined, on September 1, December 1, March 1 and June 1 of each year, commencing September 1, 1989. Such interest shall be computed on the basis of a 360-day year of twelve 30-day months. In no event shall the interest rate payable hereon exceed the maximum permitted by law.

Payment of Principal and Interest. The principal or redemption price, if any, of and interest on this bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts. The principal and the redemption price, if any, of this bond are payable, upon presentation and surrender hereof, at the corporate trust office of Barnett Banks Trust Company, N.A., as Trustee (the "Trustee"), as

paying agent, in Jacksonville, Florida, or at the office designated for such payment of any successors as paying agents. Payment of each installment of interest on this bond shall be made to the person in whose name this bond shall be registered on the registration books of the Authority maintained by the Trustee, as registrar, or any successor registrar, at the close of business on the date which shall be the fifteenth day (whether or not a business day) of the calendar month next preceding each interest payment date and shall (except for the final payment of interest which shall be paid only upon presentation and surrender of this bond at the office of the Trustee) be paid by a check or draft of the Trustee mailed to such registered holder at the address appearing on such registration books. Alternatively, at the written request of any registered bondholder holding at least \$500,000 in aggregate principal amount of the Bonds, as hereinafter defined, to the Trustee, such payment may be made by wire transfer or other reasonable method to an account or place designated by such holder. In the event interest payable on this bond is not punctually paid or duly provided for by the Authority on such interest payment date, payment of each installment of such defaulted interest shall be made to the person in whose name this bond shall be registered at the close of business on a special record date for the payment of such defaulted interest as established by notice to such registered holder, not less than ten (10) days preceding such special record date.

Certain Bonds when issued may be registered initially in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as the initial securities depository for such Bonds. Individual purchases of such Bonds may be made in book-entry form only, and such purchasers will not receive certificates representing their interest in the Bonds. When Bonds are registered in the name of a securities depository (a "Depository") or its nominee the Authority will recognize the Depository or its nominee as the Bondholder for all purposes, including notices. Conveyance of notices and other communications by the Depository to participants, by participants to indirect participants, and by participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory and regulatory requirements as may be in effect from time to time.

Authorization and Purpose. This bond is one of an authorized issue of bonds of the Authority of the series designated above limited in the aggregate principal amount to \$5,680,000 (the "Bonds"). The Bonds are being issued to finance a portion of the cost of refunding the St. Johns County, Florida, Industrial Development Revenue Bonds (V.A.W. of America, Inc. Project), Series A and B, dated as of May 1, 1979, which were issued to finance the cost of the acquisition, construction and installation of a capital project (the "Project") located in St. Johns County,

Florida (the "County") for the benefit of V.A.W. of America, Incorporated, a New York corporation (the "Borrower"). The Bonds are issued pursuant to Parts II and III of Chapter 159, Florida Statutes, as amended (the "Act"), a resolution duly adopted by the Authority on _____, 1989, and an Indenture of Trust dated as of June 1, 1989 (which Indenture as from time to time amended and supplemented is herein referred to as the "Indenture"), duly executed and delivered by the Authority to the Trustee, are subject to all the terms and conditions of the Indenture, and are equally and ratably secured by and entitled to the protection of the Indenture, which is on file in the office of the Trustee.

Pledge and Security. Pursuant to the Indenture, the Authority has assigned to the Trustee all of its right, title and interest in and to a Loan Agreement (the "Agreement") dated as of June 1, 1989, between the Authority and the Borrower, and a promissory note (the "Note") of the Borrower evidencing its obligations under the Agreement (except for certain rights which the Authority has reserved in the Indenture), including all rights to receive loan payments sufficient to pay the principal or redemption price, if any, of and interest and all other amounts due on the Bonds as the same become due, to be made by the Borrower pursuant to the Agreement. The Agreement sets forth the terms and conditions under which the Authority will provide such financing and under which the Borrower will use and occupy the Project and make loan payments to the Authority in such amounts. Reference is hereby made to the Indenture for the definition of any capitalized word or term used but not defined herein and for a description of the property pledged, assigned and otherwise available for the payment of the Bonds, the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Authority, the Trustee and the holders of the Bonds, and the terms upon which the Bonds are issued and secured. The Authority's obligation to pay the principal of, premium, if any, and interest on the Bonds is limited solely and only to the revenues derived by the Trustee pursuant to the Agreement, the Note, the Credit Facility, and the Indenture.

Credit Facility. The Borrower has arranged the delivery to the Trustee of an Irrevocable Direct-Pay Letter of Credit, dated the date of delivery of the Bonds, issued by Deutsche Bank AG New York Branch (the "Credit Bank"), for the account of the Borrower in favor of the Trustee as beneficiary on behalf of the holders of the Bonds (the "Letter of Credit"). The Letter of Credit is scheduled to expire on June 16, 1999 but may expire sooner upon the occurrence of certain events described in the Letter of Credit. Under the Letter of Credit the Trustee is entitled to draw on the Letter of Credit an amount sufficient to pay the principal of the Bonds, plus premium, if any (to the extent covered by the Letter of Credit), and up to one hundred five (105) days' interest on the Bonds. Under certain circumstances set forth in the Loan Agreement an alternate letter of credit (an

"Alternative Credit Facility") may be provided in place of the Letter of Credit. The Letter of Credit and any Alternative Credit Facility are hereinafter collectively referred to as the "Credit Facility." The issuers of the Letter of Credit and the issuer of any Alternate Credit Facility are hereinafter collectively referred to as the "Credit Institution."

Letter of Credit Agreement. In connection with the Letter of Credit, the Borrower has agreed pursuant to a Letter of Credit Agreement, dated as of June 1, 1989, with the Credit Bank (the "Letter of Credit Agreement") to pay to the Credit Bank all amounts drawn by the Trustee under the Letter of Credit. The Indenture requires the Trustee to declare the principal or Redemption Price of and accrued interest on the Bonds to be immediately due and payable upon receipt of notice by the Credit Institution in writing that an event of default as defined in the Letter of Credit Agreement has occurred. Immediately following any such acceleration of the Bonds, the Indenture requires the Trustee to set a date for payment of the Bonds which shall not be more than ten (10) days after the date of acceleration; make a final draw on the Credit Facility to the extent of funds available thereunder and take such action as is necessary to make full payment of the redemption price of the Bonds due by reason of such acceleration and the interest accrued thereon to the date set up for such payment.

Expiration of Credit Facility. The Letter of Credit will expire prior to the final maturity date of the Bonds. Prior to the date of expiration the Borrower has the right to arrange for the extension of such expiration date by extending the Letter of Credit or by delivering to the Trustee an Alternative Credit Facility. In the event the Borrower fails to exercise this right, the Bonds are subject to mandatory redemption as described below.

General Optional Redemption. At the option of and upon the giving of notice by the Borrower (with the consent in writing of the Credit Institution) of its intention to prepay amounts due under the Agreement, the Bonds are subject to redemption prior to maturity as a whole or in part on June 1, 1993 and on any interest payment date thereafter, in units of \$5,000 by lot, and, when redeemed during any period set forth in the following table, at the redemption price (stated as a percentage of principal amount) set opposite such period in the table:

<u>Period During Which Redeemed</u> <u>(Both Dates Inclusive)</u>	<u>Redemption Price</u>
June 1, 1993 through May 31, 1994	104%
June 1, 1994 through May 31, 1995	103
June 1, 1995 through May 31, 1996	102
June 1, 1996 through May 31, 1997	101
June 1, 1997 and thereafter	100

Extraordinary Optional Redemption. In addition, at the option of and upon the giving of notice by the Borrower of its intention to prepay amounts due under the Agreement, the Bonds are subject to redemption prior to maturity as a whole at any time at a redemption price equal to 100% of the principal amount thereof, if any one or more of the events of casualty to or condemnation of the Project or change in law specified in Section 8.1(B) of the Agreement shall have occurred, as evidenced in each case by the filing of a certificate of an authorized representative of the Borrower.

Mandatory Taxability Redemption. As used herein, "Determination of Taxability" means a determination that the interest income on any of the Bonds does not qualify as excludable from the gross income of the holder thereof for federal income tax purposes ("exempt interest") under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and Section 103 of the Internal Revenue Code of 1954, as amended and in effect on the day preceding the date of enactment of the Tax Reform Act of 1986 (the "1954 Code"), for any reason other than solely because such holder is a "substantial user" of the Project or a "related person" within the meaning of Section 103(b) of the 1954 Code, which determination shall be deemed to have been made upon the first to occur of the following: (1) the date on which the Borrower receives an opinion of nationally recognized bond counsel which shall have advised the Borrower in writing either that interest on the Bonds is currently includable in gross income for federal income tax purposes or that such counsel cannot render its opinion, without materially qualifying the same, to the effect that interest on the Bonds is currently excludable from gross income for federal income tax purposes; or (2) the date on which any change in law or regulation becomes effective or on which the Internal Revenue Service has issued any private ruling, technical advice or any other written communication to the effect that the interest income on any of the Bonds does not qualify as exempt interest; or (3) the date on which the Borrower shall receive notice from the Trustee in writing that the Trustee has been advised by the holder of any Bond that the Internal Revenue Service has issued a thirty-day letter or other notice which asserts that the interest on such Bond does not qualify as exempt interest; or (4) the date on which the Trustee receives notice

that the Borrower or the Authority has taken any action inconsistent with, or has failed to act consistently with, the tax-exempt status of the Bonds (unless the Trustee receives an opinion of nationally recognized bond counsel reasonably satisfactory to it that, notwithstanding such action or failure to act, the interest on the Bonds continues to qualify as tax-exempt interest). Upon the occurrence of a Determination of Taxability described in (1), (2) or (3) above, the Bonds shall be subject to mandatory redemption prior to maturity, within thirty days of such Determination of Taxability upon notice as provided in the Indenture, at a redemption price equal to 103% (stated as a percentage of principal amount) of the outstanding principal balance thereof in the event such Determination of Taxability occurs prior to June 1, 1995, and at the respective redemption prices provided in the table for general optional redemption set forth above in the event such Determination of Taxability occurs on or after June 1, 1995. Upon the occurrence of a Determination of Taxability described in (4) above, the Bonds shall be subject to mandatory redemption prior to maturity, within 30 days of such Determination of Taxability upon notice as provided in the Indenture, at a redemption price equal to 106% (stated as a percentage of principal amount) of the outstanding principal balance thereof in the event such Determination of Taxability occurs prior to June 1, 1995, and at the respective redemption prices provided in the table for general optional redemption set forth above plus 3% in the event such Determination of Taxability occurs on or after June 1, 1995.

Mandatory Redemption on Expiration of the Credit Facility.

The Bonds are also subject to mandatory redemption prior to maturity on the day 15 days preceding the date of expiration of the Credit Facility at a redemption price equal to 100% of the principal amount thereof unless an Alternative Credit Facility is delivered to the Trustee and certain other delivery conditions are met prior to the date fifteen days preceding the date of expiration of any Credit Facility. Accordingly, unless the Letter of Credit is extended or an Alternative Credit Facility is obtained, the Bonds are subject to mandatory redemption on June 1, 1999.

Mandatory Redemption on Act of Bankruptcy of the Credit Institution. The Bonds are also subject to mandatory redemption prior to maturity at a redemption price equal to 100% of the principal amount thereof following the occurrence of an Act of Bankruptcy of the Credit Institution within 75 days following delivery of notice thereof by the Trustee to the Borrower and the Credit Institution, unless an Alternative Credit Facility is delivered to the Trustee and certain other delivery conditions are met on or prior to a date specified by the Trustee in its notice which is not more than 45 days from the date of notice of such an occurrence.

Certain Definitions.

"Reset Date" means June 1, 1999, for the first Reset Period, and thereafter the date specified in the Remarketing Agent's notice described below under "Establishment of Reset Rate," provided that the Reset Date shall be no later than the last interest payment date which is at least 15 days prior to the date of expiration of the Credit Facility which will be in effect for the subsequent Reset Period.

"Reset Period" means each period beginning on a Reset Date and ending on the day immediately preceding the next subsequent Reset Date. The first Reset Period shall be 10 years. Each Reset Period thereafter shall be either (1) eight years or such lesser period ending on the maturity date of the Bonds, or (2) such other period not exceeding the maturity date of the Bonds as the Remarketing Agent shall determine, provided that the Remarketing Agent shall have received an opinion of nationally recognized bond counsel to the effect that such change in the Reset Period will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

"Reset Rate" means the rate of interest on the Bonds in effect pursuant to the provisions of the Indenture at any date after any Reset Date.

Initial Fixed Interest Rate. From the date of the Bonds until the first Reset Date, the Bonds shall bear interest at the rate of ____% per annum (the "Initial Fixed Interest Rate").

Establishment of Reset Rate. The rate of interest payable on the Bonds shall be reset from the Initial Fixed Interest Rate or Reset Rate, as applicable, to the subsequent Reset Rate which will become effective on each Reset Date and remain effective for the Reset Period which begins on such Reset Date. The Remarketing Agent shall deliver, on behalf of the Authority, at least 45 days prior to each Reset Date, a notice to the Authority, the Borrower, the Credit Institution and the Trustee, which notice shall specify (1) the Reset Date upon which the subsequent Reset Rate is to become effective, (2) the subsequent Reset Period during which the subsequent Reset Rate will be effective, (3) the date on which the Remarketing Agent is to establish the subsequent Reset Rate, which date shall be not less than two Business Days prior to the Reset Date, (4) the Credit Facility delivered by the Borrower pursuant to the Agreement to be effective on the Reset Date for the subsequent Reset Period, (5) any rating expected to be assigned to the Bonds based on the Credit Facility or otherwise, and (6) if any, the subsequent Reset Date, which shall be the day following the last day of such subsequent Reset Period. The notice shall be accompanied by a draft of the proposed Credit Facility which shall be in effect for the subsequent Reset Period. The failure to provide any of the foregoing shall not affect the requirement of a mandatory purchase or redemption of all Bonds on such Reset Date. The Remarketing Agent shall

determine the subsequent Reset Rate, no later than two Business Days prior to the applicable Reset Date, as that rate which, in the determination of the Remarketing Agent, would result as nearly as practicable in the price of the Bonds on the Reset Date being 100% of the principal amount thereof. Upon the Reset Date, the Reset Rate shall be effective and shall be equal to the rate so determined by the Remarketing Agent.

Determination of Subsequent Reset Rate. In determining the subsequent Reset Rate pursuant to the Indenture, the Remarketing Agent shall take into account to the extent applicable: (1) market interest rates for comparable securities which are held by institutional and private investors with substantial portfolios (a) with a term equal to the period of the subsequent Reset Period, (b) with interest which is excludable from gross income for federal income tax purposes, (c) rated, if the Bonds are then rated, by a national credit rating agency in the same rating category as the Bonds, and (d) with redemption provisions similar to those of the Bonds; (2) other financial market rates and indices which have a bearing on the subsequent Reset Rate (including but not limited to rates borne by industrial development bonds, pollution control revenue bonds, public power bonds, housing bonds, other revenue bonds, general obligation bonds, Treasury obligations, indices maintained by The Bond Buyer and other publicly available tax-exempt interest rate indices); (3) general financial market conditions (including current forward supply); (4) other rates borne by securities comparable in term and provisions to the Bonds, with interest which is excludable from gross income for federal income tax purposes, which are supported by credit facilities issued by the Credit Institution; and (5) factors particular to the Project or the credit standing of the Borrower and the issuer of any Credit Facility.

Conclusiveness of Subsequent Reset Rate Determination. The determination by the Remarketing Agent in accordance with the Indenture of the subsequent Reset Rate to be borne by the Bonds shall be conclusive and binding on the holders of the Bonds and the Authority, the Borrower, the Credit Institution and the Trustee.

Mandatory Purchase or Redemption of Bonds on any Reset Date. On each Reset Date as provided in the Indenture the Bonds shall be subject to mandatory purchase in whole (purchase shall be mandatory notwithstanding any failure by any person to comply with any procedure specified herein in connection with such Reset Date and shall be an absolute and unconditional right of the holders of the Bonds). Bonds shall be purchased by one or more designees of the Remarketing Agent and be delivered to the Trustee for transfer at the direction of the Remarketing Agent. All Bonds not remarketed on a Reset Date shall be redeemed on such Reset Date.

The Bonds are subject to mandatory tender for purchase by one or more designees of the Remarketing Agent or redemption prior to maturity on each Reset Date and shall be purchased by one or more designees of the Remarketing Agent at a purchase price equal to 100% of the principal amount thereof plus accrued interest to the Reset Date or redeemed at a redemption price of 100% of the principal amount thereof plus accrued interest to the redemption date.

In connection with any mandatory tender for purchase or redemption of Bonds, the Remarketing Agent shall provide the Trustee with notice, described below, at least thirty calendar days plus three Business Days prior to the Reset Date. Upon receipt of such notice, the Trustee shall mail such notice by first class mail to the Bondholders thirty calendar days prior to the Reset Date. The notice from the Remarketing Agent shall state:

(1) that the Bonds are subject to mandatory tender for purchase or redemption on the Reset Date, and specifying the month, day and year which is the Reset Date;

(2) that the Bonds may be remarketed as provided in the Indenture, the name and address of the Remarketing Agent, that any Bonds which are remarketed as provided in the Indenture will bear interest at the Reset Rate for the subsequent Reset Period;

(3) the subsequent Reset Period during which the subsequent Reset Rate will be effective;

(4) the date which is the subsequent Reset Date, if any, following the subsequent Reset Period, and that any Bonds which are remarketed will be subject to mandatory tender for purchase or redemption on such subsequent Reset Date;

(5) the name of the Credit Institution and a summary of the terms of the Credit Facility which will be in effect for the subsequent Reset Period;

(6) if such is the case, that any ratings of the Bonds may be withdrawn or reduced following the Reset Date;

(7) the Reset Rate which is expected to be borne by the Bonds during the subsequent Reset Period;

(8) the date on which the actual subsequent Reset Rate to be borne by the Bonds during the subsequent Reset Period will be definitively determined, and the manner in which Bondholders may ascertain such rate;

(9) that any holder of Bonds who desires to purchase any remarketed Bonds should give irrevocable notice to the Remarketing Agent on or prior to the date 10 days prior to the Reset Date;

(10) that all holders of Bonds shall be deemed to have tendered their Bonds for purchase or redemption on the Reset Date and shall be entitled only to the payment of the purchase price or redemption price of such Bonds plus accrued interest to the Reset Date, and shall not be entitled to any benefits of the Indenture after the Reset Date, including any interest to accrue subsequent to the Reset Date; and

(11) that all Bonds not remarketed on the Reset Date shall be redeemed on the Reset Date.

Bonds Not Tendered Upon Reset Date. Holders of Bonds shall be required to tender their Bonds for purchase or redemption at the applicable purchase price or redemption price, which shall be 100% of the principal amount thereof plus accrued interest to the Reset Date. Any Bonds not so tendered on the Reset Date ("Untendered Bonds") for which there has been irrevocably deposited in trust with the Trustee remarketing proceeds or the proceeds of a drawing on the Credit Facility sufficient to pay the purchase price or redemption price of the Untendered Bonds, plus accrued interest, shall be deemed to have been tendered for purchase or redemption. In the event of a failure by a Bondholder to tender such holder's Bonds on or prior to the Reset Date, such Bondholder shall not be entitled to any payment (including any interest to accrue subsequent to the Reset Date) other than the purchase price or redemption price for such Untendered Bonds plus accrued interest to the Reset Date, and any Untendered Bonds shall no longer be entitled to the benefits of this Indenture except for the purpose of payment of the purchase price or redemption price therefor plus accrued interest to the Reset Date.

Additional Amounts Payable on Redemption. Upon any whole or partial redemption of Bonds there shall also be due and payable, concurrently with the payment of the redemption price, interest accrued on the Bonds to the date of redemption.

Redemption Procedures. If any of the Bonds are to be called for redemption, the Indenture requires a copy of the redemption notice to be mailed at least thirty days prior to such redemption date to the registered holder of each Bond to be redeemed at the address shown on the registration books. All Bonds so called for redemption will cease to bear interest after the date fixed for redemption if funds for their redemption are on deposit at the place of payment at that time.

Acceleration. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all Bonds issued under the Indenture and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with accrued interest thereon.

Amendment of Indenture. The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modifications of the rights and obligations of the Authority and the rights of the holders of the Bonds at any time by the Authority with the consent of the holders of not less than two-thirds in aggregate principal amount of the Bonds at the time outstanding thereunder. Any such consent shall be conclusive and binding upon each such holder and upon all future holders of each Bond and of any such Bond issued upon the transfer thereof, whether or not notation of such consent is made thereon.

Exchange of Bonds. The holder of this bond may surrender the same, at the corporate trust office of the Trustee in exchange for an equal aggregate principal amount of Bonds of any of the authorized denominations of the same series and maturity as this bond or the Bonds so surrendered, subject to the conditions and upon payment of the charges provided in the Indenture.

Transfer of Bonds. This bond is transferable only upon the books of the Authority kept for that purpose at the corporate trust office of the Trustee by the registered holder hereof in person, or by such holder's duly authorized attorney, upon surrender of this bond (together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or such holder's duly authorized attorney), and thereupon a new fully registered Bond in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Indenture and upon payment of the charges thereon described. The Authority, the Trustee and any paying agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purposes of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever.

Limitation on Bondholder Enforcement Rights. The holder of this bond shall have no right to enforce the provisions of the Indenture, to institute action to enforce the provisions and covenants thereof or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture.

Special Obligations of the Authority. This bond and the issue of which it forms a part are special and limited obligations of the Authority, payable by the Authority solely out of the revenues or other receipts, funds or moneys pledged therefor as

provided in the Indenture and the Agreement. THIS BOND DOES NOT NOW AND SHALL NEVER CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE AUTHORITY, THE COUNTY, THE STATE OF FLORIDA OR ANY OTHER POLITICAL SUBDIVISION THEREOF, WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF THE STATE OF FLORIDA, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE AUTHORITY, THE COUNTY, THE STATE OF FLORIDA OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST OR PREMIUM, IF ANY, HEREON AND THE OWNER OF THIS BOND SHALL NOT HAVE ANY RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE AUTHORITY, THE COUNTY, THE STATE OF FLORIDA OR ANY OTHER POLITICAL SUBDIVISION THEREOF, TO ENFORCE SUCH PAYMENT. AS OF THE DATE HEREOF THE AUTHORITY HAS NO TAXING POWER.

Estoppel Clause. This bond is issued pursuant to and in full compliance with the Constitution and laws of the State of Florida. It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this bond do exist, have happened and have been performed in due time, form and manner as required by law and that the issuance of this bond and of the issue of which it forms a part, together with all other obligations of the Authority, do not exceed or violate any constitutional or statutory limitation.

No Personal Liability. Neither the members, officers, directors or employees of the Authority or the Trustee nor any person executing this bond shall be liable personally or be subject to any personal accountability by reason of the issuance hereof.

Validation. The Bonds were validated by Final Judgment of the Circuit Court of the Seventh Judicial Circuit, in and for St. Johns County, Florida, rendered on _____.

Authentication by Trustee. This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, St. Johns County Industrial Development Authority has caused this bond to be executed in its name

by the manual or facsimile signatures of its authorized officers and its seal to be hereunto affixed, all as of June 1, 1989.

ST. JOHNS INDUSTRIAL DEVELOPMENT
AUTHORITY

By _____
Its Chairman

(SEAL)

Attest:

Its Secretary

(FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION)

TRUSTEE'S CERTIFICATE

This bond is one of the Bonds of the issue referred to in the within mentioned Indenture.

Date of Authentication
and Registration

Barnett Banks Trust Company, N.A.,
as Trustee

By _____
Authorized Officer

(FORM OF ASSIGNMENT)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto _____ the _____ within bond and does hereby irrevocably constitute and appoint _____ Attorney to transfer the within bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within bond in every particular.

NOTE: Assignment form should state the name, the address and the Social Security or other tax identification number of the assignee in the space provided.

(END OF FORM OF BONDS)

WHEREAS, all things necessary to make the Bonds, when authenticated by the Trustee and issued as in this Indenture provided, the valid, binding and legal obligations of the Authority according to the terms, and to constitute this Indenture a valid pledge of revenues to the payment of the principal or redemption price, if any, of and interest on the Bonds and all other amounts due in connection therewith and a valid assignment of the rights, title and interest of the Authority (except as stated below) under the Agreement and the Note have been done and performed, and the Letter of Credit has been delivered to the Trustee, and the creation, execution and delivery of this Indenture and the creation, execution and issuance of the Bonds subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS:

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 Bonds by the holders and owners thereof, and for other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the principal or redemption price, if any, of and interest on the Bonds according to their tenor and effect and all other amounts due in connection therewith and the performance and observance by the Authority of all the covenants expressed or implied herein and in the Bonds, does hereby without recourse grant, bargain, sell, convey, pledge and assign unto, and grant a security interest in and to, the Trustee, and unto its respective successors in trust, and to their respective assigns, forever, for the securing of the performance of the obligations of the Authority hereinafter set forth, the following:

I.

The Agreement and the Note, including all extensions and renewals of the terms thereof, if any, together with all right, title and interest of the Authority therein, including, but without limiting the generality of the foregoing, the present and continuing right to claim, collect and receive any of the moneys, income, revenues, issues, profits and other amounts payable or receivable thereunder, to bring actions and proceedings thereunder or for the enforcement thereof and to do any and all things which the Authority is or may become entitled to do under the Agreement and the Note but reserving, however, to the Authority all rights (1) providing that notices, approvals, consents, requests and other communications be given to the Authority, (2) of the Authority under the Agreement regarding its limited liability and right to indemnification thereunder, and (3) to enforce

in its own name and for its own account the obligations of the Borrower set forth in Sections 4.2, 4.3 and 6.2 of the Agreement.

II.

All Funds and Accounts established hereunder (except the Earnings Fund and the Rebate Fund), as such terms are hereinafter defined, and moneys therein; and

III

All moneys and securities from time to time held by the Trustee under the terms of this Indenture (except moneys and securities in the Earnings Fund and the Rebate Fund) and any and all other real or personal property of every name and nature concurrently herewith or from time to time hereafter by delivery or by writing of any nature conveyed, mortgaged, 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;

IN ADDITION, the Borrower has caused the Credit Bank to deliver its Letter of Credit to the Trustee, receipt of which is hereby acknowledged by the Trustee, and the Trustee is authorized to accept and receive all payments thereunder and hold and apply such payments subject to the terms hereof and the Credit Institution is authorized to receive certain amounts remaining in any Fund or Account created hereunder upon the terms and conditions specified in Section 5.10 hereof;

TO HAVE AND TO HOLD all and singular the trust estate, whether now owned or hereafter acquired, unto the Trustee and its respective successors and assigns in trust forever to its and their own proper use and benefit but:

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 holders and owners of the Bonds from time to time issued and to be 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;

PROVIDED, HOWEVER, that if the Authority, its successors or assigns, shall well and truly pay, or cause to be paid, the principal or redemption price, if any, of and interest on, the Bonds due or to become due thereon, and all other amounts due thereunder, at the times and in the manner mentioned in the Bonds according to their tenor, and shall cause the payments to be made

on the Bonds as required hereunder, 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 shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of this Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to the Trustee in accordance with the terms and provisions of the Agreement, the Note and this Indenture, then, upon the final payment thereof this Indenture and the rights hereby granted shall cease, determine and be void; otherwise this Indenture to be and remain in full force and effect.

THIS INDENTURE OF TRUST FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all of the property, rights and interests, including, without limitation, the loan payments and other amounts hereby assigned and pledged are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Authority and the Trustee have agreed and covenanted, and do hereby agree and covenant each with the other and with the respective holders and owners of the Bonds as follows:

[The next page is One-1]

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.1. Definitions. As used in this Indenture:

"Act" means Chapter 159, Parts II and III, Florida Statutes, as amended, and other applicable provisions of law.

"Act of Bankruptcy," when used with respect to the Borrower or the Authority as the context indicates, means the filing of a petition in bankruptcy, or the commencement of another bankruptcy or similar proceeding, by or against the Borrower or the Authority under any applicable bankruptcy, insolvency, reorganization or similar law now or hereafter in effect.

"Act of Bankruptcy of the Credit Institution" means the Credit Institution shall become insolvent or bankrupt or fail to pay its debts generally as such debts become due or shall admit in writing in its inability to pay any of its indebtedness or shall consent to or petition for or apply to any authority for the appointment of a receiver, liquidator or trustee or similar official for itself or for all or any substantial part of its properties or assets or any such trustee, receiver, liquidator or similar official is otherwise appointed or bankruptcy, insolvency, reorganization, arrangement or liquidation proceedings (or similar proceedings analogous in purpose and effect) shall be instituted by or against the Credit Institution.

"Aggregate Face Amount" means the aggregate face amount of the Bonds determined in accordance with Section 103(b)(6)(D) of the 1954 Code.

"Agreement" means the Loan Agreement, of even date herewith, by and between the Authority and the Borrower, and any amendments and supplements thereto.

"Alternative Credit Facility" means an Alternative Credit Facility which meets the requirements of Article III of the Agreement.

"Authority" means St. Johns County Industrial Development Authority, a public body corporate and politic of the State, its successors and assigns.

"Authorized Investments" means United States government obligations, United States agency obligations, "money market" funds which are invested exclusively in United States government or agency obligations, repurchase agreements or certificates of deposit to which specifically identified United States government or agency obligations are pledged as collateral, certificates of

deposit of any of the fifteen largest (determined by assets) domestically chartered banks or trust companies in the United States, commercial paper having the highest rating by a nationally recognized securities rating service, savings accounts with banks or savings and loan associations the accounts of which are federally insured in amounts not to exceed such insurance, bank acceptances which are eligible collateral for borrowing from Federal Reserve Banks and certificates of deposit of the Trustee (but only to the extent such certificates of deposit do not exceed 10% of the amounts held in all Funds and Accounts hereunder).

"Authorized Representative" means, in the case of the Authority, the Chairman or the Secretary of the Authority and, in the case of the Borrower, the Chairman, President, Executive Vice President, Vice President, Treasurer or Secretary thereof, and, when used with reference to the performance of any act, the discharge of any duty or the execution of any certificate or other document, any officer, employee or other person authorized to perform such act, discharge such duty or execute such certificate or other document.

"Bankruptcy Code" shall mean the United States Bankruptcy Code.

"Bond" means any of the \$5,680,000 Industrial Development Revenue Refunding Bonds (V.A.W. of America, Incorporated Project), Series 1989, authorized and issued pursuant to Section 2.3 hereof.

"Bondholder" or "holder" or words of similar import, when used with reference to Bonds, shall mean any person who shall be the registered owner of any Outstanding Bond.

"Book Entry Form" or "Book Entry System" means, with respect to the Bonds, a form of system, as applicable, under which (i) the ownership of beneficial interests in Bonds and bond service charges may be transferred only through a book entry and (ii) physical Bond certificates in fully registered form are registered only in the name of a Depository or its nominee as Holder, with the physical Bond certificates "immobilized" in the custody of the Depository.

"Borrower" means (i) V.A.W. of America, Incorporated, a New York corporation, and its successors and assigns, and (ii) any surviving, resulting or transferee corporation as provided in Section 6.1 of the Agreement.

"Business Day" means any day on which banks located in Jacksonville, Florida, and New York, New York, are not required

or authorized by law to remain closed and on which the New York Stock Exchange, Inc. is not closed.

"Code" means the Internal Revenue Code of 1986, as amended.

"1954 Code" means the Internal Revenue Code of 1954, as amended and in effect on the day preceding the date of enactment of the Tax Reform Act of 1986.

"County" means St. Johns County, Florida.

"Credit Bank" means Deutsche Bank AG, New York Branch, the issuer of the Letter of Credit and a branch licensed to do business under the laws of the State of New York of a corporation organized under the laws of the Federal Republic of Germany and its successors and assigns.

"Credit Facility" means the Letter of Credit or any Alternative Credit Facility.

"Credit Facility Expiration Redemption Date" means the date fifteen days before the stated expiration date of the Credit Facility.

"Credit Institution" means the Credit Bank or the issuer of any Alternative Credit Facility.

"Debt Service Fund" means the special trust fund so designated, established pursuant to Section 5.1 hereof.

"Depository" means any securities depository that is a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, operating and maintaining, with its participants or otherwise, a Book Entry System to record ownership of beneficial interests in Bonds, and to effect transfers of Bonds, in Book Entry Form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

"Determination of Taxability" means a determination that the interest income on any of the Bonds does not qualify as excludable from the gross income of the Holder thereof for federal income tax purposes ("exempt interest") under Section 103 of the Code and Section 103 of the 1954 Code, for any reason other than solely because such Holder is a Substantial User of the Project or a Related Person within the meaning of Section 103(b) of the 1954 Code, which determination shall be deemed to have been made upon the first to occur of the following: (i) the date on which the Borrower receives an opinion of nationally recognized bond counsel which shall have advised the Borrower in writing either

that interest on the Bonds is currently includable in gross income for federal income tax purposes or that such counsel cannot render its opinion, without materially qualifying the same, to the effect that interest on the Bonds is currently excludable from gross income for federal income tax purposes; or (ii) the date on which any change in law or regulation becomes effective or on which the Internal Revenue Service has issued any private ruling, technical advice or any other written communication to the effect that the interest income on any of the Bonds does not qualify as exempt interest; or (iii) the date on which the Borrower shall receive notice from the Trustee in writing that the Trustee has been advised by the Holder of any Bond that the Internal Revenue Service has issued a thirty-day letter or other notice which asserts that the interest on such Bonds does not qualify as exempt interest; or (iv) the date on which the Trustee receives notice that the Borrower or the Authority has taken any action inconsistent with, or has failed to act consistently with, the tax-exempt status of the Bonds (unless the Trustee receives an opinion of nationally recognized bond counsel reasonably satisfactory to it that, notwithstanding such action or failure to act, the interest on the Bonds continues to qualify as tax-exempt interest).

"Financing Documents" means (i) when used with respect to the Borrower, all documents and agreements executed and delivered by the Borrower as security for or in connection with the issuance of the Bonds, including the Agreement, the Note and all other documents and agreements executed and delivered by the Borrower in connection with any of the foregoing, and (ii) when used with respect to the Authority, any of the foregoing documents and agreements to which the Authority is a direct party. The Financing Documents do not include any documents or agreements to which the Borrower is not a direct party, including the Credit Facility, the Bonds or the Indenture. The Financing Documents also do not include the Letter of Credit Agreement..

"Funds and Accounts" means the funds and accounts established pursuant to Section 5.1 hereof.

"Indenture" means this Indenture as from time to time amended or supplemented by Supplemental Indentures in accordance with Article X hereof.

"Initial Fixed Interest Rate" means the rate of ____% per annum.

"Interest Payment Date" shall mean each date on which interest is payable on the Bonds as provided in Article II hereof.

"Letter of Credit" means the Irrevocable Direct-Pay Letter of Credit, dated the date of delivery of the Bonds, issued

by the Credit Bank for the account of the Borrower in favor of the Trustee as beneficiary on behalf of the holders of the Bonds.

"Letter of Credit Agreement" means the Letter of Credit Agreement, of even date herewith, by and between the Borrower and the Credit Bank, with respect to the Letter of Credit, and any similar agreement entered into with respect to any Alternative Credit Facility.

"Note" means the promissory note of the Borrower to the Authority, dated the date of the Bonds, in the form attached as Exhibit A to the Agreement, and any amendments or supplements made in conformity with the Agreement and this Indenture.

"Notice Parties" shall have the meaning assigned to such term in Section 14.1 hereof.

"Outstanding", when used with reference to a Bond or Bonds, as of any particular date, means all Bonds which have been authenticated and delivered hereunder, except:

(i) any Bond cancelled by the Trustee because of payment or redemption prior to maturity or surrendered to the Trustee for cancellation;

(ii) any Bond (or portion of a Bond) for the payment or redemption of which there has been separately set aside and held in the Redemption Account either:

(a) moneys in an amount sufficient to effect payment of the principal or applicable Redemption Price thereof, together with accrued interest on such Bond to the payment or redemption date from Priority Amounts, which payment or redemption date shall be specified in irrevocable instructions given to the Trustee to apply such moneys to such payment on the date so specified; or

(b) obligations of the kind described in Section 12.1(B) hereof in such principal amounts, of such maturities, bearing such interest and otherwise having such terms and qualifications as shall be necessary to provide moneys in an amount sufficient to effect payment of the principal or applicable Redemption Price of such Bond, together with accrued interest on such Bond to the payment or redemption date from Priority Amounts, which payment or redemption date shall be specified in irrevocable instructions given to the Trustee to apply such obligations to such payment on the date so specified; or

(c) any combination of (a) and (b) above;

(iii) Bonds in exchange for or in lieu of which other Bonds shall have been authenticated and delivered under Article III hereof; and

(iv) any Bond deemed to have been paid as provided in Section 12.1(B) hereof.

"Paying Agent" means any paying agent for the Bonds appointed pursuant to Section 9.1(B) hereof (and may include the Trustee), and its successor or successors and any other corporation which may at any time be substituted in its place in accordance herewith.

"Principal and Interest Account" means the special trust account of the Debt Service Fund so designated, established pursuant to Section 5.1 hereof.

"Priority Amounts" means (i) moneys drawn under the Credit Facility, (ii) moneys deposited in the Debt Service Fund pursuant to Section 5.5(C) hereof or moneys deposited directly by the Borrower with the Trustee, in any such case, which moneys have been on deposit in the Debt Service Fund for at least 123 days during and prior to which no Act of Bankruptcy of the Authority or the Borrower shall have occurred, (iii) proceeds of the sale of refunding obligations, if in the opinion of nationally recognized counsel experienced in bankruptcy matters, the application of such moneys will not constitute a voidable preference in the event of an Act of Bankruptcy of the Authority or the Borrower, or (iv) proceeds from investment of moneys qualifying as Priority Amounts under clause (i), (ii) or (iii) above.

"Project" includes the Project Realty and the Project Equipment, and means the manufacturing facility, including lands, buildings, equipment and related property and appurtenances, located in an unincorporated area of the County, at 200 Riviera Boulevard, St. Augustine, Florida, owned by the Borrower and used by the Borrower to manufacture aluminum products, including tubing, extrusions and conduit, and financed by the issuance of the Refunded Bonds.

"Project Equipment" means all personal property goods, leasehold improvements, machinery, equipment, furnishings, furniture, fixtures, tools and attachments wherever located, acquired in whole or in part with the proceeds of the Refunded Bonds, and any additions and accessions thereto, substitutions therefor and replacements thereof, including without limitation the Project Equipment described in the Description of Project Equipment included as Exhibit C to the Agreement.

"Project Realty" means the realty and other interests in the real property acquired in whole or in part from the proceeds

of the Refunded Bonds, together with all replacements, improvements, extensions, substitutions, restorations and additions thereto, including without limitation the Project Realty described in the Description of Project Realty included as Exhibit B to the Agreement.

"Rebate Fund" means the special trust fund so designated, established pursuant to Section 5.1 hereof.

"Redemption Account" means the special trust account of the Debt Service Fund so designated, established pursuant to Section 5.1 hereof.

"Redemption Price" means, when used with respect to a Bond or a portion thereof, the principal amount of such Bond or portion plus the applicable premium, if any, payable upon redemption or acceleration thereof pursuant to this Indenture.

"Refunded Bonds" means the St. Johns County, Florida, Industrial Development Revenue Bonds (V.A.W. of America, Inc. Project), Series A and B, dated as of May 1, 1979, issued in the original aggregate principal amount of \$6,500,000.

"Refunded Bonds Trustee" means Barnett Banks Trust Company, N.A. as trustee under that certain trust indenture dated as of May 1, 1979 between Barnett Banks Trust Company, N.A. and the County securing the Refunded Bonds.

"Refunding Fund" means the special trust fund so designated, established pursuant to Section 5.1 hereof.

"Registrar" shall mean the Trustee in accordance with Section 3.10 hereof.

"Remarketing Agent" means Deutsche Bank Capital Corporation, its successors and assigns, or any other Remarketing Agent appointed pursuant to Section 13.1 hereof.

"Renewal Fund" means the special trust fund so designated, established pursuant to Section 5.1 hereof.

"Related Person" means, with respect to any Principal User (as defined in the Agreement), a person which is a related person as defined in Section 103(b) of the 1954 Code by reference to Sections 267, 707(b) and 1563(a) of the 1954 Code, except that 50% is to be substituted for 80% in Section 1563(a).

"Reset Date" means June 1, 1999, for the first Reset Period, and thereafter the date specified in the Remarketing Agent's notice described in Section 2.6 hereof, provided that the Reset Date shall be no later than the last Interest Payment Date which

is at least 15 days prior to the date of expiration of the Credit Facility which will be in effect for the subsequent Reset Period.

"Reset Period" means each period beginning on a Reset Date and ending on the day immediately preceding the next subsequent Reset Date. The first Reset Period shall be 10 years. Each Reset Period thereafter shall be either (i) eight years or such lesser period ending on the maturity date of the Bonds, or (ii) such other period not exceeding the maturity date of the Bonds as the Remarketing Agent shall determine, provided that the Remarketing Agent shall have received an opinion of nationally recognized bond counsel to the effect that such change in the Reset Period will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

"Reset Rate" means the rate of interest on the Bonds in effect pursuant to the provisions of this Indenture at any date after any Reset Date.

"State" means the State of Florida.

"Substantial User" means any substantial user of the Project within the meaning of Section 103(b)(13) of the 1954 Code.

"Supplemental Indenture" means any indenture supplemental hereto or amendatory hereof, adopted by the Authority in accordance with Article X hereof.

"Tax Incidence Date" means the date as of which interest on the Bonds becomes or became includable in the gross income of the recipient thereof (other than the Borrower or another Substantial User or Related Person) for federal income tax purposes for any cause, as determined by a Determination of Taxability.

"Term," when used with reference to the Agreement, means the term of the Agreement determined as provided in Article III thereof.

"Trust Estate" means the property, rights, moneys, securities and other amounts pledged and granted to the Trustee pursuant to the Granting Clauses hereof.

"Trustee" means Barnett Banks Trust Company, N.A., a national banking association, Jacksonville, Florida, and its successor or successors hereafter appointed in the manner provided in this Indenture.

"Untendered Bonds" shall mean any Bonds deemed tendered in accordance with Section 2.6 hereof and which have not been actually surrendered by the former Holder on the Reset Date.

Section 1.2. Interpretation. (A) In this Indenture:

(1) The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Indenture, refer to this Indenture, and the term "hereafter" means after, and the term "heretofore" means before, the date of this Indenture.

(2) Words of the masculine gender mean and include correlative words of the feminine and neuter genders and words importing the singular number mean and include the plural number and vice versa.

(3) Words importing persons include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons.

(4) Any headings preceding the texts of the several Articles and Sections of this Indenture, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Indenture, nor shall they affect its meaning, construction or effect.

(5) All approvals, consents and acceptances required to be given or made by any person or party hereunder shall be at the sole discretion of the party whose approval, consent or acceptance is required.

(6) This Indenture shall be governed by and construed in accordance with the applicable laws of the State.

(B) Whenever the Authority is named or referred to, it shall be deemed to include its successors and assigns whether so expressed or not. All of the covenants, stipulations, obligations, and agreements by or on behalf of, and other provisions for the benefit of, the Authority contained in this Indenture shall bind and inure to the benefit of such successors and assigns and shall bind and inure to the benefit of any officer, board, commission, authority, agency or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power or duty of the Authority, or of its successors or assigns, the possession of which is necessary or appropriate in order to comply with any such covenants, stipulations, obligations, agreements or other provisions hereof.

(C) Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person, other than the Authority, the Trustee, the Borrower, the Credit Institution, the Paying Agents and the holders of the Bonds any right, remedy or claim under or by reason of this Indenture

or any covenant, condition or stipulation thereof. All the covenants, stipulations, promises and agreements herein contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the Trustee, the Borrower, the Credit Institution, the Paying Agents and the holders of the Bonds.

(D) If any one or more of the covenants or agreements provided herein on the part of the Authority, the Trustee or any Paying Agent to be performed should be contrary to law, then such covenant or covenants or agreement or agreements, shall be deemed separable from the remaining covenants and agreements hereof, and shall in no way affect the validity of the other provisions of this Indenture or of the Bonds.

(E) Any and all references to Redemption Price and redemption premium shall be consistent with the payment of only a single premium with respect to any redemption prior to maturity

which premium shall be the highest premium applicable under the circumstances.

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ARTICLE II

AUTHORIZATION, TERMS AND ISSUANCE OF BONDS

Section 2.1. Authorization for Indenture. This Indenture is made and entered into by virtue of and pursuant to the provisions of the Act.

Section 2.2. Authorization and Obligation of Bonds. (A) Bonds of the Authority issued hereunder shall be subject to the terms, conditions and limitations established herein. No Bonds may be authenticated and delivered except in accordance with this Article.

(B) All Bonds shall be entitled to the benefit of the continuing pledge and lien created by this Indenture to secure the full and final payment of the principal or Redemption Price, if any, thereof and the interest thereon. The Bonds shall be special obligations of the Authority, payable solely out of the revenues or other receipts, funds or moneys pledged therefor pursuant to this Indenture for the payment of the Bonds. The Authority's obligation to pay the principal of, premium, if any, and interest on the Bonds is limited solely and only to the revenues derived by the Trustee pursuant to the Agreement, the Note, the Credit Facility, and the Indenture.

(C) The Bonds and all other obligations of the Authority under the Agreement and this Indenture and the transactions contemplated hereby and thereby shall not constitute a general indebtedness of the Authority or an indebtedness of the the County, State or any other political subdivision thereof within the meaning of any State constitutional provision or statutory limitation. The Bonds and all other obligations of the Authority under the Agreement and this Indenture and the transactions contemplated hereby and thereby shall not be a charge against the general credit or taxing powers of the Authority, the County, the State or any other political subdivision thereof. The Bonds and all other obligations of the Authority under the Agreement and this Indenture and the transactions contemplated hereby and thereby shall not give rise to a pecuniary liability of the Authority (except to the extent payable from the Trust Estate), the County, the State or any political subdivision thereof.

Anything herein or in the Bonds to the contrary notwithstanding, (a) neither the Authority, the County, the State nor any political subdivision thereof shall ever be required to (i) levy any ad valorem taxes on any property within its territorial limits to pay the principal or premium, if any, or interest on the Bonds or to make any other payments provided for under the Agreement, the Note or this Indenture, (ii) pay the same from any funds other than the Trust Estate, including revenues and receipts derived from the Agreement and the Note and payments under the

Credit Facility, or (iii) require or enforce any payment or performance by the Borrower as provided in this Indenture or the Agreement unless its expenses in respect thereof shall be available from any moneys derived under the Agreement or shall be advanced to it for such purpose and it shall receive indemnity to its satisfaction; and (b) the Bonds and all other obligations of the Authority under the Agreement and this Indenture and the transactions contemplated hereby and thereby shall not constitute a lien upon any property owned by or situated within the territorial limits of the Authority, the County, the State or any other political subdivision thereof except to the extent (if any) of the Authority's rights in the Project created by or under the Agreement, the Agreement, the Note, and the property rights, receipts, revenues and proceeds pledged under this Indenture.

(D) No additional Bonds may be issued under this Indenture.

Section 2.3. Issuance and Terms of the Bonds. (A) There shall be issued under and secured by this Indenture Bonds of the Authority to be designated "Industrial Development Revenue Refunding Bonds (V.A.W. of America, Incorporated Project), Series 1989," in the principal amount of \$5,680,000. The Bonds shall be issuable in fully registered form without coupons and shall be dated as provided in Section 3.1 hereof.

(B) The Bonds shall mature on June 1, _____, and bear interest initially at the Initial Fixed Interest Rate and thereafter in accordance with this Article II, payable on September 1, December 1, March 1 and June 1 of each year, commencing September 1, 1989.

(C) Interest on the Bonds shall be computed on the basis of a 360-day year of twelve 30-day months. Notwithstanding anything herein to the contrary, the interest rate borne by the Bonds shall not exceed the maximum permitted by law.

(D) The Bonds shall be numbered from one upward in consecutive numerical order. Bonds issued in exchange shall be numbered in such manner as the Trustee in its discretion shall determine.

(E) The principal or Redemption Price, if any, of the Bonds shall be payable, upon presentation and surrender of such Bonds, at the corporate trust office of the Trustee, as Paying Agent, in Jacksonville, Florida, or at the office designated for such payment of any successor Paying Agents. Payment of each installment of interest on the Bonds shall be made to the persons in whose name such Bonds shall be registered on the registration books of the Authority maintained by the Trustee, as Registrar, or any successor Registrar, at the close of business on the date which shall be the fifteenth day (whether or not a Business Day)

of the calendar month next preceding each Interest Payment Date and shall (except for the final payment of interest which shall be paid only upon presentation and surrender of such Bonds at the office of the Trustee) be paid by a check or draft of the Trustee mailed to such registered holders at the addresses appearing on such registration books. Alternatively, at the written request by any registered Bondholder holding at least \$500,000 in aggregate principal amount of Bonds to the Trustee, such payment may be made by wire transfer or other reasonable method to an account or place designated by such holder. In the event interest payable on the Bonds is not punctually paid or duly provided for by the Authority on such Interest Payment Date, payment of each installment of such defaulted interest shall be made to the persons in whose name such Bonds shall be registered at the close of business on a special record date for the payment of such defaulted interest as established by notice to such registered holders, not less than ten (10) days preceding such special record date.

(F) A Depository may act as securities depository for the Bonds. The ownership of one fully registered, certificated Bond for each series and maturity, each in the aggregate principal amount of such series and maturity, may be registered in the name of a Depository or its nominee.

The principal or Redemption Price, if any, of and interest on the Bonds will be made to the Depository or its nominee, as registered holder of the Bonds.

The Authority will recognize the Depository or its nominee as the Bondholder for all purposes, including notices. Conveyance of notices and other communications by the Depository to participants, by participants to indirect participants, and by participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory and regulatory requirements as may be in effect from time to time.

In the event that (1) the Depository determines to discontinue providing its service with respect to the Bonds by giving notice to the Authority and discharging its responsibilities with respect thereto under applicable law, and the Authority fails to appoint a successor Depository for the Bonds, or (2) the Authority determines to discontinue the Book Entry System through a Depository, then bond certificates are required to be delivered as described in the Bonds. The purchasers of beneficial ownership interest in the Bonds (the "Beneficial Owners"), upon registration of certificates held in the Beneficial Owner's name, will become the registered owner of the Bonds.

Neither the Authority nor the Trustee will have any responsibility or obligation to any Beneficial Owner or any other person with respect to (1) the accuracy of any records maintained by the Depository or any persons participating by or through the

Depository; (2) the payment by the Depository or any persons participating by or through the Depository of any amount with respect to the principal or Redemption Price, if any, of or interest on the Bonds; (3) any notice which is permitted or required to be given to Bondholders under this Indenture; (4) the selection by the Depository or any persons participating by or through the Depository of any person to receive payment in the event of a partial redemption of the Bonds, or (5) any consent given or other action taken by the Depository as Bondholder.

Section 2.4. Redemption of Bonds. (A) General Optional Redemption. At the option of the Authority, which option shall be exercised upon the giving of timely notice by the Borrower (with the consent in writing of the Credit Institution) of its intention to prepay amounts due under the Agreement pursuant to Section 8.1(A) thereof, the Bonds shall be redeemed prior to maturity as a whole or in part on June 1, 1993, and on any Interest Payment Date thereafter for which proper notice can be given, in units of \$5,000 by lot, and, when redeemed during any period set forth in the following table, at the Redemption Price (stated as a percentage of principal amount) set opposite such period in the table:

<u>Period During Which Redeemed</u> <u>(Both Dates Inclusive)</u>	<u>Redemption Price</u>
June 1, 1993 through May 31, 1994	104%
June 1, 1994 through May 31, 1995	103
June 1, 1995 through May 31, 1996	102
June 1, 1996 through May 31, 1997	101
June 1, 1997 and thereafter	100

(B) Extraordinary Optional Redemption. In addition, at the option of the Authority, which option shall be exercised upon the giving of notice by the Borrower of its intention to prepay amounts due under the Agreement pursuant to Section 8.1(B) thereof, the Bonds shall be redeemed prior to maturity as a whole at any time for which proper notice can be given at the Redemption Price of 100% of the principal amount thereof, if any one or more of the events of casualty to or condemnation of the Project or change in law specified in Section 8.1(B) of the Agreement shall have occurred, as evidenced in each case by the filing of a certificate of an Authorized Representative of the Borrower.

(C) Mandatory Taxability Redemption. Upon the occurrence of a Determination of Taxability described in clause (i), (ii) or (iii) of the definition thereof in Section 1.1 hereof, the Bonds shall be redeemed prior to maturity, within thirty days of such Determination of Taxability upon notice as provided herein, at a Redemption Price equal to 103% (stated as a percentage of principal amount) of the outstanding principal balance thereof in the event such Determination of Taxability occurs prior to June

1, 1995, and at the respective Redemption Prices provided in the table for general optional redemption set forth in Section 2.4(A) hereof in the event such Determination of Taxability occurs on or after June 1, 1995. Upon the occurrence of Determination of Taxability described in clause (iv) of the definition thereof in Section 1.1 hereof, the Bonds shall be redeemed prior to maturity, within thirty days of such Determination of Taxability upon notice as provided herein, at a Redemption Price equal to 106% (stated as a percentage of principal amount) of the outstanding principal balance thereof in the event such Determination of Taxability occurs prior to June 1, 1995, and at the respective Redemption Prices provided in the table for general optional redemption set forth in Section 2.4(A) hereof plus 3% in the event such Determination of Taxability occurs on or after June 1, 1995. In the case of any redemption pursuant to this subsection (C), the Authority or the Borrower shall deliver to the Trustee and the Credit Institution a certificate of an Authorized Representative specifying the event giving rise to such inclusion in the gross income of the recipient thereof and the date which is the date of the Determination of Taxability. Such certificate shall be delivered at least ten days before notice of redemption is required to be given. Failure to give such notice shall not disrupt or affect redemption procedures.

(D) Mandatory Redemption on Expiration of the Credit Facility. The Bonds shall be redeemed prior to maturity on any Credit Facility Expiration Redemption Date at a Redemption Price equal to 100% of the principal amount thereof in the event an Alternative Credit Facility satisfying the criteria set forth in Section 3.8(B) of the Agreement is not obtained and delivered to the Trustee prior to the Credit Facility Expiration Redemption Date in anticipation of the expiration of any Credit Facility.

(E) Mandatory Redemption on Act of Bankruptcy of the Credit Institution. Promptly upon an officer of the Corporate Trust Department of the Trustee obtaining actual knowledge of the occurrence of an Act of Bankruptcy of the Credit Institution, the Trustee shall give written notice thereof to the Credit Institution and the Borrower. The notice shall specify a proposed redemption date for the Bonds and the date by which the Trustee must receive an Alternative Credit Facility and the requirements for delivery of an Alternative Credit Facility set forth in Section 3.8 of the Agreement must be met. The delivery date so specified shall be not more than 45 days, and the redemption date so specified shall be not more than 75 days, following the date of the Trustee's initial notice. The Bonds shall be redeemed prior to maturity on the redemption date so specified by the Trustee at a Redemption Price equal to 100% of the principal amount thereof unless the Borrower delivers an Alternative Credit Facility and meets such requirements on or prior to the date of delivery specified by the Trustee in its initial notice, and upon such date the

Trustee shall give notice of redemption in accordance with Section 6.3 hereof. In the event the Borrower delivers an Alternative Credit Facility and complies with such requirements, the Trustee will so notify the Borrower and the Credit Institution and the Bonds will not be redeemed due to such an occurrence.

(F) Additional Amounts Payable on Redemption. Upon any whole or partial redemption of Bonds there shall also be due and payable, concurrently with the payment of the Redemption Price, interest accrued on the Bonds to the date of redemption.

(G) Redemption Procedures. Redemption of Bonds permitted or required by this Article II shall be made as follows, and the Trustee shall give the notice of redemption referred to in Section 6.3 hereof in respect of each such redemption:

(1) Redemption shall be made pursuant to Section 2.4(A) hereof on June 1, 1993, or on such subsequent Interest Payment Dates and in such principal amounts as the Borrower shall request in a written notice to the Trustee in accordance with Section 8.2 of the Agreement and without the necessity of any instructions or further act of the Authority.

(2) Redemption shall be made pursuant to Section 2.4(B) hereof at such date or dates as the Borrower shall request in a written notice to the Trustee in accordance with Section 8.2 of the Agreement, to which shall be attached the certificate referred to in Section 8.1(B) of the Agreement and without the necessity of any instructions or further act of the Authority.

(3) Redemption shall be made pursuant to Section 2.4(C) hereof at the earliest possible date following the Determination of Taxability and in no event more than thirty days following such Determination of Taxability, without the necessity of any instructions or further act of the Authority or the Borrower.

(4) Redemption shall be made pursuant to Section 2.4(D) hereof on the Credit Facility Expiration Redemption Date in the event redemption is required under such provisions, without the necessity of any instructions or further act of the Authority or the Borrower.

(5) Redemption shall be made pursuant to Section 2.4(E) hereof on the redemption date specified by the Trustee in the notice of the occurrence of an Act of Bankruptcy of the Credit Institution given to the Borrower and the Credit Institution pursuant to said Section 2.4(E), without the necessity of any instructions or further act of the Authority or the Borrower.

Section 2.5. Execution and Authentication of Bonds.

(A) After their authorization as provided in this Article Bonds may be executed by or on behalf of the Authority and delivered to the Trustee for authentication. Each Bond shall be executed in the name of the Authority by the manual or facsimile signature of any one or more Authorized Representatives of the Authority.

(B) In case any officer who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been authenticated and delivered by the Trustee, such Bonds may nevertheless be authenticated and delivered as herein provided as if the person who so signed such Bonds had not ceased to be such officer. Any Bond may be signed on behalf of the Authority by any person who, on the date of such act, shall hold the proper office, notwithstanding that at the date of such Bond such person may not have held such office.

(C) The Bonds shall each bear thereon a certificate of authentication, in the form set forth in the recitals to this Indenture, executed manually by the Trustee. Only such Bonds as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under this Indenture and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Bond executed on behalf of the Authority shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered under this Indenture and that the holder thereof is entitled to the benefits hereof.

Section 2.6. Initial Fixed Interest Rate and Establishment of Reset Date. (A) From the date of the Bonds until the first Reset Date, the Bonds shall bear interest at the Initial Fixed Interest Rate.

(B) The rate of interest payable on the Bonds shall be reset from the Initial Fixed Interest Rate or Reset Rate, as applicable, to the subsequent Reset Rate which will become effective on each Reset Date and remain effective for the Reset Period which begins on such Reset Date. The Remarketing Agent shall deliver, on behalf of the Authority, at least 45 days prior to each Reset Date a notice to the Notice Parties, which notice shall specify (1) the Reset Date upon which the subsequent Reset Rate is to become effective, (2) the subsequent Reset Period during which the subsequent Reset Rate will be effective, (3) the date on which the Remarketing Agent is to establish the subsequent Reset Rate, which date shall be not less than two Business Days prior to the Reset Date, (4) the Credit Facility delivered by the Borrower pursuant to the Agreement to be effective on the Reset Date for the subsequent Reset Period, (5) any rating expected to be assigned to the Bonds based on the Credit Facility or otherwise, and (6) if any, the subsequent Reset Date, which

shall be the date following the last day of such subsequent Reset Period. The notice shall be accompanied by a draft of the proposed Credit Facility which will be in effect for the subsequent Reset Period, and any other information needed for the written notice pursuant to Section 2.6(E) hereof; provided, that, failure to provide any of the foregoing shall not affect the requirement of a mandatory purchase or redemption of all Bonds on such Reset Date. The Remarketing Agent shall determine the subsequent Reset Rate, no later than two Business Days prior to the applicable Reset Date, as that rate which, in the determination of the Remarketing Agent, would result as nearly as practicable in the price of the Bonds on the Reset Date being 100% of the principal amount thereof. Upon the Reset Date, the Reset Rate shall be effective and shall be equal to the rate so determined by the Remarketing Agent.

(C) Determination of Subsequent Reset Rate. In determining the subsequent Reset Rate pursuant hereto, the Remarketing Agent shall take into account to the extent applicable: (1) market interest rates for comparable securities which are held by institutional and private investors with substantial portfolios (a) with a term equal to the period of the subsequent Reset Period, (b) with interest which is excludable from gross income for federal income tax purposes, (c) rated, if the Bonds are then rated, by a national credit rating agency in the same rating category as the Bonds, and (d) with redemption provisions similar to those of the Bonds; (2) other financing market rates and indices which have a bearing on the subsequent Reset Rate (including but not limited to rates borne by industrial development bonds, pollution control revenue bonds, public power bonds, housing bonds, other revenue bonds, general obligation bonds, Treasury obligations, indices maintained by the Bond Buyer and other publicly available tax-exempt interest rate indices); (3) general financial market conditions (including current forward supply); (4) other rates borne by securities comparable in term and provisions to the Bonds, with interest which is excludable from gross income for federal income tax purposes, which are supported by credit facilities issued by the Credit Institution; and (5) factors particular to the Project or the credit standing of the Borrower and the issuer of any Credit Facility.

(D) Conclusiveness of Subsequent Reset Rate Determination. The determination by the Remarketing Agent in accordance herewith of the subsequent Reset Rate to be borne by the Bonds shall be conclusive and binding on the Holders of the Bonds and the Notice Parties.

(E) Mandatory Purchase or Redemption of Bonds on any Reset Date. On each Reset Date as provided in the Indenture the Bonds shall be subject to mandatory purchase, in whole (purchase shall be mandatory notwithstanding any failure by any person to comply with any procedure specified herein in connection with

such Reset Date and shall be an absolute and unconditional right of the holders of the Bonds). All Bonds shall be purchased by one or more designees of the Remarketing Agent and be delivered to the Trustee for transfer at the direction of the Remarketing Agent. All Bonds not remarketed on a Reset Date shall be redeemed on such Reset Date.

The Bonds are subject to mandatory tender for purchase by one or more designees of the Remarketing Agent or redemption prior to maturity on each Reset Date and shall be purchased by one or more designees of the Remarketing Agent at a purchase price equal to 100% of the principal amount thereof plus accrued interest to the Reset Date or redeemed at a Redemption Price of 100% of the principal amount thereof plus accrued interest to the redemption date.

In connection with any mandatory tender for purchase or redemption of Bonds, the Remarketing Agent shall provide the Trustee with the notice described below, at least thirty calendar days plus three Business Days prior to the Reset Date. Upon receipt of such notice, the Trustee shall mail such notice by first class mail to the Bondholders thirty calendar days prior to the Reset Date. The notice from the Remarketing Agent shall include:

(1) that the Bonds are subject to mandatory tender for purchase or redemption on the Reset Date, and specifying the month, day and year which is the Reset Date;

(2) that the Bonds may be remarketed as provided in the Indenture, the name and address of the Remarketing Agent, that any Bonds which are remarketed as provided in this Indenture will bear interest at the Reset Rate for the subsequent Reset Period;

(3) the subsequent Reset Period during which the subsequent Reset Rate will be effective;

(4) the date which is the subsequent Reset Date, if any, following the subsequent Reset Period, and that any Bonds which are remarketed will be subject to mandatory tender for purchase or redemption on such subsequent Reset Date;

(5) the name of the Credit Institution and a summary of the terms of the Credit Facility which will be in effect for the subsequent Reset Period;

(6) if such is the case, that any ratings of the Bonds may be withdrawn or reduced following the Reset Date;

(7) the Reset Rate which is expected to be borne by the Bonds during the subsequent Reset Period;

(8) the date on which the actual subsequent Reset Rate to be borne by the Bonds during the subsequent Reset Period will be definitively determined, and the manner in which Bondholders may ascertain such rate;

(9) that any holder of Bonds who desires to purchase any remarketed Bonds should give irrevocable notice to the Remarketing Agent on or prior to the date ten (10) days prior to the Reset Date;

(10) that all holders of Bonds shall be deemed to have tendered their Bonds for purchase or redemption of the Reset Date and shall be entitled only to the payment of the purchase price or Redemption Price of such Bonds, plus accrued interest to the Reset Date, and shall not be entitled to any benefits of the Indenture after the Reset Date, including any interest to accrue subsequent to the Reset Date; and

(11) that all Bonds not remarketed on the Reset Date shall be redeemed on the Reset Date.

(F) Bonds Not Tendered upon Reset Date. Holders of Bonds shall be required to tender their Bonds for purchase or redemption at the applicable purchase price or Redemption Price, which shall be 100% of the principal amount thereof plus accrued interest to the Reset Date. Any Bonds not so tendered on the Reset Date ("Untendered Bonds") for which there has been irrevocably deposited in trust with the Trustee remarketing proceeds or the proceeds of a drawing on the Credit Facility sufficient to pay the purchase price or Redemption Price of the Untendered Bonds, plus accrued interest, shall be deemed to have been tendered for purchase or redemption. In the event of a failure by a Bondholder to tender such holder's Bonds on or prior to the Reset Date, such Bondholder shall not be entitled to any payment (including any interest to accrue subsequent to the Reset Date) other than the purchase price or Redemption Price for such Untendered Bonds plus accrued interest to the Reset Date, and any Untendered Bonds shall no longer be entitled to the benefits of this Indenture except for the purpose of payment of the purchase price or Redemption Price therefor plus accrued interest to the Reset Date.

Section 2.7. Delivery of Bonds. The Bonds shall be executed in the form and manner set forth herein and shall be

deposited with the Trustee and thereupon shall be manually authenticated by the Trustee. Upon payment to the Trustee of the proceeds of sale thereof, such Bonds shall be delivered by the Trustee to or upon the order of the purchasers thereof, but only upon receipt by the Trustee of:

(A) A certified copy of the Authority's resolutions authorizing the issuance of such Bonds and the execution and delivery of this Indenture, the Agreement, the assignment of the Note and the Bond purchase contract;

(B) Original executed counterparts of the Financing Documents other than the Note, and the originally executed Note;

(C) The originally executed Letter of Credit;

(D) A request and authorization to the Trustee on behalf of the Authority to authenticate and deliver such Bonds to the purchasers therein identified, to the person or Depository specified by such purchasers, upon payment to the Trustee, for the account of the Authority, of a sum specified in such request and authorization, plus any accrued interest on such Bonds to the date of such delivery, and the proceeds of such payment shall be paid over to the Trustee and deposited in the Debt Service Fund and the Refunding Fund pursuant to Article IV hereof;

(E) In the event that the Bonds are to be held in Book Entry Form, the Letter of Representation from the Trustee to The Depository Trust Company, New York, New York, ("DTC") accepted and approved by DTC;

(F) A written opinion by Foley & Lardner, to the effect that the issuance of such Bonds has been duly authorized and that all conditions precedent to the delivery thereof have been fulfilled;

(G) A certified copy of a resolution of the Board of County Commissioners of the County approving the issuance of the Bonds;

(H) An opinion of Foley & Lardner addressed to the Authority to the effect that the Bonds are valid and that under existing law, regulations, rulings and court decisions, the interest thereon is excluded from gross income for federal income tax purposes, except interest for any period during which any such Bond shall be owned by a "substantial user" of the Project or a "related person" to such user (within the meaning of Section 103(B) of the 1954 Code);

(I) Such other instruments and certificates as the Authority or Foley & Lardner may reasonably request.

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ARTICLE III

GENERAL TERMS AND PROVISIONS OF BONDS

Section 3.1. Date of Bonds. Each Bond shall be dated and bear interest from June 1, 1989, except in the case of Bonds delivered in any exchange or transfer hereunder on or subsequent to the first Interest Payment Date of the Bond for which it is exchanged or transferred, which shall be dated and bear interest from the Interest Payment Date next preceding the date of such delivery, unless, as shown by the records of the Trustee, interest on the Bond surrendered in exchange for such Bond shall be in default, in which case such Bond shall be dated as of the date to which interest has been paid in full on the Bond so surrendered, and such Bond shall bear interest from such date.

Section 3.2. Form and Denominations. Bonds shall be issued in fully registered form, without coupons, in any denomination which is \$5,000 or an integral multiple thereof not exceeding the aggregate principal amount of Bonds of the same series, maturity and interest rate as the Bond for which the denomination is to be specified. Subject to the provisions of Section 3.3 hereof the Bonds shall be in substantially the form set forth in the recitals to this Indenture, with such variations, omissions and insertions as permitted or required by this Indenture.

Section 3.3. Legends. The Bonds may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Indenture as may be necessary or desirable to comply with custom or otherwise as may be determined by the Authority prior to the delivery thereof.

Section 3.4. Medium of Payment. The principal or Redemption Price, if any, and interest on the Bonds shall be payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. Such payment may be made as provided in Section 2.3 hereof.

Section 3.5. Bond Details. Subject to the provisions hereof, the Bonds shall be dated, shall mature in such years and such amounts, shall bear interest at such rate or rates per annum, shall be subject to redemption on such terms and conditions and shall be payable as to principal or Redemption Price, if any, and interest at such place or places as shall be specified in this Indenture.

Section 3.6. Interchangeability, Transfer and Registry.
(A) Each Bond shall be transferable only upon compliance with the requirements of transfer set forth on such Bond and only upon the books of the Authority, which shall be kept for that purpose

at the principal office of the Trustee as Registrar, by the registered owner thereof in person or by such owner's attorney duly authorized in writing, upon presentation thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or such owner's duly authorized attorney. Upon the transfer of any Bond the Trustee shall prepare and issue in the name of the transferee one or more new Bonds of the same aggregate principal amount, series and maturity as the surrendered Bond.

(B) Any Bond, upon surrender thereof at the corporate trust office of the Trustee in Jacksonville, Florida, with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or such owner's attorney duly authorized in writing, may, at the option of the owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same series and maturity of any other authorized denominations.

(C) The Authority, the Borrower, the Trustee and any Paying Agent may deem and treat the person or Depository in whose name any Bond shall be registered as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price, if any, of and interest on such Bond and for all other purposes, and all payments made to any such registered owner or upon such owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Authority, the Trustee nor any Paying Agent shall be affected by any notice to the contrary.

Section 3.7. Bonds Mutilated, Destroyed, Stolen or Lost.
In case any Bond shall become mutilated or be destroyed, stolen or lost, the Authority shall execute, and thereupon the Trustee shall authenticate and deliver, a new Bond of like series, maturity and principal amount as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, upon filing with the Trustee of evidence satisfactory to the Trustee that such Bond has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Trustee with indemnity satisfactory to it and complying with such other reasonable requirements as the Trustee may prescribe and paying such expenses as the Trustee may incur. All Bonds so surrendered to the Trustee shall be cancelled by it. Any such new Bonds issued pursuant to this Section in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the Authority, whether or not the Bonds so alleged to be destroyed, stolen or lost be at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other

Bonds issued hereunder in any moneys or securities held by the Authority, the Trustee or any Paying Agent for the benefit of the Bondholders.

Section 3.8. Cancellation and Destruction of Bonds.

All Bonds paid or redeemed, either at or before maturity, shall be delivered to the Trustee when such payment or redemption is made, and such Bonds, together with all Bonds purchased by the Trustee, shall thereupon be promptly cancelled. Bonds so cancelled shall be cremated or otherwise destroyed by the Trustee, who shall execute a certificate of cremation or destruction in duplicate under signature of one of its authorized officers describing the Bonds so cremated or otherwise destroyed, and one executed certificate shall be filed with the Authority and the other executed certificate shall be retained by the Trustee.

Section 3.9. Requirements with Respect to Transfer. In

all cases in which the privilege of transferring Bonds is exercised, the Authority shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Indenture. All Bonds surrendered in any such transfer shall forthwith be cancelled by the Trustee. For every such transfer of Bonds the Authority or the Trustee may, as a condition precedent to the privilege of making such transfer, make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer and may charge a sum sufficient to pay the cost of preparing each new Bond issued upon such transfer, which sum or sums shall be paid by the person requesting such transfer.

Section 3.10. Registrar. The Trustee shall also be Registrar for the Bonds, and shall maintain a register showing the names of all registered holders of Bonds, Bond numbers and amounts, and other information appropriate to the discharge of its duties hereunder. The Trustee shall make available to the Borrower for its inspection during normal business hours the registration books for the Bonds, as may be requested by the Borrower in connection with any purchase or tender offer by it with respect to the Bonds.

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ARTICLE IV

APPLICATION OF BOND PROCEEDS

Section 4.1. Accrued Interest. Simultaneously with the delivery of any Bonds by the Trustee, the amount received as accrued interest thereon, if any, shall be deposited in the Principal and Interest Account of the Debt Service Fund.

Section 4.2. Bond Proceeds. The proceeds of the initial sale and delivery of the Bonds to the initial purchaser thereof (excluding any accrued interest), shall simultaneously with the delivery thereof by the Trustee be deposited in the Refunding Fund.

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ARTICLE V

CUSTODY AND INVESTMENT OF FUNDS

Section 5.1. Creation of Funds and Accounts. (A) The Authority hereby establishes and creates the following special trust funds and accounts within such funds:

- (1) Refunding Fund
- (2) Debt Service Fund
 - (a) Principal and Interest Account
 - (b) Redemption Account
- (3) Renewal Fund
- (4) Bond Purchase Fund
- (5) Rebate Fund

(B) All of the Funds and Accounts created hereunder shall be held by the Trustee. All moneys and investments deposited with the Trustee shall be held in trust and applied only in accordance with this Indenture and shall be trust funds for the purposes of this Indenture. The Trustee shall establish in the Principal and Interest Account and the Redemption Account certain subaccounts in order that there shall be segregated, and kept separate and kept apart from all other Funds of the Trustee (1) moneys received as accrued interest on the Bonds on the date of delivery thereof, (2) funds drawn under the Credit Facility, (3) moneys deposited in the Debt Service Fund from the Borrower pursuant to subsections (C), (D) and (E) of Section 3.1 of the Agreement and (4) moneys deposited pursuant to Section 5.5(C) hereof.

Section 5.2. Refunding Fund. (A) There shall be deposited in the Refunding Fund all amounts required to be deposited therein pursuant to Section 4.2 hereof, together with funds contributed by the Borrower on the date of issuance and delivery of the Bonds that shall be in an amount sufficient to pay (i) accrued interest on the Refunded Bonds through the date of issuance and delivery of the Bonds, (ii) interest that will accrue on the Refunded Bonds from the date of issuance and delivery of the Bonds through the redemption date of the Refunded Bonds if such date is later than the date of issuance of the Bonds, and (iii) the costs, fees, and expenses, of the Trustee and the Refunded Bonds Trustee that are required to be paid in order to redeem the Refunded Bonds.

(B) The Trustee shall, if possible, apply the amounts in the Refunding Fund to the current refunding and immediate discharge of the Refunded Bonds on the date of issuance and delivery of the Bonds.

(C) In the event that the holders of the Refunded Bonds have not consented to redeem the Refunded Bonds on the date of issuance and delivery of the Bonds, the Trustee shall take all steps necessary to cause the Refunded Bonds Trustee to redeem the Refunded Bonds on the earliest possible redemption date, but not later than November 1, 1989, and the Trustee shall, on such redemption date, apply the amounts in the Refunding Fund to the refunding and discharge of the Refunded Bonds.

Section 5.3. Debt Service Fund. (A) The Trustee shall promptly deposit the following receipts in the Debt Service Fund:

(1) Any amount required pursuant to Section 4.1 hereof to be deposited from the proceeds of the Bonds, which shall be credited to the Principal and Interest Account.

(2) All amounts received by the Trustee from draws under the Credit Facility for the payment of the principal of and interest on the Bonds, which shall be credited to the Principal and Interest Account and applied to pay (a) the interest due on the Outstanding Bonds on the Interest Payment Date next succeeding such payment and (b) the principal, if any, of the Outstanding Bonds due (otherwise than by call for redemption) on such Interest Payment Date.

(3) All amounts received by the Trustee pursuant to subsection (C), (D) and (E) of Section 3.1 of the Agreement, which shall be credited to the Principal and Interest Account, in the manner set forth in this Indenture and the Agreement, and applied, together with other amounts available in the Principal and Interest Account, to pay (a) the interest due on the Outstanding Bonds on the Interest Payment Date next succeeding such payment and (b) the principal, if any, of the Outstanding Bonds due (otherwise than by call for redemption) on such Interest Payment Date.

(4) All amounts received by the Trustee from draws under the Credit Facility and pursuant to subsection (C), (D) and (E) of section 3.1 of the Agreement for the redemption of Bonds, which shall be credited to the Redemption Account.

(5) Any amounts transferred from the Renewal Fund in accordance with Section 5.5 hereof, which shall be credited to the Redemption Account.

(6) Any other amounts required to be paid to the Debt Service Fund for payment of principal and interest due on the Bonds, which shall be credited to the Principal and Interest Account.

(7) Prepayment under the Agreement received by the Trustee pursuant to Article VIII thereof, which shall be credited to the Redemption Account.

(8) All other receipts when and if required by the Financing Documents or any subsequent agreement or by this Indenture to be paid into the Debt Service Fund, which shall be credited to the Principal and Interest Account.

(B) There shall be paid from the Principal and Interest Account to the respective Paying Agents on each Interest Payment Date and each other date for payment of principal on the Bonds the amounts required for the payment of the principal and interest due on the Bonds on such date. Such amounts shall be applied by the Paying Agents to the payment of principal and interest on the Bonds when due. All other amounts payable on the Bonds from the Principal and Interest Account shall be paid to the respective Paying Agents upon receipt, and shall immediately be paid by such Paying Agents to the Bondholders.

(C) Amounts in the Redemption Account shall be applied, as promptly as practicable, to the purchase of Bonds at prices not exceeding the Redemption Price thereof applicable on the next redemption date plus accrued interest and the payment of all other amounts then due under the Financing Documents in connection with such redemption. Such redemption date shall be the earliest date upon which Bonds are subject to redemption from such amounts. Any moneys in the Redemption Account not so applied to the purchase of Bonds by forty-five days prior to the next date on which the Bonds are so redeemable shall be applied to the redemption of Bonds on such redemption date; provided that if such amount aggregates less than \$10,000, it need not be then applied to such redemption. The Bonds to be purchased or redeemed shall be selected by the Trustee in the manner provided in Section 6.2 hereof. Amounts in the Redemption Account to be applied to the redemption of Bonds shall be paid to the respective Paying Agents on or before the redemption date and applied by them on such redemption date to the payment of the Redemption Price of the Bonds being redeemed plus interest on such Bonds accrued to the redemption date.

(D) Moneys in the Principal and Interest Account and the Redemption Account shall be withdrawn by the Trustee to pay principal and interest, and Redemption Price and interest respectively, as provided (B) and (C) above, on the Bonds as the same come due and payable, in the following order of priority:

FIRST: Moneys deposited in the Principal and Interest Account derived from proceeds of the Bonds and representing accrued interest thereon (and proceeds from the investments thereof) (which shall be used to pay interest only on the Bonds);

SECOND: Amounts drawn by the Trustee under the Credit Facility;

THIRD: Amounts representing Priority Amounts other than amounts drawn by the Trustee under the Credit Facility;

FOURTH: Any other amounts received by the Trustee for deposit in the Debt Service Fund.

The Trustee, without further instruction, shall draw moneys under the Credit Facility in accordance with the terms thereof to the extent necessary to make timely payments of the principal of, premium, if any (to the extent covered by the Credit Facility), and interest on the Bonds required to be made from the Principal and Interest Account and the Redemption Account. In accordance with the preceding sentence, the Trustee shall draw moneys under the Credit Facility to make payments on the Bonds as follows:

(a) On each Interest Payment Date, in an amount sufficient to pay (i) the interest becoming due and payable on the Bonds on such date, and (ii) the principal of the Bonds maturing on such date, if any;

(b) On each date fixed for redemption of Bonds, in an amount sufficient to pay with respect to the Bonds or portions thereof called for redemption (i) the interest becoming due and payable on such date, (ii) the principal payable on such date, and (iii) the applicable premium, if any (to the extent covered by the Credit Facility), payable on such date; and

(c) As required, on each date set for the payment or redemption of Bonds pursuant to Section 8.1 hereof, in an amount sufficient to pay (i) the accrued interest payable on such date on all Bonds, (ii) the principal of all Bonds then Outstanding, and (iii) the applicable premium, if any (to the extent covered by the Credit Facility), payable on such date.

To the extent that the Trustee makes a draw upon the Credit Facility for the payment or redemption of Bonds, the amount of such draw shall be deemed automatically credited against the Borrower's obligations under the Agreement and the Note, first to the satisfaction of interest due and the balance to the payment of unpaid principal thereunder.

Section 5.4. Alternative Credit Facility. If at any time there shall have been delivered to the Trustee an Alternative Credit Facility meeting the requirements of Section 3.8 of the Agreement, the Trustee shall accept such an Alternative Credit Facility and immediately thereafter surrender the previously held Credit Facility to the Credit Institution for cancellation. If at any time there shall cease to be Bonds outstanding hereunder, the Trustee shall surrender the Credit Facility to the Credit Institution for cancellation on the date on which all Bonds are no longer outstanding.

Section 5.5. Renewal Fund. (A) There shall be paid into the Renewal Fund all amounts to be deposited therein pursuant to Section 5.3 of the Agreement.

(B) The amounts deposited in the Renewal Fund shall be either (1) applied to pay the costs of repairing, restoring, reconstructing, replacing or relocating the Project Realty or the Project Equipment, or to reimburse the Borrower, the Authority or the Trustee for payment therefor from time to time as provided herein, or (2) if prepayment of the Borrower's loan obligation under the Agreement is then permitted and the Borrower exercises its option to do so, transferred, after such amounts have become Priority Amounts, to the Redemption Account in the Debt Service Fund and applied to the redemption of the Bonds. In the event such amounts are applied to the Project, the Trustee shall issue its checks for disbursements from the Renewal Fund in the manner provided in the following paragraph. Neither the Authority nor the Trustee shall be responsible for the proper application of such amounts nor shall the amount so applied be deemed a payment on any indebtedness evidenced by the Financing Documents.

The Trustee is hereby authorized and directed to issue its checks for each disbursement from the Renewal Fund (excepting any fees payable to the Trustee) upon a requisition submitted to the Trustee and signed by an Authorized Representative of the Borrower. Such requisition shall state with respect to each payment to be made: (1) the requisition number, (2) the name and address of the person, firm or corporation to whom payment is due, or to whom a reimbursable advance, if any, has been made, (3) the amount to be paid, (4) that each obligation mentioned therein has been properly incurred within the provisions of the Agreement, is a proper charge against the Renewal Fund, is unpaid or unreimbursed, and has not been the basis of any previous withdrawal, (5) that the requisition and the use of proceeds set forth therein are consistent in all material respects with the Agreement, and (6), unless the Trustee has received an opinion of nationally recognized bond counsel to the effect that the use of such moneys in any other manner will not adversely affect the exclusion from gross income for federal income tax purposes of

the interest on the Bonds, 95% or more of the amount requisitioned is to be applied to costs (a) paid or incurred after January 9, 1979 the date of the adoption of the County's inducement resolution for the Project, (b) for the acquisition, construction or reconstruction of land or property of a character subject to the allowance for depreciation provided in Section 167 of the Code, and (c) which are chargeable to the capital account of the Project or would be so chargeable either with an election by the Borrower or but for the election of the Borrower to deduct the amount of the item. In making any such payment from the Renewal Fund the Trustee may rely on such requisitions and proof delivered to it and the Trustee shall be relieved of all liability with respect to making such payments in accordance with the foregoing.

(C) Any surplus remaining in the Renewal Fund after the completion of any payments for the replacement, repair, reconstruction, alteration, relocation or restoration, of the Project with respect to any event of damage, destruction or condemnation shall be transferred to the Redemption Account of the Debt Service Fund, but the excess, if any, of such amount as will be sufficient to discharge and satisfy this Indenture and pay all Bonds as provided in Section 12.1 hereof shall be paid over to the Borrower free and clear of any pledge or lien hereunder. Provided, however, such remaining amounts shall be paid first to the Credit Institution, to the extent of any amounts owing under the Letter of Credit Agreement, as evidenced by a certificate of the Credit Institution.

Section 5.6 Compliance with Requirements for Investments in Nonpurpose Investments; Rebate. The moneys in the Rebate Fund shall be used solely for payment or payments to the U.S. Treasury pursuant to Section 148(f) of the Code as hereinafter provided.

Section 148(f) of the Code, as implemented by any regulations ("IDB Arbitrage Provisions"), requires that, among other requirements and with certain exceptions, the Authority pay to the United States of America the excess of the amount earned on all nonpurpose investments (as defined in Section 148(f)(6)(A) of the Code) over the amount that would have been earned if such nonpurpose investments were invested at a rate equal to the Yield on the Bonds, plus any income attributable to such excess ("Rebate Amount"). The Borrower shall maintain and retain all records pertaining to, shall be responsible for making or having made all determinations and calculations of, the Rebate Amount within thirty (30) days after the end of each Bond Year and the date of payment in full of the Bonds and, on or before such date, the Borrower will deposit in the Rebate Fund, or direct the Trustee to deposit into the Rebate Fund from funds held by the Trustee and available for such purpose, the Rebate Amount, and shall instruct the Trustee to make from the Rebate Fund all required payments to the United States of America of the Rebate Amount as shall be required to satisfy the IDB Arbitrage Provisions, and to the extent the funds

held by the Trustee in the Rebate Fund are not sufficient to make payments of such Rebate Amount, the Borrower shall pay to the Trustee an amount necessary to make up such deficiency. In complying with the foregoing, the Borrower may rely upon any instructions from and any opinions of bond counsel and upon any certificates, opinions or calculations prepared by certified public accountants or other consultants reasonably selected by the Borrower, and the Borrower shall provide to the Trustee a calculation of the Rebate Amount verified by an independent certified public accountant or bond counsel.

In computing the Rebate Amount to be deposited into the Rebate Fund to satisfy the IDB Arbitrage Provisions the Borrower shall take into account the amount earned or to be earned on non-purpose investments acquired or expected to be acquired with Gross Proceeds, as hereinafter defined, of the Bonds, Yield on the Bonds, gain expected to be derived from the sale of nonpurpose investments and the anticipated date of disbursements of Gross Proceeds and earnings thereon. In determining such amounts the Borrower shall make assumptions using reasonable expectations or actual experiences deemed by it to be reasonable under all circumstances and may require certifications from the Authority as to its reasonable expectations.

"Gross Proceeds" for purposes of this Section include (a) proceeds of the Bonds other than those used to pay costs of issuance, (b) amounts in any reserve fund, (c) amounts received from the Borrower pursuant to the Agreement, (d) all funds in accounts subject to the lien of this Indenture, and (e) other amounts that bond counsel may advise the Trustee to treat as Gross Proceeds, and investment earnings on all of the foregoing.

Notwithstanding the foregoing, and for all purposes of this Section, Gross Proceeds in a bona fide debt service account, such as the Bond Fund, need not be considered Gross Proceeds if the gross earnings on such fund in that Bond Year are less than \$100,000.

The Trustee shall cooperate with the Borrower in complying with the requirements of this Section and shall promptly provide to the Borrower, upon its written request, any information in the possession of the Trustee concerning the investment of Gross Proceeds of the Bonds and all other information in the possession of the Trustee of benefit to the Borrower in complying with the requirements of this Section.

Prior to making any distribution from the Rebate Fund held under this Indenture in accordance with the terms of this paragraph, the Trustee shall determine, from calculations provided hereunder, that funds remaining therein subject to the terms of this Indenture shall be sufficient to pay the Rebate Amount when due. Payments to be made to the United States of America as

required hereunder may be made directly by the Trustee from the Rebate Fund, or any other fund or account held under this Indenture, or from funds provided by the Borrower, notwithstanding any other restrictions, limitations or provisions herein to the contrary, and such payments shall be made every fifth Bond Year during the term of the Agreement unless otherwise instructed by the Issuer. After receipt of a certification by the Borrower that no further payments are due to the United States under the IDB Arbitrage Provisions, the Trustee shall, upon the request of the Borrower, deposit the amount in the Rebate Fund in excess of the Rebate Amount actually due or payable to the United States Treasury to the Principal and Interest Account of the Debt Service Fund. No such payment to the Borrower shall be made, however, while any Gross Proceeds of the Bonds are invested in nonpurpose investments which have, or are expected to have at any time, a Yield in excess of the Yield on the Bonds if the funds on deposit in the Rebate Fund will, or may, not be sufficient to pay the Rebate Amount when due.

If the Borrower fails to timely deliver to the Trustee the certificates required by this section, notwithstanding the availability of any other remedy or recourse available under the terms of this Indenture, the Trustee shall undertake all responsibilities otherwise placed upon the Borrower under the terms of this Section 5.6 in connection with the calculation of the Rebate Amount. In carrying out its responsibilities hereunder, the Trustee may conclusively rely upon any certificates, opinions or calculations prepared by attorneys, certified public accountants or other consultants engaged by the Trustee for such purpose, and the Trustee shall incur no liability with respect to such good faith reliance. The expense of obtaining any such calculation, certificates or opinions shall be borne by the Borrower.

All funds and accounts created hereunder shall be impressed with a lien to secure prompt payment of the Rebate Amount which shall be prior to the lien created hereunder for the benefit of the Bondholders and further by a lien to reimburse the Trustee for any expense incurred by it pursuant to this Section, which lien shall also be prior to the lien created hereunder for the benefit of the Bondholders.

Under no circumstances whatsoever shall the Trustee be liable to the Authority, the Borrower or any bondholder for any loss of the tax-exempt status of interest on the Bonds, or any claims, demands, damages, liabilities, losses, costs or expenses resulting therefrom or in any way connected therewith, resulting from a failure to comply with Section 148(f) of the Code so long as the Trustee has, pursuant to the terms of this Section 5.6, in good faith acted in accordance with written directions of the Borrower.

For purposes of this Section, "Yield" shall have the meaning given it by Section 1.103-13(c) of the Regulations and the "issue price" of the Bonds, within the meaning of Sections 1273(b) and 1274 of the Code, shall be used in calculating Yield.

The provisions, limitations and requirements of the written instructions or opinions of bond counsel concerning the IDB Arbitrage Provisions delivered from time to time to the Issuer, the Trustee and the Borrower ("Bond Counsel Instructions") are incorporated herein by reference. To the extent of any conflict between the provisions of this Section 5.6 set forth herein and such Bond Counsel Instructions, the Bond Counsel Instructions shall supersede and be deemed to amend the provisions of this Section 5.6 as if fully set forth in this place.

Section 5.7. Investment of Funds and Accounts. (A) Amounts in the Funds and Accounts held hereunder shall, if and to the extent then permitted by law, be invested in Authorized Investments; provided, however, amounts in the Refunding Fund and the Bond Purchase Fund shall not be invested. Investments authorized under this Section shall be made by the Trustee at the written request of an Authorized Representative of the Borrower and may be made by the Trustee through its own bond department; provided, however, that with respect to the Debt Service Fund investment shall be made only in United States government obligations or "money market" funds which are invested exclusively in United States government obligations. The Trustee shall have no liability to the Borrower, the Authority, the Bondholder, the Credit Institution or any other person arising from its exercise of, or failure to exercise, the investment authority granted to it pursuant to this Section. Such investments shall mature in such amounts and at such times as may be necessary to provide funds when needed to make payments from such Funds or Accounts, and any such investments and the earnings thereon shall, subject to the provisions hereof, at all times be deemed to be a part of the Fund or Account from which the investment was made. The Authority shall not direct any investment.

Section 5.8. Bond Purchase Fund. The Trustee shall deposit into the Bond Purchase Fund all proceeds of the remarketing of Bonds pursuant to Sections 2.6(E) and (F) and Section 13.3 hereof, received by the Trustee pursuant to Section 13.4 hereof. All moneys deposited in the Bond Purchase Fund shall be used solely for the purposes set forth herein.

The Trustee shall apply moneys on deposit in the Bond Purchase Fund to pay the purchase price of Bonds purchased pursuant to Section 2.6(E) hereof. Pursuant to Section 2.6(F) hereof, any Bonds not tendered on the reset date ("Untendered Bonds") for which there has been irrevocably deposited in the Bond Purchase Fund with the Trustee remarketing proceeds sufficient to pay the purchase price of the Untendered Bonds, plus accrued interest,

shall be deemed to have been tendered for purchase. In the event of a failure by the Bondholder to tender such holder's Bonds on or prior to the Reset Date, such Bondholder shall not be entitled to any payment (including any interest to accrue subsequent to the Reset Date) other than the purchase price for such Untendered Bonds plus accrued interest to the Reset Date, and any Untendered Bonds shall no longer be entitled to the benefits of this Indenture except for the purpose of payment of the purchase price therefor plus accrued interest to the Reset Date. Funds remaining with the Trustee pursuant to this Section and unclaimed for six years shall be paid to the Borrower. After the payment of such unclaimed moneys to the Borrower, the holder of any such Bonds shall thereafter look only to the Borrower for the payment thereof, and all liability of the Issuer and the Trustee with respect to such moneys shall thereupon cease.

Section 5.9. Non-presentment of Bonds. In the event any Bond shall not be presented for payment when the principal thereof becomes due, whether at maturity, the date fixed for redemption thereof or otherwise, and Priority Amounts sufficient to pay any such Bond shall have been made available to the Trustee for the benefit of the holder or holders thereof, all liability of the Authority to the holder thereof for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to pay such funds to the person or persons entitled thereto in the case of a fully registered Bond or if the person is not known to the Trustee, to hold such funds, without liability for interest thereon, for the benefit of the holder of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on such holder's part under this Indenture or on, or with respect to, such Bond. Funds remaining with the Trustee pursuant to this Section and unclaimed for six years shall be paid to the Borrower. After the payment of such unclaimed moneys to the Borrower, the holder of any such Bond shall thereafter look only to the Borrower for the payment thereof, and all liability of the Issuer and the Trustee with respect to such moneys shall thereupon cease.

Section 5.10. Repayment to the Credit Institution and the Borrower. Any amounts other than Bond proceeds remaining in any Fund or Account created hereunder after payment in full of the principal of, premium, if any, and interest on the Bonds, the fees and charges and expenses of the Trustee and all other amounts required to be paid hereunder or under any of the Financing Documents, including payment to the United States of the Rebate Amount, if any, required pursuant to Section 5.6 hereof, shall be paid immediately to the Credit Institution to the extent of any indebtedness of the Borrower to the Credit Institution under the

Letter of Credit Agreement, as evidenced by the certificate of the Credit Institution, and, after repayment of all such indebtedness, to the Borrower.

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ARTICLE VI

REDEMPTION OF BONDS

Section 6.1. Privilege of Redemption and Redemption Price. Bonds or portions thereof subject to redemption prior to maturity shall be redeemable, upon mailed notice as provided in this Article and to the extent required by this Article, at the times, at the Redemption Prices and upon such terms in addition to and consistent with the terms contained in this Article as shall be specified in Sections 2.3, 2.4, and 2.6(E) hereof and in such Bonds.

Section 6.2. Selection of Bonds to be Redeemed. In the event of redemption of less than all the Outstanding Bonds of like maturity, the Trustee shall assign to each such Outstanding Bond a distinctive number for each \$5,000 in principal amount thereof, and shall select by lot, using such method of selection as it shall deem proper in its discretion from the numbers assigned to such Bonds as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be Bonds to which are assigned numbers so selected, but only so much of the principal amount of such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. For purposes of this Section, Bonds which have theretofore been selected by lot for redemption shall not be deemed Outstanding.

Section 6.3. Notice of Redemption. When redemption is required by this Indenture (except pursuant to Section 2.6(E) or Article VIII hereof), the Trustee shall give notice of such redemption in the name of the Authority, specifying the subsection of Section 2.4 hereof under which the redemption is to be made, the series, maturities, numbers and amounts of the Bonds or portions thereof to be redeemed, the redemption date, the Redemption Price and the place or places where amounts due upon such redemption will be payable. Such notice shall further state that on such date there shall become due and payable upon each Bond or portion thereof to be redeemed the Redemption Price thereof together with interest accrued to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable. Notice of redemption shall be given by the Trustee in the name and on behalf of the Authority by mailing a copy of each such notice to the registered owner of each Bond by first class mail addressed to such owner at such owner's last known address as it appears upon the bond register, (except in the case of a redemption pursuant to Section 2.6(E) with respect to which the notice shall be given on or before the relevant Reset Date in the manner provided in Section 2.6(E)), not more than 60 nor less than 30 days prior to the date fixed for redemption. Notice of any redemption

pursuant to Section 2.4(G) (1), (2) or (3) hereof shall be given also by the Trustee to the Credit Institution at or prior to the time notice of any such redemption is given by the Trustee to the Bondholders. Such notice shall be effective when mailed and any failure to receive such notice shall not affect the validity of the proceedings for redemption. In the event of a postal strike, the Trustee shall give notice by other appropriate means selected by the Trustee in its discretion.

In addition to the foregoing notice, further notice shall be given by the Trustee as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

(a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the CUSIP numbers of all Bonds being redeemed; (ii) the date of issue of the Bonds as originally issued; (iii) the rate of interest borne by each bond being redeemed; (iv) the maturity date of each bond being redeemed; (v) the publication date of the official notice of redemption; (vi) the name and address of the Bond Registrar; and (vii) any other descriptive information deemed by the Trustee to be needed to identify accurately the Bonds being redeemed.

(b) Each further notice of redemption shall be sent, if possible, at least 35 days before the redemption date by registered or certified mail or overnight delivery service or telecopy to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds (such depositories now being The Depository Trust Company, New York, New York, Midwest Securities Trust Company, Chicago, Illinois, Pacific Securities Depository Trust Company, San Francisco, California and Philadelphia Depository Trust Company, Philadelphia, Pennsylvania) and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) Each such further notice shall be published one time in the Bond Buyer of New York, New York, such publication to be made at least 30 days prior to the date fixed for redemption.

(d) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Section 6.4. Payment of Redeemed Bonds. (A) Notice having been given in the manner provided in the first paragraph of Section 6.3 hereof, the Bonds or portions thereof so called for redemption shall become due and payable on the redemption dates so designated at the Redemption Price, plus interest accrued to the redemption date. If, on the redemption date, moneys for the redemption of all the Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be held by the Paying Agents so as to be available therefor on such date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and become payable. If such moneys shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

(B) Payment of the Redemption Price together with interest shall be made to or upon the order of the registered owner, only upon presentation of the Bond for cancellation or notation as provided in Section 6.5 hereof.

Section 6.5. Cancellation of Redeemed Bonds. (A) All Bonds redeemed in full under the provisions of this Article shall forthwith be cancelled and destroyed by the Trustee and a certificate of destruction furnished to the Authority, and no Bonds shall be executed, authenticated, issued or delivered in exchange or substitution therefor or for or in respect of any paid portion of a fully registered Bond.

(B) If there shall be drawn for redemption less than all of a Bond, the Authority shall execute and the Trustee shall authenticate and deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the Bond so surrendered, Bonds of like series and maturity in any of the authorized denominations.

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ARTICLE VII

PARTICULAR COVENANTS

Section 7.1. No Pecuniary Liability of Authority Officers. (A) No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future member, officer, employee or agent of the Authority in his or her individual capacity, and neither the members of the Authority nor any officer thereof executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member, officer, employee or agent of the Authority shall incur any personal liability with respect to any other action taken by him or her pursuant to the Financing Documents or the Act, provided such member, officer, employee or agent acts in good faith.

(B) No agreements or provisions contained in the Financing Documents nor any agreement, covenant or undertaking by the Authority contained in any other document executed by the Authority in connection with the Project or the issuance, sale and delivery of the Bonds shall give rise to any pecuniary liability of the Authority or a charge against its general credit, or shall obligate the Authority financially in any way except as may be payable from the repayments by the Borrower under the Agreement and the proceeds of the Bonds. No failure of the Authority to comply with any term, condition, covenant or agreement in the Financing Documents or in any other document executed by the Authority in connection with the issuance and sale of the Bonds shall subject the Authority to liability for any claim for damages, costs or other financial or pecuniary charge except to the extent that the same can be paid or recovered from the repayments by the Borrower under the Agreement or the proceeds of the Bonds. Nothing herein shall preclude a proper party in interest from seeking and obtaining, to the extent permitted by law, specific performance against the Authority for any failure to comply with any term, condition, covenant or agreement herein; provided, that no costs, expenses or other monetary relief shall be recoverable from the Authority except as may be payable from the repayments by the Borrower under the Agreement or the proceeds of the Bonds.

(C) No recourse shall be had for the payment of the principal of, premium, if any, or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement contained in the Financing Documents against any past, present or future officer, member, employee or agent of the Authority, or of any successor public body, as such either directly or through the Authority or any successor public body, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, members, employees or agents as

such is hereby expressly waived and released as a condition of, and consideration for, the execution of the Financing Documents and the issuance of such Bonds.

Section 7.2. Payment of Principal, Redemption Price, if any, and Interest. The Trustee covenants that it will promptly pay, solely from the revenues or other moneys available hereunder, the principal or Redemption Price, if any, of 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.

Section 7.3. Performance of Covenants. The Authority covenants that it will faithfully perform at all times any and all of its covenants, undertakings, stipulations and provisions contained in this Indenture, in any and every Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining thereto. The Authority covenants that it is duly authorized under the Constitution and laws of the State, including particularly and without limitation the Act, to issue the Bonds authorized hereby and to execute this Indenture, to create, accept and assign the liens, if any, in the property described herein and created hereby, to grant the security interest herein provided, to assign the Note and the Agreement and to pledge the revenues and other amounts hereby pledged in the manner and to the extent herein set forth; that all action on its part for the issuance of the Bonds and the execution and delivery of this Indenture has been duly and effectively taken, and that the Bonds in the hands of the holders and owners thereof are and will be valid and enforceable obligations according to their terms and the terms of this Indenture (subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereinafter enacted to the extent constitutionally applicable and subject as to enforceability to the exercise of judicial discretion in appropriate cases).

Section 7.4. Further Assurances. The Authority and the Trustee each 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 other may reasonably require for the better assuring, transferring, conveying, pledging, assigning and confirming unto the Trustee all and singular the property and rights assigned hereby and the amounts pledged hereby to the payment of the principal or Redemption Price, if any, of and interest on the Bonds and all other amounts due under the Financing Documents.

Section 7.5. Inspection of Project Books. The Authority covenants and agrees that all books and documents in its possession relating to the Project and the revenues derived from the

Project shall at all times be open to inspection by such accountants or other agencies as the Trustee may from time to time designate.

Section 7.6. List of Bondholders. To the extent that such information shall be known to the Trustee, it will keep on file at its principal office a list of names and addresses of the last known holders of all Bonds and the Bonds believed to be held by each of such last known holders. Any Bondholder may request that such holder's name and address be placed on such list by filing a written request with the Trustee. Neither the Authority nor the Trustee shall be under any responsibility with regard to the accuracy of such list. At reasonable times and under reasonable regulations established by the Trustee, such list may be inspected and copied by the Borrower or by the owner of any Bond.

Section 7.7. Rights Under Financing Documents. The Financing Documents, originals or duly executed counterparts of which have been filed with the Trustee, set forth the covenants and obligations of the Authority and the Borrower, and reference is hereby made to the same for a detailed statement of the covenants and obligations of the Borrower thereunder. The Trustee agrees to enforce all covenants and obligations of the Borrower under the Financing Documents and it is agreed that the Trustee may and is hereby granted the right to enforce all rights of the Authority and all obligations of the Borrower under and pursuant to the Financing Documents. Nothing in this Section shall permit any reduction in the payments required to be made by the Borrower under or pursuant to the Financing Documents or any alteration in the terms of payment thereof. All covenants and agreements on the part of the Borrower shall be for the benefit of the holders from time to time of the Bonds and may be enforced in the manner provided by Article VIII hereof on behalf of such holders by the Trustee.

Section 7.8. Creation of Liens, Indebtedness. The Authority shall not create or suffer to be created any lien or charge upon or pledge of the Trust Estate, except the lien, charge and pledge created by this Indenture and the Bonds. The Authority shall not incur any indebtedness or issue any evidence of indebtedness, other than the Bonds herein authorized, secured by a lien on or pledge of the Trust Estate.

Section 7.9. Recording and Filing. The Trustee covenants that it will cause the Financing Documents, this Indenture and all supplements thereto and hereto, as well as such other security agreements, financing statements, and other instruments as may be required from time to time to be kept, to be recorded and filed in such manner and in such places as may be required by

law in order to fully preserve and protect the security of the holders and owners of the Bonds and the rights of the Trustee hereunder.

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ARTICLE VIII

REMEDIES OF BONDHOLDERS

Section 8.1. Events of Default; Acceleration of Due Dates. (A) Each of the following events is hereby defined as and shall constitute an "event of default":

(1) Failure to duly and punctually pay (a) the interest on any Bond, (b) any installment of the principal or Redemption Price of any Bond whether at the stated maturity thereof or upon proceedings for redemption thereof or (c) the purchase price of any Bond under Section 2.6 hereinabove.

(2) Notification of the Trustee by the Credit Institution in writing that an "event of default" as defined in the Letter of Credit Agreement has occurred, accompanied by a demand of the Credit Institution directing the Trustee to declare the Bonds immediately due and payable.

(3) Notification of the Trustee by the Credit Institution in writing that the Credit Facility shall be terminated pursuant to the terms of the Credit Facility.

(4) In the event that the Credit Facility shall have terminated or the Credit Institution shall be in default of its obligations under the Letter of Credit (a) failure to duly and punctually pay, upon the passage of sixty days following the date on which such payment is due, any other amount due under the Financing Documents (not including rebates payments under Section 5.6 hereof), (b) failure to perform or observe any other of the covenants, agreements or conditions on the part of the Authority in this Indenture or in the Bonds contained and not otherwise a default hereunder and the continuance thereof for a period of thirty days after written notice given by the Trustee or by the holders of not less than 51% of the principal amount of Bonds then Outstanding, or (c) the occurrence of an "event of default" under any of the Financing Documents.

(B) Upon the happening and continuance of any event of default specified in Section 8.1(A)(1) or (4) hereof unless the principal of all the Bonds shall have already become due and payable, either the Trustee (by notice in writing to the Authority) or the holders of not less than 51% in principal amount of the Bonds Outstanding (by notice in writing to the Authority and the Trustee) may declare the Redemption Price, in accordance with Section 8.2(D) below, of all the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon such declaration the same shall become and be immediately

due and payable, anything in this Indenture or in any of the Bonds contained to the contrary notwithstanding.

(C) Upon the happening and continuance of any event of default specified in Section 8.1(A)(2) or (3) hereof, the Trustee shall declare the Redemption Price of all of the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately. Upon such declaration the same shall become and be immediately due and payable, and the Trustee shall immediately draw on the Credit Facility, to the extent permitted by the terms thereof. The obligation of the Trustee to make such declaration and to draw on or otherwise realize upon the Credit Facility, upon receipt of notice by the Credit Institution under Section 8.1(A)(2) or (3) hereof, shall be absolute and shall be exercised notwithstanding any objection of the Borrower, the Authority, the Trustee, any Bondholder or any other person. For this purpose, the Credit Institution is hereby determined to be a third party beneficiary of this Indenture entitled to bring suit to enforce the specific performance of its right of notice and demand hereunder.

(D) The right of the Trustee or of the holders of not less than 51% in principal amount of the Bonds to make any declaration authorized under Section 8.1(B) hereof with respect to any failure under Section 8.1(A)(1) hereof (but not its obligation under Section 8.1(C) hereof), however, is subject to the condition that if, at any time before such declaration, all overdue installments of interest upon the Bonds and the principal of all Bonds which shall have matured by their terms, together with the reasonable and proper charges, expenses and liabilities of the Trustee, shall either be paid from Priority Amounts by or for account of the Authority or provision satisfactory to the Trustee shall be made for such payment, then in every such case any such default and its consequences shall ipso facto be deemed to be annulled, but no such annulment shall extend to or affect any subsequent default or impair or exhaust any right or power consequent thereon.

(E) If a Credit Facility is then in effect, the Trustee shall, immediately following the acceleration of the Bonds as set forth above, set a date for payment of the Bonds which shall be no more than ten (10) days after the date of acceleration, shall make a final draw on the Credit Facility to the extent of funds available thereunder and shall take such action as is necessary to make full payment from Priority Amounts of the Redemption Price of the Bonds due by reason of such acceleration and the interest accrued thereon to the date set for such payment.

Section 8.2. Enforcement of Remedies. (A) Upon the happening and continuance of any event of default, then and in every case the Trustee may proceed, and upon the written request of the holders of not less than 51% in the principal amount of

the Bonds Outstanding shall proceed, to protect and enforce its rights and the rights of the Bondholders under the Act, the Bonds, the Financing Documents, the Credit Facility and this Indenture, and under any agreement executed in connection with the foregoing, forthwith by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, whether for the specific performance of any covenant or agreement contained in this Indenture or in aid of the execution of any power granted therein or in the Act or for the enforcement of any legal or equitable rights or remedies as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights or to perform any of its duties under this Indenture.

(B) In the enforcement of any right or remedy under this Indenture or under the Act, the Trustee shall be entitled to sue or enforce payment on and receive any or all amounts then or during any default becoming, and any time remaining, due for principal, Redemption Price, interest or otherwise under any of the provisions of the Financing Documents, this Indenture, the Credit Facility or of the Bonds, and unpaid, with interest on overdue payments at the rate of interest specified in the Bonds, together with any and all costs and expenses of collection and of all proceedings under the Financing Documents, this Indenture, the Credit Facility and under the Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondholders, and to recover and enforce judgments or decrees, but solely as provided in the Financing Documents, this Indenture, the Credit Facility and in the Bonds, for any portion of such amounts remaining unpaid, with interest, costs, and expenses, and to collect in any manner provided by law, the moneys adjudged or decreed to be payable.

(C) Regardless of the happening of an event of default, the Trustee, if requested in writing by the holders of not less than 51% in principal amount of the Bonds then Outstanding and furnished with reasonable security and indemnity satisfactory to the Trustee, shall institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to prevent any impairment of the security under this Indenture by any acts which may be unlawful or in violation of the Indenture or of any resolution authorizing Bonds, and such suits and proceedings as the Trustee may be advised shall be necessary or expedient to preserve or protect its interests and the interests of the Bondholders; but no such request shall be otherwise than in accordance with the provisions of law and of the Indenture or be unduly prejudicial to the interests of the holders of Bonds not making such request.

(D) If the Trustee has acted under Section 7.2(A)(1) of the Agreement, the maturity of the Bonds shall be accelerated and

the Bonds shall be redeemed at a Redemption Price of 104% if redeemed prior to June 1, 1993, and thereafter at the Redemption Prices provided in the schedule for general optional redemption set forth in Section 2.4(A) hereof, plus accrued interest to the date of redemption.

(E) If the Trustee is taking action to accelerate under this Article and/or under Article VII of the Agreement, the Trustee shall give a notice in writing of such default and acceleration to each registered Bondholder at the address set forth in the list maintained under Section 7.6 hereinabove by first class mail.

Section 8.3. Application of Revenues and Other Moneys After Default. (A) All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article, after payment of the cost 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 in connection therewith, shall be deposited in the applicable account of the Debt Service Fund and all moneys so deposited in such Fund and available for payment of the Bonds shall be applied as follows:

(1) Unless the principal of all of the Bonds shall have become or have been declared due and payable:

FIRST To the payment of all amounts due under the Financing Documents, exclusive of unpaid principal and interest on the Note, provided such payments shall not be paid from any proceeds drawn under the Credit Facility;

SECOND To the payment to the persons entitled thereto of all installments of interest then due on 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 preference; and

THIRD To the payment to the persons entitled thereto of the unpaid principal or Redemption Price, if any, of any of the Bonds or principal installments which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in inverse order of maturity, from the respective dates upon which they become due and, if the amount available shall not be sufficient to pay in full Bonds or principal installments due on

any particular date, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or preference.

(2) If the principal of all the Bonds shall have become or have been declared due and payable, to the payment from Priority Amounts to the extent available, of the principal and interest (at the rate expressed thereon) 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 and interest, to the persons entitled thereto without any discrimination or preference.

(B) 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 application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date upon which such application shall be made. 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, and shall not be required to make payment to the holder of any Bonds until such Bonds shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 8.4. Actions by Trustee. All rights of action 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 proceedings instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any holders of the Bonds, and any recovery of judgment, subject to the provisions of Section 8.3 hereof, shall be for the benefit of the holders of the Outstanding Bonds.

Section 8.5. Majority Bondholders Control Proceedings. The holders 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, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture, or for any other proceedings

hereunder; but such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture and shall not infringe upon the venue rights of the Authority.

Section 8.6. Individual Bondholder Action Restricted.

(A) No holder of the Bonds shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of this Indenture or the execution of any trust under this Indenture or for any remedy under this Indenture, unless such holder shall have previously given to the Trustee written notice of the happening of an event of default, as provided in this Article, and the holders of at least 25% in principal amount of the Bonds then Outstanding shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity, either to exercise the powers granted in this Indenture or by the Act or by the laws of the State or to institute such action, suit or proceeding in its own name, and unless such holders shall have offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused to comply with such request for a period of sixty days after receipt by it of such notice, request and offer of indemnity, it being understood and intended that no holder of any Bond shall have any right in any manner whatever by such holder's action to affect, disturb or prejudice the pledge created by the Indenture, or to enforce any right under the Indenture, except in the manner therein provided; and that all proceedings at law or in equity to enforce any provision of the Indenture shall be instituted, had and maintained in the manner provided in the Indenture and for the equal benefit of all holders of the Outstanding Bonds. No holder of the Bonds shall have any direct right to draw on the Credit Facility.

(B) Nothing herein or in the Bonds contained shall affect or impair the right of any Bondholder to payment of the principal or Redemption Price, if any, of and interest on any Bond at and after the maturity thereof, or the obligation of the Authority to pay the principal or Redemption Price, if applicable, of and interest on each of the Bonds to the respective holders thereof at the time, place, from the source and in the manner herein and in such Bonds expressed.

Section 8.7. Effect of Discontinuance of Proceedings.

In case any proceeding taken by the Trustee on account of any event of default shall have been dismissed, discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Authority, the Trustee, and the Bondholders shall be restored, respectively, to their former positions and rights hereunder, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceedings had been taken.

Section 8.8. Remedies Not Exclusive. No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or to the holders of the Bonds is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 8.9. Delay or Omission Upon Default. No delay or omission of the Trustee or of the holder of any Bond to exercise any right or power arising upon any event of default shall impair any right or power or shall be construed to be a waiver of any such default or any acquiescence therein; and every power and remedy given by this Article to the Trustee and the holder of any Bond, respectively, may be exercised from time to time and as often as may be deemed expedient by the Trustee or by the Bondholders.

Section 8.10. Notice of Default. The Trustee shall promptly mail to each Bondholder written notice of the occurrence of any event of default of which it has actual knowledge. The Trustee shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail any notice required by this Section.

Section 8.11. Waivers of Default. The Trustee shall waive any event of default hereunder except a Section 8.1(A)(2) or (3) default and its consequences upon the written request of the holders of 51% in aggregate principal amount of the Bonds then Outstanding; except that there shall not be waived without the consent of the holders of all the Bonds Outstanding (A) any default in the payment of the principal of any Outstanding Bonds at the date of maturity specified therein or (B) any default in the payment when due of the interest on any such Bonds unless, prior to such waiver, all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds on overdue installments of interest or all arrears of payments of principal when due, as the case may be, and all expenses of the Trustee in connection with such default shall have been paid or provided for, and in case of any such waiver, or in case any proceeding taken by the Trustee on account of any such default shall have been dismissed, discontinued or abandoned or determined adversely, 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, dismissal, discontinuance, abandonment or determination shall extend to any subsequent or other default, or impair any right consequent thereon.

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ARTICLE IX

TRUSTEE AND PAYING AGENTS

Section 9.1. Appointment and Acceptance of Duties. (A) Barnett Banks Trust Company, N.A., is hereby appointed as Trustee. The Trustee shall signify its acceptances of the duties and obligations of the Trustee by executing this Indenture. All provisions of this Article shall be construed as extending to and including all the rights, duties and obligations imposed upon the Trustee under the Agreement as fully for all intents and purposes as if this Article were contained in the Agreement.

(B) The Trustee is hereby appointed as Paying Agent for the Bonds. The Authority may also from time to time appoint one or more other Paying Agents in the manner and subject to the conditions set forth in Section 9.10 hereof for the appointment of a successor Paying Agent. Each Paying Agent other than the Trustee shall signify its acceptance of the duties and obligations imposed upon it by this Indenture by executing and delivering to the Authority and to the Trustee a written acceptance thereof. The principal offices of the Paying Agents are designated as the respective offices or agencies of the Authority for the payment of the principal or Redemption Price and the interest on the Bonds.

Section 9.2. Indemnity. The Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under this Indenture, or to enter any appearance in or in any way defend any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall (except with respect to its duty to draw on the Credit Facility) be indemnified to its satisfaction against any and all reasonable costs and expenses, outlays, and counsel fees and other disbursements, and against all liability not due to its willful misconduct, negligence or bad faith.

Section 9.3. Responsibilities of Trustee. (A) The Trustee shall have no responsibility in respect of the validity or sufficiency of this Indenture, the Agreement or the security provided hereunder or the due execution hereof by the Authority, or in respect of the title or the value of the Project, or in respect of the validity of any Bonds authenticated and delivered by the Trustee in accordance with this Indenture. The recitals, statements, covenants and representations contained herein, other than those of the Trustee, and in the Bonds shall be taken and construed as made by and on the part of the Authority and not by the Trustee, and it does not assume any responsibility for the correctness of the same; except that the Trustee shall be responsible for such as pertain to the Trustee and for its authentication of the Bonds.

(B) The Trustee shall not be liable or responsible because of the failure of the Authority to perform any act required of it by the Indenture or the Financing Documents or because of the loss of any moneys arising through the insolvency or the act or default or omission of any depository other than itself in which such moneys shall have been deposited. The Trustee shall not be responsible for the application of any of the proceeds of the Bonds or any other moneys deposited with it and paid out, invested, withdrawn or transferred in accordance herewith or for any loss resulting from any such investment. The Trustee shall not be liable in connection with the performance of its duties hereunder except for its own willful misconduct, negligence or bad faith. The immunities and exemptions from liability of the Trustee shall extend to its directors, officers, employees and agents.

(C) The Trustee, prior to the occurrence of an event of default (as defined in Section 8.1 hereof), undertakes to perform such duties and only such duties as (i) are specifically set forth in this Indenture, and (ii) as are specifically required of it in the Agreement. In case an event of default has occurred the Trustee shall exercise such of the rights and powers vested in it hereby and use the same degree of care and skill in their exercise, as a prudent person would exercise under the circumstances in the conduct of such person's own affairs.

Section 9.4. Compensation. The Trustee and the Paying Agents shall be entitled to receive and collect from the Borrower as provided in the Financing Documents payment for reasonable fees for services rendered hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee or the Paying Agents in connection therewith.

Section 9.5. Evidence on Which Trustee May Act. (A) In case at any time it shall be necessary or desirable for the Trustee to make any investigation concerning any fact preparatory to taking or not taking any action, or doing or not doing anything, as such Trustee, and in any case in which this Indenture or the Financing Documents provides for permitting or taking any action, it may rely upon any certificate required or permitted to be filed with it under the provisions hereof or of the Financing Documents, and any such certificate shall be evidence of such fact and protect it in any action that it may or may not take, or in respect of anything it may or may not do, in good faith, by reason of the supposed existence of such fact.

(B) The Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Indenture, the Agreement, the Credit Facility or

the Financing Documents, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person, or to have been prepared and furnished pursuant to any of the provisions of this Indenture or the Financing Documents, or upon the written opinion of any attorney (who may be an attorney for the Authority, the Borrower or the Trustee), engineer, appraiser, or accountant believed by the Trustee to be qualified in relation to the subject matter.

Section 9.6. Evidence of Signatures of Bondholders and Ownership of Bonds. (A) Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by the Bondholders may be in one or more instruments of similar tenor, and shall be signed or executed by such Bondholders in person or by their attorneys appointed in writing. Proof of (1) the execution of any such instrument or of any instrument appointing any such attorney, or (2) the holding by any person of the Bonds shall be sufficient for any purpose of this Indenture (except as otherwise herein expressly provided) if made in the following manner or in any other manner satisfactory to the Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(a) The fact and date of the execution by any Bondholder or such holder's attorney of such instruments may be proved by a guarantee of the signature thereon by an officer of a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgements of deeds, that the person signing such request or other instrument acknowledged the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate or affidavit shall be accompanied by sufficient proof of the authority of such officer or member.

(b) The ownership of registered Bonds and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books.

(B) Except as otherwise provided in Section 10.3 hereof with respect to a revocation of consent, any request or consent by the holder of any Bond shall bind all future holders of such Bond in respect of anything done or suffered to be done by the Authority or the Trustee or any Paying Agent in accordance therewith.

Section 9.7. Trustee and Paying Agents May Deal in Bonds and With Borrower. Any national banking association, bank or trust company acting as a Trustee, or Paying Agent, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Bondholder may be entitled to take and may otherwise deal with the Borrower with like effect as if such association, bank or trust company were not such Trustee or Paying Agent.

Section 9.8. Resignation or Removal of Trustee. (A) The Trustee may resign and thereby become discharged from the trusts created under this Indenture by notice in writing to be given to the Authority, the Borrower and the Credit Institution and by notice mailed, first class mail, to the Bondholders not less than sixty days before such resignation is to take effect, but such resignation shall not take effect until the appointment and qualification of a successor Trustee, pursuant to Section 9.9 hereof.

(B) The Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee and signed by the holders of not less than a majority in principal amount of the Bonds then Outstanding or their attorneys-in-fact duly authorized. The Trustee shall promptly give notice of such filing to the Authority, the Borrower and the Credit Institution.

Section 9.9. Successor Trustee. (A) If at any time the Trustee shall resign, or shall be removed, be dissolved or otherwise become incapable of acting or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator thereof, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the position of Trustee shall thereupon become vacant. If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, the Authority shall appoint a successor Trustee to fill such vacancy with the consent of the Borrower. Within twenty days after such appointment, the Authority shall cause notice of such appointment to be mailed, first class mail, to all Bondholders.

(B) At any time within one year after such vacancy shall have occurred, and no successor Trustee shall have been appointed, the holders of a majority in principal amount of the Bonds then Outstanding, by an instrument or concurrent instruments in writing, signed by such Bondholders or their attorneys-in-fact thereunto duly authorized and filed with the Authority, may appoint a successor Trustee, which shall, immediately and without further act, supersede any Trustee theretofore appointed. If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section, the holder of any Bond then Outstanding

or any retiring Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

(C) Any Trustee appointed under this Section shall be a national banking association or a bank or trust company duly organized under the laws of the State or under the laws of any state of the United States authorized to exercise corporate trust powers within the State. At the time of its appointment, any successor Trustee shall have a capital stock and surplus aggregating not less than \$10,000,000.

(D) Every successor Trustee shall execute, acknowledge and deliver to its predecessor, and also to the Authority, an instrument in writing accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, immunities, powers and trusts, and subject to all the duties and obligations of its predecessor, with like effect as if originally named as such Trustee; but such predecessor shall, nevertheless on the written request of its successor or of the Authority, and upon payment of the compensation expenses, charges and other disbursements of such predecessor which are due and payable pursuant to Section 9.4 hereof, execute and deliver an instrument transferring to such successor Trustee all the estate, properties, rights, immunities, powers and trusts of such predecessor. Every predecessor Trustee shall also deliver all property and moneys held by it under the Indenture to its successor. Should any instrument from the Authority be required by any successor Trustee for more fully and certainly vesting in such Trustee, the estate, properties, rights, immunities, powers and trusts vested or intended to be vested in the predecessor Trustee any such instrument shall, on request, be executed, acknowledged and delivered by the Authority. Any successor Trustee shall promptly notify the Paying Agents of its appointment as Trustee.

(E) Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a national banking association or a bank or trust company duly organized under the laws of any state of the United States, shall be qualified to exercise corporate trust powers within the State, and shall be authorized by law to perform all the duties imposed upon it by the Indenture, shall be the successor to such Trustee without the execution or filing of any paper or the performance of any further act.

(F) Any Trustee which becomes incapable of acting as Trustee shall pay over, assign and deliver to its successor any moneys, funds or investments held by it and shall render an accounting to the Authority and to the Borrower.

Section 9.10. Resignation or Removal of Paying Agent; Successors. (A) Any Paying Agent may at any time resign and be discharged of the duties and obligations created by the Indenture by giving at least sixty days' written notice to the Authority and the Trustee. Any successor Paying Agent shall be appointed by the Authority, with the approval of the Trustee, and shall be a bank or trust company duly organized under the laws of any state of the United States or a national banking association, having a capital stock and surplus aggregating at least \$5,000,000, and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Indenture.

(B) In the event of the resignation or removal of any Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor, or if there be no successor, to the Trustee. In the event that for any reason there shall be a vacancy in the office of any Paying Agent, the Trustee shall act as such Paying Agent.

Section 9.11. Continuation Statements. The Trustee shall cause all supplements, amendments and continuation statements necessary to preserve and protect the security interest of the Trustee in the collateral pledged by the Authority in the granting clauses hereof to be filed in the applicable State and local offices so as to continue the perfected status thereof pursuant to the Uniform Commercial Code of the State.

Section 9.12. Obligation to Report Defaults. Upon becoming aware of any condition or event which constitutes, or with the giving of notice or the passage of time would constitute, an event of default under the Financing Documents or this Indenture, the Trustee shall deliver to the Authority and the Credit Institution a written notice stating the existence thereof and the action it proposes to take with respect thereto.

Section 9.13. Moneys Held for Particular Bonds. Except as otherwise provided in Section 5.9 hereof, the amounts held by the Trustee or Paying Agents for the payment of the interest, principal or Redemption Price due on any date with respect to particular Bonds, on and after such date and pending such payment, shall be set aside on its books and held in trust by it for the holders of the Bonds entitled thereto.

Section 9.14. Appointment of Co-Trustee. (A) It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction 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 Agreement, and in particular in case of the enforcement of either on 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 hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary 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 are adapted to these ends.

(B) 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, interest and lien expressed or intended by this Indenture to be exercised by or vested in 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.

(C) Should any 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 such co-trustee such properties, rights, powers, trusts, duties and obligations, any and all such 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.

Section 9.15. Trustee Acceptable to Court. The Trustee, all successor Trustees, and all co-Trustees shall be bonded Trustees acceptable to the validation court and shall certify the proper expenditure of the proceeds of the Bonds as required by Section 75.04(2), Florida Statutes, as amended.

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ARTICLE X

AMENDMENTS OF INDENTURE

Section 10.1. Limitation on Modifications. This Indenture shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article.

Section 10.2. Supplemental Indentures without Bondholders' Consent. (A) The Authority and the Trustee may, from time to time and at any time, adopt Supplemental Indentures without consent of the Bondholders for any of the following purposes:

(1) To cure any formal defect, omission or ambiguity in this Indenture or in any description of property subject to the lien hereof, if such action is not adverse to the interests of the Bondholders.

(2) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security which may lawfully be granted or conferred and which are not contrary to or inconsistent with this Indenture as theretofore in effect.

(3) To add to the covenants and agreements of the Authority in this Indenture other covenants and agreements to be observed by the Authority which are not contrary to or inconsistent with this Indenture as theretofore in effect.

(4) To add to the limitations and restrictions in this Indenture other limitations and restrictions to be observed by the Authority which are not contrary to or inconsistent with this Indenture as theretofore in effect.

(5) To confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, this Indenture, of the properties of the Project, or revenues or other income from or in connection with the Project or of any other moneys, securities or funds or to subject to the lien or pledge of this Indenture additional revenues, properties or collateral.

(B) Before the Authority and the Trustee shall adopt any Supplemental Indenture pursuant to this Section, there shall have been filed with the Trustee an opinion of counsel satisfactory to the Trustee stating that such Supplemental Indenture is authorized or permitted by this Indenture and complies with its terms, and that upon enactment it will be valid and binding upon the Authority in accordance with its terms.

Section 10.3. Supplemental Indentures With Bondholders' Consent. (A) Subject to the terms and provisions contained in this Article, the holders of not less than 66 2/3% in aggregate principal amount of the Bonds then Outstanding shall have the right from time to time, to consent to and approve the adoption by the Authority and the Trustee of any Supplemental Indenture as shall be deemed necessary or desirable by the Authority and the Trustee for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained herein. Nothing herein contained shall permit, or be construed as permitting, without the consent of all of the Bondholders (1) a change in the terms of redemption or maturity of the principal of or the interest on any Outstanding Bond, or a reduction in the principal amount or Redemption Price of any Outstanding Bond or the rate of interest thereon, without the consent of the holder of such Bond, or (2) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (3) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Indenture.

(B) If at any time the Authority and the Trustee shall determine to adopt any Supplemental Indenture for any of the purposes of this Section, it shall cause notice of the proposed Supplemental Indenture to be mailed, first class mail, to all Bondholders. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture, and shall state that a copy thereof is on file at the principle office of the Trustee for inspection by all Bondholders.

(C) Within one year after the date of such notice, the Authority and the Trustee may adopt such Supplemental Indenture in substantially the form described in such notice only if there shall have first been filed with the Trustee (1) the written consents of holders of not less than 66 2/3% in aggregate principal amount of the Bonds then Outstanding and (2) an opinion of counsel satisfactory to the Trustee stating that such Supplemental Indenture is authorized or permitted by this Indenture and complies with its terms and that upon adoption it will be valid and binding upon the Authority in accordance with its terms. Each valid consent shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given. A certificate or certificates by the Trustee that it has examined such proof and that such proof is sufficient in accordance with this Indenture shall be conclusive that the consents have been given by the holders of the Bonds described in such certificate or certificates. Any such consent shall be binding upon the holder of the Bonds giving such consent and upon any subsequent holder of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent holder thereof has notice thereof), unless such consent is revoked in

writing by the holder of such Bonds giving such consent or a subsequent holder thereof by filing such revocation with the Trustee prior to the adoption of such Supplemental Indenture.

(D) If the holders of not less than the percentage of Bonds required by this Section shall have consented to and approved the execution thereof as herein provided, no holder of any Bond shall have any right to object to the enactment of such Supplemental Indenture, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the Authority and the Trustee from adopting the same or from taking any action pursuant to the provisions thereof.

(E) Upon the adoption of any Supplemental Indenture pursuant to the provisions of this Section, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Authority, the Trustee and all holders of Bonds then Outstanding shall thereafter be determined, exercised and enforced under this Indenture, subject in all respects to such modifications and amendments.

Section 10.4. Supplemental Indenture Part of the Indenture. Any Supplemental Indenture adopted in accordance with the provisions of this Article shall thereafter form a part of this Indenture and all the terms and conditions contained in any such Supplemental Indenture as to any provisions authorized to be contained therein shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 10.5. Supplemental Indentures and the Credit Institution. No Supplemental Indenture may be adopted without the prior written consent of the Credit Institution.

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ARTICLE XI

AMENDMENTS OF FINANCING DOCUMENTS

Section 11.1. Rights of Borrower. Anything herein to the contrary notwithstanding, any Supplemental Indenture under Article X hereof which affects any rights, powers and authority of the Borrower under the Financing Documents or of any subsequent user of the Project or requires a revision of the Financing Documents, the Credit Facility or subsequent agreement with respect to the Project shall not become effective unless and until the Borrower or such subsequent user, as the case may be, shall have given its written consent signed by its duly authorized Representative to such Supplemental Indenture.

Section 11.2. Amendments of Financing Documents Not Requiring Consent of Bondholders. The Authority and the Trustee may, without the consent of or notice to the Bondholders, consent to any amendment, change or modification of the Financing Documents for the purpose of curing any ambiguity or formal defect therein or which, in the judgment of the Trustee is not materially to the prejudice of the Trustee or the holders of the Bonds. The Trustee and the Authority shall have no liability to any Bondholder or any other person for any action taken by it in good faith pursuant to this Section.

Section 11.3. Amendments of Financing Documents Requiring Consent of Bondholders. Except as provided in Section 11.2 hereof, the Authority and the Trustee shall not consent to any amendment, change or modification of the Financing Documents, including the substitution of an assignee for the Borrower and the release of the Borrower from the obligations of the Financing Documents, without mailing of notice and the written approval or consent of the holders of not less than 66 2/3% in aggregate principal amount of the Bonds at the time Outstanding given and procured as in Section 10.3 hereof provided. If at any time the Borrower or a subsequent user of the Project shall request the consent of the Trustee to any such proposed amendment, change or modification, the Trustee shall cause notice of such proposed amendment, change or modification to be mailed in the same manner as is provided in Article X 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.

Section 11.4. Amendments of Financing Documents and the Credit Institution. No amendment, change or modification of the

Financing Documents may be adopted without the prior written consent of the Credit Institution.

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ARTICLE XII

DISCHARGE OF INDENTURE

Section 12.1. Defeasance. (A) If the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the holders of all Bonds the principal or Redemption Price, if applicable, interest and all other amounts due or to become due thereon or in respect thereof from Priority Amounts at the times and in the manner stipulated therein and in this Indenture, then the pledge of any revenues or receipts from or in connection with the Financing Documents or the Project under this Indenture and the estate and rights hereby granted, and all covenants, agreements and other obligations of the Authority to the Bondholders hereunder, shall thereupon cease, terminate and become void and be discharged and satisfied and such Bonds shall thereupon cease to be entitled to any lien, benefit or security hereunder except as to moneys or securities held by the Trustee or the Paying Agents as provided below in this subsection. At the time of such cessation, termination, discharge and satisfaction, (1) the Trustee shall deliver the Credit Facility to the Credit Institution as provided in Section 5.4 hereof upon written receipt therefor and if the Borrower shall pay or cause to be paid, or there shall otherwise be paid, to the Credit Institution all amounts due or to become due under the Letter of Credit Agreement or in respect thereof at the times and in the manner stipulated therein, the Trustee shall cancel and discharge the lien of this Indenture and execute and deliver to the Borrower all such instruments as may be appropriate to satisfy such liens and to evidence such discharge and satisfaction, and (2) the Trustee, the Authority and the Paying Agents, except as provided in Sections 5.9 and 5.10 hereof, shall pay over or deliver to the Borrower or on its order all moneys or securities held by them pursuant to the Indenture which are not required (a) for the payment of principal or Redemption Price, if applicable, of or interest on Bonds not theretofore surrendered for such payment or redemption, or (b) for the payment of all such other amounts due or to become due under the Financing Documents.

(B) Bonds or interest installments for the payment or redemption of which Priority Amounts (or direct obligations of or obligations guaranteed by the United States of America the principal of and interest on which when due together with the moneys, if any, set aside at the same time, which constitute Priority Amounts and will provide Priority Amounts sufficient for such payment or redemption) shall then be set aside and held in trust by the Trustee or Paying Agents, whether at or prior to the maturity or the redemption date of such Bonds, shall be deemed to have been paid within the meaning and with the effect expressed in subsection (A) of this Section, if (1) in case any such Bonds are to be redeemed prior to the maturity thereof, all action necessary to redeem such Bonds shall have been taken and notice

of such redemption shall have been duly given or provision satisfactory to the Trustee shall have been made for the giving of such notice, and (2) if the maturity or redemption date of any such Bond shall not then have arrived, provision shall have been made by deposit with the Trustee or other methods satisfactory to the Trustee for the payment to the holders of any such Bonds upon surrender thereof, whether or not prior to the maturity or redemption date thereof, of the full amount to which they would be entitled by way of principal or Redemption Price and interest to the date of such maturity or redemption, and provision satisfactory to the Trustee shall have been made for the mailing of a notice to the holders of such Bonds that such moneys are so available for such payment.

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ARTICLE XIII
THE REMARKETING AGENT

Section 13.1. Remarketing Agent - Appointment, Acceptance and Successors. (A) The Authority hereby appoints Deutsche Bank Capital Corporation as Remarketing Agent. The Remarketing Agent shall designate to the Trustee its principal office, and signify its acceptance of the duties and obligations imposed on it hereunder and acknowledge receipt of a copy of this Indenture by a written instrument of acceptance delivered to the Notice Parties within 30 days of its appointment.

(B) The Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least seventy-five days written notice to the Notice Parties, provided that no such notice within sixty days prior to the end of a Reset Period shall be effective unless a successor Remarketing Agent has been appointed. The Remarketing Agent may be removed at any time by the Authority at the direction of the Borrower by a written notice filed with such parties provided that no such removal shall be effective within sixty days prior to the end of Reset Period unless a successor Remarketing Agent has been appointed.

(C) If the Remarketing Agent's written acceptance is not timely delivered to the Trustee, or the position of Remarketing Agent shall become vacant for any reason, or if any bankruptcy, insolvency or similar proceeding shall be commenced by or against the Remarketing Agent, the Trustee shall notify the Authority of such fact and the Authority shall appoint a successor Remarketing Agent designated by the Borrower and acceptable to the Credit Institution to fill the vacancy. A written acceptance of office shall be filed by the successor Remarketing Agent in the manner set forth in Section 13.1(A) hereof. Any successor Remarketing Agent shall be an entity authorized by law to perform all of the duties imposed on it under this Indenture.

Section 13.2. Remarketing Agent - General Responsibilities. (A) The Remarketing Agent shall perform the duties and obligations set forth in this Indenture, and in particular shall:

(1) determine the Reset Rate to be borne by the Bonds for the Reset Period beginning on each Reset Date and perform the other duties of the Remarketing Agent in the manner and as described in Section 2.6 hereof;

(2) keep such books and records as shall be consistent with prudent industry practice and which will document its action taken hereunder, and make such books and records available for inspection by the Notice Parties; and

(3) comply at all times with all applicable state and federal securities laws and other statutes, rules and regulations applicable to the remarketing of the Bonds.

(B) In performing its duties and obligations hereunder the Remarketing Agent shall use the same degree of care and skill as a prudent person would exercise under the same circumstances in the conduct of such person's own affairs. The Remarketing Agent shall not be liable in connection with the performance of its duties hereunder except for its own willful misconduct, negligence or bad faith.

(C) The Remarketing Agent may deal in Bonds and with the Borrower to the same extent and with the same effect as provided with respect to the Trustee and Paying Agent in Section 9.7 hereof.

(D) The Authority and the Trustee shall each cooperate to cause the necessary arrangements to be made and thereafter continued whereby Bonds prepared, executed, authenticated and issued hereunder shall be made available to the Remarketing Agent to the extent necessary for delivery pursuant to Section 13.3 hereof and to otherwise enable the Remarketing Agent to carry out its duties hereunder.

(E) The Remarketing Agent hereby waives any right to, or lien on, any funds or obligations held by or owing to it by the Notice Parties pursuant to this Indenture. The Remarketing Agent shall be reimbursed and compensated for its fees and expenses for acting under and pursuant to this Indenture only from payments to be made by the Borrower pursuant to Section 3.2 of the Agreement.

Section 13.3. Remarketing Agent - Remarketing and Sale of Tendered Bonds. (A) The Remarketing Agent shall offer for sale and use its best efforts to sell, and may but shall not be obligated to place or underwrite the purchase of, all Bonds which are subject to mandatory tender for purchase on the applicable Reset Date at a price equal to the principal amount thereof and with an interest rate determined by the Remarketing Agent as provided in Section 2.6 and Section 13.5 hereof. The Remarketing Agent may establish such conditions as it deems appropriate to effect the underwriting, placement, purchase or sale of such Bonds.

(B) The Remarketing Agent shall not underwrite and/or place the purchase of or offer for sale or sell any Bonds upon the occurrence and continuation of any event of default of which it has received written notice from any of the Notice Parties. No Bond shall be remarketed except to a purchaser who agrees at

the time of such purchase to accept the subsequent Reset Rate. No Bond shall be remarketed to the Authority or the Borrower.

(C) By not later than 4:00 p.m., Jacksonville time, on the date which is five Business Days prior to the Reset Date, the Remarketing Agent shall give notice by telecommunication, promptly confirmed in writing, to the Notice Parties specifying the principal amount of the Bonds, if any, to be underwritten or sold by it pursuant to this Section.

(D) By not later than 11:00 a.m., Jacksonville time, on the date which is three Business Days prior to the Reset Date, the Remarketing Agent shall provide the Trustee with the names of the persons to whom such Bonds are to be sold and are to be registered, each such person's address and social security number or taxpayer identification number, the denominations in which replacement Bonds are to be prepared, and any other appropriate registration and transfer instructions.

Section 13.4. Remarketing Agent - Application of Proceeds from Sale of Remarketed Bonds. The payment for any Bonds which are in fact underwritten, placed, purchased or sold by the Remarketing Agent pursuant to Section 13.3 shall be deposited with the Trustee in immediately available funds no later than 3:00 p.m., Jacksonville time, on the Business Day preceding the applicable Reset Date. The Trustee shall deposit such funds into the Bond Purchase Fund.

Section 13.5. Remarketing Agent - Determination and Notice of Reset Date. The Remarketing Agent shall determine the Reset Rate to be borne by the Bonds for the Reset Period beginning on each Reset Date pursuant to and in accordance with Section 2.6 hereof. Notice of the Reset Rate so determined shall be given by telecommunication, promptly confirmed in writing, to the Notice Parties.

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ARTICLE XIV

GENERAL PROVISIONS

Section 14.1. Notices. Any notice, request, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by first class mail, or sent by telegram, addressed as follows: if to the Authority, at County Administration Building, Route 10, Box 85, County Road 16-A, St. Augustine, Florida, 32085, Attention: Chairman; if to the Borrower, at Route 209, Ellenville, New York 12428, Attention: President; if to the Credit Institution, at Nine West 57th Street, New York, New York 10019, Attention: International Department; if to the Remarketing Agent, at 40 Wall Street, New York, New York 10005, Attention: Corporate Finance Department; and if to the Trustee, at 801 Riverside Avenue, P. O. Box 40200, Jacksonville, Florida, 32203-0200, Attention: Corporate Trust Department (the foregoing being the "Notice Parties"). A duplicate copy of each notice required to be given hereunder by the Trustee to either the Authority or the Borrower shall also be given to the other. Any Notice Party may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 14.2. Payments Due on Non-Business Days. In any case where the date of maturity of interest on or principal of the Bonds or the date fixed for redemption of any Bonds shall be a day other than a Business Day, then payment of such amount shall 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 14.3. Effective Date; Counterparts. This Indenture shall become effective on delivery. It 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 14.4. Date for Identification Purposes Only. The date of this Indenture shall be for identification purposes only and shall not be construed to imply that this Indenture was executed as of any date other than the respective dates of the acknowledgements of the parties hereto.

IN WITNESS WHEREOF, St. Johns County Industrial Development Authority has caused these presents to be signed in its name and behalf by its duly authorized officers, and to evidence its acceptance of the trusts hereby created, Barnett Banks Trust Company, N.A. has caused these presents to be signed in its name and behalf by its duly authorized officer, all as of the date first above written.

ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

(SEAL)

By _____
Its Chairman

Attest:

Its Secretary

BARNETT BANKS TRUST
COMPANY, N.A.

By _____
Its _____

SJ24TI3

LOAN AGREEMENT

By and Between

ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

and

V.A.W. OF AMERICA, INCORPORATED

Dated as of June 1, 1989

Relating to:

\$5,680,000

ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT REVENUE REFUNDING BONDS
(V.A.W. OF AMERICA, INCORPORATED PROJECT)
SERIES 1989

Certain of the rights and interests of St. Johns County Industrial Development Authority in, to and under this Loan Agreement have been assigned to Barnett Banks Trust Company, N.A., as Trustee, under an Indenture of Trust, dated as of June 1, 1989, from the Authority to such Trustee.

This Instrument Prepared By:

Chauncey W. Lever, Jr., Esquire
Foley & Lardner
1700 First Union Building
200 West Forsyth Street
Jacksonville, Florida 32202
(904)356-2029

EXHIBIT II

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LOAN AGREEMENT

THIS LOAN AGREEMENT, made and dated as of June 1, 1989, by and between St. Johns County Industrial Development Authority, a public body corporate and politic of the State of Florida (the "Authority"), and V.A.W. of America, Incorporated, a New York corporation (the "Borrower");

WITNESSETH:

WHEREAS, the Authority is a public body corporate and politic of the State of Florida (the "State"), authorized under Chapter 159, Parts II and III, Florida Statutes, as amended (the "Act"), to finance the acquisition, construction, reconstruction, improvement, rehabilitation, renovation, expansion and enlargement, or additions to, furnishing and equipping of any capital project for any "manufacturing plant" (as such term is used in the Act), including land, rights in land, buildings and other structures, machinery, equipment, appurtenances and facilities incidental thereto, and other improvements necessary or convenient therefor, and to obtain funds to finance the cost thereof by the issuance of its revenue bonds, and to issue its revenue refunding bonds for the purpose of refunding any outstanding revenue bonds issued under the Act to finance the cost thereof, for the purposes of enhancing and expanding economic activity and economic development in St. Johns County (the "County") and in the State by encouraging manufacturing development, business enterprise management and other activities conducive to economic promotion, and for the purpose of increasing purchasing power and opportunities for gainful employment, advancing and improving the economic prosperity of the County and the State and its inhabitants, fostering the industrial and business development of the County, and otherwise providing for and contributing to the health, safety and welfare of the people of the State, and the Authority is further authorized by the Act to pledge and assign as security for the payment of the principal of, premium, if any, and interest on such bonds, any revenues derived by the Authority pursuant to financing agreements with respect to such projects;

WHEREAS, by resolution duly adopted by the Board of County Commissioners of the County on January 9, 1979, as amended and supplemented, the County authorized the issuance and sale of St. Johns County, Florida, Industrial Development Revenue Bonds (V.A.W. of America, Inc. Project), Series A and B, dated as of May 1, 1979, in the original principal amount of \$6,500,000 (the "Refunded Bonds"); on February 12, 1979 a final judgment was rendered in the Circuit Court for the Seventh Judicial Circuit in and for St. Johns County, Florida validating the Refunded Bonds; and on May 9, 1979, in furtherance of the purposes of the Act, the County issued the Refunded Bonds for the purpose of financing

the cost of the acquisition, construction and installation of the Project hereinafter described; and

WHEREAS, the proceeds derived from the sale of the Refunded Bonds were applied to the payment of the cost of the acquisition, construction and installation of the Project, and the County entered into an Installment Sale Agreement, dated as of May 1, 1979, with the Borrower, pursuant to which the County provided for the installment sale by the County to the Borrower of the Project and the Borrower agreed to pay installments upon the purchase price for the Project in amounts sufficient to pay the principal of, premium, if any, and interest on the Refunded Bonds as the same become due and payable; and

WHEREAS, the outstanding principal amount of the Refunded Bonds on the date of the execution and delivery of this Agreement is \$5,680,000; and

WHEREAS, the Borrower has requested the Authority to issue its revenue refunding bonds in the aggregate principal amount of \$5,680,000 for the purpose of financing a portion of the cost of refunding the outstanding Refunded Bonds; and

WHEREAS, based upon representations of the Borrower, the Authority has found and determined that the issuance by the Authority of its revenue refunding bonds for the purpose of refunding the Refunded Bonds, will constitute the carrying out of a vital public purpose, which will benefit and protect the health, safety and general welfare of the people of the State, and will serve one or more of the public purposes set forth above; and

WHEREAS, the Authority by resolution duly adopted on _____, 1989, in accordance with all requirements of law, has authorized the issuance and sale of \$5,680,000 aggregate principal amount of its "St. Johns County Industrial Development Authority Industrial Development Revenue Refunding Bonds (V.A.W. of America, Incorporated Project), Series 1989" (the "Bonds"), under and pursuant to the terms of an Indenture of Trust dated as of June 1, 1989 (the "Indenture"), by and between the Authority and Barnett Banks Trust Company, N.A., a national banking association, Jacksonville, Florida, as trustee (the Trustee); and

WHEREAS, on _____, 1989, the issuance of the Bonds was approved by the Board of County Commissioners of the County, which is the governing body of the County and consists of elected public officials, from which the Authority derives its authority to issue revenue bonds such as the Bonds, and which is deemed to be the applicable elected representative of the Authority; and

WHEREAS, by Final Judgment of Validation dated _____, 1989, entered in the proceedings styled St. Johns County Industrial Development Authority vs. State of Florida, et. al., Case No. _____ in the Circuit Court for the Seventh Judicial Circuit in and for St. Johns County, Florida, the Bonds were validated pursuant to Chapter 75, Florida Statutes, as amended; and

WHEREAS, in accordance with the applicable provisions of the Act and pursuant to this Agreement, the Authority will lend the proceeds derived from the issuance and sale of the Bonds to the Borrower to finance a portion of the cost of refunding the Refunded Bonds and thereby refinance a portion of the cost of the Project, and in consideration thereof the Borrower will (i) deliver to the Authority its promissory note dated the date of the Bonds (the "Note") in the principal amount of \$5,680,000 providing for payments sufficient to pay the principal of, premium, if any, and interest on the Bonds as the same become due and payable and (ii) deliver or cause to be delivered to the Trustee the amounts described in section 5.2(A) of the Indenture; and

WHEREAS, the Bonds are to be issued under and pursuant to and secured by the Indenture, pursuant to which this Agreement and the Note are being assigned by the Authority to the Trustee; and

WHEREAS, in order to further secure the Bonds, the Borrower concurrently with the execution hereof has delivered or caused to be delivered to the Trustee an Irrevocable Letter of Credit (the "Letter of Credit") issued by Deutsche Bank AG (the "Credit Bank"), acting through its New York Branch (the "Credit Bank"), for the account of the Borrower in favor of the Trustee as beneficiary on behalf of the holders of the Bonds; and

WHEREAS, the Borrower and the Credit Bank have entered into a Letter of Credit Agreement dated as of June 1, 1989, obligating the Borrower, among other things, to repay all amounts drawn on the Letter of Credit; and

WHEREAS, the Bonds shall be special obligations of the Authority, payable solely from the revenues or other receipts, funds or moneys to be derived by the Authority under this Agreement, or the Indenture and from any amounts otherwise available under the Letter of Credit or the Indenture for the payment of the Bonds; and

NOW, THEREFORE, in consideration of the premises and of the mutual representations, covenants and agreements herein set forth, the Authority and the Borrower, each binding itself, its successors and assigns, do mutually promise, covenant and agree as follows (provided that in the performance of the agreements of the Authority herein contained, any obligation it may incur for

the payment of money shall not be an obligation, debt or liability of the County, the State or any political subdivision thereof and neither the County, the State nor any political subdivision thereof shall be liable on any obligation so incurred, but any such obligation shall be payable solely out of the revenues or other receipts, funds or moneys to be derived by the Authority under this Agreement, or the Indenture and from any amounts otherwise available under the Letter of Credit or the Indenture for the payment of the Bonds):

[The next page is One-1]

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.1. Definitions. For the purposes of this Agreement, the following words and terms shall have the respective meanings set forth as follows, and any capitalized word or term used but not defined herein is used as defined in the Indenture:

"Act" means Chapter 159, Parts II and III, Florida Statutes, as amended, and other applicable provisions of law.

"Act of Bankruptcy," when used with respect to the Borrower or the Authority as the context indicates, means the filing of a petition in bankruptcy, or the commencement of another bankruptcy or similar proceeding, by or against the Borrower or the Authority under any applicable bankruptcy, insolvency, reorganization or similar law now or hereafter in effect.

"Act of Bankruptcy of the Credit Institution" means the Credit Institution shall become insolvent or bankrupt or fail to pay its debts generally as such debts become due or shall admit in writing its inability to pay any of its indebtedness or shall consent to or petition for or apply to any authority for the appointment of a receiver, liquidator or trustee or similar official for itself or for all or any substantial part of its properties or assets or any such trustee, receiver, liquidator or similar official is otherwise appointed or bankruptcy, insolvency, reorganization, arrangement or liquidation proceedings (or similar proceedings analogous in purpose and effect) shall be instituted by or against the Credit Institution.

"Agreement" means this Loan Agreement and any amendments and supplements hereto.

"1979 Agreement" means the Installment Sale Agreement, dated as of May 1, 1979, by and between the County and the Borrower.

"Alternative Credit Facility" means an Alternative Credit Facility which meets the requirements of Article III hereof.

"Authority" means St. Johns County Industrial Development Authority, a public body corporate and politic of the State, its successors and assigns.

"Authorized Representative" means, in the case of the Authority, the Chairman or the Secretary of the Authority and, in the case of the Borrower, the Chairman, President, Executive Vice President, Vice President, Treasurer or Secretary thereof, and,

when used with reference to the performance of any act, the discharge of any duty or the execution of any certificate or other document, any officer, employee or other person authorized to perform such act, discharge such duty or execute such certificate or other document.

"Bond" means any of the \$5,680,000 Industrial Development Revenue Refunding Bonds (V.A.W. of America, Incorporated Project), Series 1989, authorized and issued pursuant to Section 2.3 of the Indenture.

"Bondholder" or "holder" or words of similar import, when used with reference to Bonds, shall mean any person who shall be the registered owner of any Outstanding Bond.

"Borrower" means (i) V.A.W. of America, Incorporated, a New York corporation, and its successors and assigns, and (ii) any surviving, resulting or transferee corporation as provided in Section 6.1 hereof.

"Borrower Certificate" shall mean an affidavit of the chief financial officer of the Borrower to the effect that an Act of Bankruptcy of the Borrower has or has not occurred and, if an Act of Bankruptcy has occurred (i) the date thereof, (ii) whether such Act of Bankruptcy occurred by reason of the filing of a petition or the commencement of a proceeding by the Borrower, and (iii) whether or not such petition or proceeding has been dismissed by a dismissal which is final and not subject to appeal, and if so, the date of such dismissal.

"Business Day" means any day on which banks located in Jacksonville, Florida, and New York, New York, are not required or authorized by law to remain closed and on which the New York Stock Exchange, Inc. is not closed.

"Code" means the Internal Revenue Code of 1986, as amended.

"1954 Code" means the Internal Revenue Code of 1954, as amended and in effect on the day preceding the date of enactment of the Tax Reform Act of 1986.

"County" means St. Johns County, Florida.

"Credit Bank" means Deutsche Bank AG, New York Branch, the issuer of the Letter of Credit and a branch licensed to do business under the laws of the State of New York of a corporation organized under the laws of the Federal Republic of Germany, and its successors and assigns.

"Credit Facility" means the Letter of Credit or any Alternative Credit Facility.

"Credit Facility Expiration Redemption Date" means the date fifteen days before the date on which the Credit Facility expires in accordance with its terms.

"Credit Institution" means the Credit Bank or the issuer of any Alternative Credit Facility.

"Date of Issuance" means _____, 1989, being the date of the original issuance and delivery of the Bonds by the Authority.

"Debt Service Fund" means the special trust fund so designated, established pursuant to Section 5.1 of the Indenture.

"Determination of Taxability" means a determination that the interest income on any of the Bonds does not qualify as excludable from the gross income of the Holder thereof for federal income tax purposes ("exempt interest") under Section 103 of the Code and Section 103 of the 1954 Code, for any reason other than solely because such Holder is a Substantial User of the Project or a Related Person within the meaning of Section 103(b) of the 1954 Code, which determination shall be deemed to have been made upon the first to occur of the following: (i) the date on which the Borrower received an opinion of nationally recognized bond counsel which shall have advised the Borrower in writing either that interest on the Bonds is currently includable in gross income for federal income tax purposes or that such counsel cannot render its opinion without materially qualifying the same, to the effect that interest on the Bonds is currently excludable from gross income for federal income tax purposes; or (ii) the date on which any change in law or regulation becomes effective or on which the Internal Revenue Service has issued any private ruling, technical advice or any other written communication to the effect that the interest income on any of the Bonds does not qualify as exempt interest; or (iii) the date on which the Borrower shall receive notice from the Trustee in writing that the Trustee has been advised by the Holder of any Bond that the Internal Revenue Service has issued a thirty-day letter or other notice which asserts that the interest on such Bonds does not qualify as exempt interest; or (iv) the date on which the Trustee receives notice that the Borrower or the Authority has taken any action inconsistent with, or has failed to act consistently with, the tax-exempt status of the Bonds (unless the Trustee receives an opinion of nationally recognized bond counsel reasonably satisfactory to it that, notwithstanding such action or failure to act the interest on the Bonds continues to qualify as tax-exempt interest).

"Event of Default" means an Event of Default as defined in Section 7.1 hereof.

"Financing Documents" means (i) when used with respect to the Borrower, all documents and agreements executed and delivered by the Borrower as security for or in connection with the issuance of the Bonds, including this Agreement, the Note and all other documents and agreements executed and delivered by the Borrower in connection with any of the foregoing, and (ii) when used with respect to the Authority, any of the foregoing documents and agreements to which the Authority is a direct party. The Financing Documents do not include any documents or agreements to which the Borrower is not a direct party, including the Credit Facility, the Bonds or the Indenture. The Financing Documents also do not include the Letter of Credit Agreement.

"Indenture" means the Indenture of Trust, of even date herewith, by and between the Authority and the Trustee, together with all indentures supplemental thereto made and entered into in accordance therewith.

"Inducement Date" means January 9, 1979, being the date the Board of County Commissioners of the County adopted a resolution relating to the issuance of the Refunded Bonds and took "official action" with respect to the Project.

"Interest Payment Date" shall mean each date on which interest is payable on the Bonds as provided in Article II of the Indenture.

"Letter of Credit" means the Irrevocable Direct-Pay Letter of Credit, dated the date of delivery of the Bonds, in the form attached as Exhibit D hereto, issued by the Credit Bank for the account of the Borrower in favor of the Trustee as beneficiary on behalf of the holders of the Bonds.

"Letter of Credit Agreement" means the Letter of Credit Agreement, of even date herewith, by and between the Borrower and the Credit Bank, with respect to the Letter of Credit, and any similar agreement entered into with respect to any Alternative Credit Facility.

"Net Proceeds" when used with respect to any insurance or condemnation award, means the gross proceeds from such award less all expenses (including reasonable attorney's fees and any extraordinary expenses of the Trustee) incurred by the Trustee in the collection thereof.

"Note" means the promissory note of the Borrower to the Authority, dated the date of the Bonds, in the form attached as

Exhibit A hereto, and any amendments or supplements made in conformity with this Agreement and the Indenture.

"Outstanding", when used with reference to a Bond or Bonds, as of any particular date, means all Bonds which have been authenticated and delivered under the Indenture, except:

(i) any Bond cancelled by the Trustee because of payment or redemption prior to maturity or surrendered to the Trustee for cancellation;

(ii) any Bond (or portion of a Bond) for the payment or redemption of which there has been separately set aside and held in the Redemption Account either:

(a) moneys in an amount sufficient to effect payment of the principal or applicable Redemption Price thereof, together with accrued interest on such Bond to the payment or redemption date from Priority Amounts, which payment or redemption date shall be specified in irrevocable instructions given to the Trustee to apply such moneys to such payment on the date so specified; or

(b) obligations of the kind described in Section 12.1(B) of the Indenture in such principal amounts, of such maturities, bearing such interest and otherwise having such terms and qualifications as shall be necessary to provide moneys in an amount sufficient to effect payment of the principal or applicable Redemption Price of such Bond, together with accrued interest on such Bond to the payment or redemption date from Priority Amounts, which payment or redemption date shall be specified in irrevocable instructions given to the Trustee to apply such obligations to such payment on the date so specified; or

(c) any combination of (a) and (b) above;

(iii) Bonds in exchange for or in lieu of which other Bonds shall have been authenticated and delivered under Article III of the Indenture; and

(iv) any Bond deemed to have been paid as provided in Section 12.1(B) of the Indenture.

"Paying Agent" means any paying agent for the Bonds appointed pursuant to Section 9.1(B) of the Indenture (and may include the Trustee), and its successor or successors and any other corporation which may at any time be substituted in its place in accordance with the Indenture.

"Principal and Interest Account" means the special trust account of the Debt Service Fund so designated, established pursuant to Section 5.1 of the Indenture.

"Principal User" means any principal user of the Project within the meaning of Section 103(b)(6)(D) of the 1954 Code, including without limitation any person who is a greater-than-10-percent-owner (or if none, the person(s) who holds the largest ownership interest in the Project), lessee or user of more than 10% of the Project measured either by occupiable space or fair rental value under any formal or informal agreement or, under the particular facts and circumstances, anyone who is a principal customer of the Project. The term "principal customer" means any person who purchases output of the Project under a contract if the percentage of output taken or to be taken by such person multiplied by a fraction the numerator of which is the economic life of the Project, exceeds 10%. Co-owners or co-lessees who are shareholders in a corporation or who are collectively treated as a partnership subject to subchapter K under Section 761(a) of the 1954 Code are not treated as Principal Users merely by reason of their ownership of corporate or partnership interests.

"Priority Amounts" means (i) moneys drawn under the Credit Facility, (ii) moneys deposited in the Debt Service Fund pursuant to Section 5.5(C) of the Indenture or moneys deposited directly by the Borrower with the Trustee, in any such case, which moneys have been on deposit in the Debt Service Fund for at least 123 days during and prior to which no Act of Bankruptcy of the Authority or the Borrower shall have occurred, (iii) proceeds of the sale of refunding obligations, if in the opinion of nationally recognized counsel experienced in bankruptcy matters, the application of such moneys will not constitute a voidable preference in the event of an Act of Bankruptcy of the Authority or the Borrower, or (iv) proceeds from investment of moneys qualifying as Priority Amounts under clause (i), (ii) or (iii) above.

"Project" includes the Project Realty and the Project Equipment, and means the manufacturing facility, including land, buildings, equipment and related property and appurtenances, located in an unincorporated area of the County, at 200 Riviera Boulevard, St. Augustine, Florida, owned by the Borrower and used by the Borrower to manufacture aluminum products, including tubing, extrusions and conduit, and financed by the issuance of the Refunded Bonds.

"Project Enterprise" means the business of owning, operating and managing the Project as a manufacturing plant within the meaning of the Act.

"Project Equipment" means all personal property, goods, leasehold improvements, machinery, equipment, furnishings, furniture, fixtures, tools and attachments wherever located, acquired in whole or in part with the proceeds of the Refunded Bonds, and any additions and accessions thereto, substitutions therefor and replacements thereof, including without limitation the Project Equipment described in the Description of Project Equipment included as Exhibit C hereto.

"Project Realty" means the realty and other interests in the real property acquired in whole or in part from the proceeds of the Refunded Bonds, together with all replacements, improvements, extensions, substitutions, restorations and additions thereto, including without limitation the Project Realty described in the Description of Project Realty included as Exhibit B hereto.

"Redemption Price" means, when used with respect to a Bond or a portion thereof, the principal amount of such Bond or portion plus the applicable premium, if any, payable upon redemption or acceleration thereof pursuant to the Indenture.

"Refunded Bonds" means the St. Johns County, Florida, Industrial Development Revenue Bonds (V.A.W. of America, Inc. Project), Series A and B, dated as of May 1, 1979, issued in the original aggregate principal amount of \$6,500,000.

"Refunded Bonds Indenture" means the Trust Indenture dated as of May 1, 1979, between the County and Barnett Banks Trust Company, N.A., as trustee, under and pursuant to which the Refunded Bonds were issued.

"Refunded Bonds Issuance Date" means May 9, 1979, being the date the Refunded Bonds were issued and delivered by the County.

"Refunding Fund" means the special trust fund so designated, established pursuant to Section 5.1 of the Indenture.

"Related Person" means, with respect to any Principal User, a person which is a related person as defined in Section 103(b) of the 1954 Code by reference to Sections 267, 707(b) and 1563(a) of the 1954 Code, except that 50% is to be substituted for 80% in Section 1563(a).

"Renewal Fund" means the special trust fund so designated, established pursuant to Section 5.1 of the Indenture.

"Reset Date" means June 1, 1999, for the first Reset Period, and thereafter the date specified in the Remarketing

Agent's notice described in Section 2.6 of the Indenture, provided that the Reset Date shall be no later than the last Interest Payment Date which is at least 15 days prior to the date of expiration of the Credit Facility which will be in effect for the subsequent Reset Period.

"Reset Period" means each period beginning on a Reset Date and ending on the day immediately preceding the next subsequent Reset Date. The first Reset Period shall be 10 years. Each Reset Period thereafter shall be either (i) eight years or such lesser period ending on the maturity date of the Bonds, or (ii) such other period not exceeding the maturity date of the Bonds as the Remarketing Agent shall determine, provided that the Remarketing Agent shall have received an opinion of nationally recognized bond counsel to the effect that such change in the Reset Period will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

"Reset Rate" means the rate of interest on the Bonds in effect pursuant to the provisions of the Indenture at any date after any Reset Date.

"State" means the State of Florida.

"Substantial User" means any substantial user of the Project within the meaning of Section 103(b)(13) of the 1954 Code.

"Supplemental Indenture" means any indenture supplemental to the Indenture or amendatory of the Indenture, adopted by the Authority in accordance with Article X of the Indenture.

"Tax Incidence Date" means the date as of which interest on the Bonds becomes or became includable in the gross income of the recipient thereof (other than the Borrower or another Substantial User or Related Person) for federal income tax purposes for any cause, as determined by a Determination of Taxability.

"Term," when used with reference to this Agreement, means the term of this Agreement determined as provided in Article III hereof.

"Trustee" means Barnett Banks Trust Company, N.A., a national banking association, Jacksonville, Florida, and its successor or successors hereafter appointed in the manner provided in the Indenture.

Section 1.2. Interpretation. In this Agreement:

(A) The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Agreement,

refer to this Agreement, and the term "hereafter" means after, and the term "heretofore" means before, the date of this Agreement.

(B) Words of the masculine gender mean and include correlative words of the feminine and neuter genders and words importing the singular number mean and include the plural number and vice versa.

(C) Words importing persons include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons.

(D) Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

(E) Nothing contained in this Agreement shall be construed to cause the Borrower to become the agent for the Authority or the Trustee for any purpose whatsoever, nor shall the Authority or the Trustee be responsible for any shortage, discrepancy, damage, loss or destruction of any part of the Project wherever located or for whatever cause.

(F) All approvals, consents and acceptances required to be given or made by any person or party hereunder shall be at the sole reasonable discretion of the party whose approval, consent or acceptance is required.

(G) All notices to be given hereunder shall be given in writing within a reasonable time unless otherwise specifically provided.

(H) This Agreement shall be governed by and construed in accordance with the applicable laws of the State.

(I) If any provision of this Agreement shall be ruled invalid by any court of competent jurisdiction, the invalidity of such provision shall not affect any of the remaining provisions hereof.

(J) Any and all references to Redemption Price and redemption premium shall be consistent with the payment of only a single premium with respect to any redemption prior to maturity which premium shall be the highest premium applicable under the circumstances.

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ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1. Representations by the Authority. The Authority represents and warrants that:

(A) The Authority is a public body corporate and politic of the State duly organized and validly existing under the laws of the State.

(B) To finance a part of the cost of refunding the Refunded Bonds, and thereby refinance a part of the cost of the Project, in anticipation of the collection of the revenues to be received hereunder, the Authority has duly authorized the Bonds in the aggregate principal amount of \$5,680,000 to be issued upon the terms set forth in the Indenture, under the provisions of which certain of the Authority's rights and interest in, to and under this Agreement, the payments hereunder and rights of the Authority under the Note are pledged as security for the payment of the principal, Redemption Price, if any, of and interest on the Bonds.

(C) The Authority has not pledged and will not pledge or grant (except as provided in the Indenture) any security interest in, or assign any of its rights under, this Agreement or the payments or the revenues or income to be derived by the Authority hereunder for any purpose other than to secure the Bonds.

(D) To the extent within its reasonable control, the Authority will not knowingly engage in any activity which might result in the income of the Authority to be received hereunder becoming taxable to it or interest on the Bonds becoming taxable to the Holders under federal income tax laws.

(E) The Authority makes no representation or warranty that the Project is or will be adequate or sufficient for the purposes of the Borrower.

(F) The Authority has not been notified that it is in default or has been in default at any time since December 31, 1975, as to payment of principal or interest with respect to any obligations issued by the Authority.

Section 2.2. Representations by the Borrower. The Borrower represents and warrants that:

(A) The Borrower has been duly incorporated and validly exists as a corporation in good standing under the laws of the State of New York, is duly qualified to transact business as a corporation in good standing under the laws of the State and all

other jurisdictions necessary in the operation of its business, is not in violation of any provision of its certificate of incorporation or its bylaws, has power to enter into and perform the Financing Documents, and by proper corporate action has duly authorized the execution and delivery of the Financing Documents.

(B) The Financing Documents executed by the Borrower constitute valid and legally binding obligations of the Borrower, enforceable in accordance with their respective terms, except to the extent that their enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors, rights generally, and except to the extent that equitable remedies may not be granted by a court of competent jurisdiction.

(C) Neither the execution and delivery of the Financing Documents or the Letter of Credit Agreement by the Borrower, the consummation of the transactions contemplated thereby, nor the fulfillment by the Borrower of or compliance by the Borrower with the terms and conditions thereto is prevented or limited by or conflicts with or results in a breach of, or default under the terms, conditions or provisions of any contractual or other restriction on the Borrower, evidence of its indebtedness or agreement or instrument of whatever nature to which the Borrower is now a party or by which it is bound, or constitutes a default under any of the foregoing. No event has occurred and no condition exists which, upon the execution and delivery of any Financing Documents or the Letter of Credit Agreement by the Borrower, constitutes an Event of Default hereunder or an event of default thereunder or, but for the lapse of time or the giving of notice, would constitute an Event of Default hereunder or an event of default thereunder.

(D) There is no action or proceeding pending or, to the knowledge of the Borrower, threatened against the Borrower before any court, administrative agency or arbitration board that may materially and adversely affect the ability of the Borrower to perform its obligations under the Financing Documents by the Borrower and all authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery of the Financing Documents executed by the Borrower and in connection with the performance of the Borrower's obligations hereunder or thereunder have been obtained.

(E) The execution, delivery and performance of the Financing Documents by the Borrower and any other instruments delivered by the Borrower pursuant to the terms hereof or thereof are within the corporate powers of the Borrower and have been duly authorized and approved by the board of directors of the Borrower and are not in contravention of law or of the Borrower's

certificate of incorporation or bylaws, as amended to date, or of any undertaking or agreement to which the Borrower is a party or by which it is bound.

(F) The Project is included within the definition of a "project" in the Act. All costs of the Project paid from the proceeds of the Refunded Bonds constituted "costs" of a "project" within the meaning of the Act. The Borrower intends the Project to continue to be an authorized project under the Act during the Term of this Agreement.

(G) None of the proceeds of the Refunded Bonds were used directly or indirectly as working capital or to finance inventory.

(H) The Project is in compliance with all applicable federal, state and local laws and ordinances (including rules and regulations) relating to zoning, building, safety and environmental quality.

(I) The Borrower will not take or omit to take any action which action or omission will in any way cause the proceeds of the Bonds to be applied in a manner contrary to that provided in the Indenture and the Financing Documents as in force from time to time.

(J) The Borrower has not taken and will not take an action and knows of no action that any other person, firm or corporation has taken or intends to take, which would cause interest on the Bonds to be includable in the gross income of the recipients thereof for federal income tax purposes.

(K) The Borrower is not in default and has not been in default at any time since December 31, 1975, as to payment of principal or interest with respect to any obligations issued or guaranteed by the Borrower.

(L) The Borrower and the Credit Bank have entered into a Letter of Credit Agreement dated as of June 1, 1989, obligating the Borrower, among other things, to repay all amounts drawn on the Letter of Credit.

(M) The Borrower has taken all actions necessary to redeem the Refunded Bonds on the date of issuance and delivery of the Bonds. In the event the Refunded Bonds are not redeemed on such date, the Borrower will take all further actions necessary to cause redemption of the Refunded Bonds at the earliest possible date after issuance of the Bonds, but not later than November 1, 1989.

(N) All of the outstanding St. Johns County Industrial Development Authority Industrial Development Revenue Bonds (V.A.W. of America, Inc. Project), Series 1982, dated December

21, 1982, issued in the original aggregate principal amount of \$1,500,000, and all of the outstanding St. Johns County Industrial Development Authority Industrial Development Revenue Bonds (V.A.W. of America, Inc. Project), Series 1983, dated December 22, 1983, issued in the original aggregate principal amount of \$1,800,000, have been redeemed and none of said bonds are outstanding, and the mortgage and security agreements securing said bonds have been satisfied.

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ARTICLE III

THE LOAN

Section 3.1. Loan Clauses. (A) Subject to the conditions and in accordance with the terms of this Agreement, the Authority agrees to make a loan to the Borrower from the proceeds of the Bonds in the amount of \$5,680,000 and the Borrower agrees to borrow such amount from the Authority.

(B) The loan shall be made at the time of delivery of the Bonds and receipt of payment therefor by the Authority against receipt by the Authority of the Note duly executed and delivered to evidence the pecuniary indebtedness of the Borrower hereunder. As and for the loan the Authority shall deposit the proceeds of the Bonds into the Refunding Fund and such proceeds shall be applied to the refunding and discharge of the Refunded Bonds as provided in the Indenture. The Borrower agrees to pay to the Trustee on the date of issuance and delivery of the Bonds for deposit into the Refunding Fund the funds to be contributed by the Borrower that are described in Section 5.2(A) of the Indenture.

(C) Until the principal or Redemption Price, if any, of and interest on the Bonds shall have been fully paid or provision for the payment thereof from Priority Amounts shall have been made in accordance with the Indenture, the Borrower shall make loan payments to the Trustee for the account of the Authority in an amount which, when added to any moneys then on deposit in the Debt Service Fund and available therefor which shall be Priority Amounts on such due date with respect to the Bonds as provided in Section 5.3 of the Indenture, shall be equal to the amount payable on each due date for payments with respect to the Bonds, including amounts due for the payment of the principal or Redemption Price, if any, of and interest on the Bonds. In addition, the Borrower shall pay to the Trustee, as and when the same shall become due, all other amounts due the Trustee under the Financing Documents, together with interest thereon at the then applicable rate as set forth herein or therein. The Borrower shall have the option to prepay its loan obligation in whole or in part at the times and in the manner provided in Article VIII hereof.

(D) Anything herein to the contrary notwithstanding, any amount at any time held in the Principal and Interest Account of the Debt Service Fund by the Trustee pursuant to this Section shall be credited against the next succeeding loan payment obligation of the Borrower as provided in Section 3.1(C) hereof. If, on any due date for payments with respect to the Bonds, the balance in the Debt Service Fund is insufficient to make such payments, the Borrower agrees forthwith to pay the amount of the deficiency. If at any time the amount held by the Trustee in the Debt Service Fund shall be sufficient to pay or provide for the payment of the Bonds in accordance with Section

12.1 of the Indenture, the Borrower shall not be obligated to make any further payments under the foregoing provisions.

(E) The Borrower is also responsible and shall make all payments necessary with respect to the payment of Bonds subject to redemption on a Reset Date pursuant to Section 2.6 of the Indenture.

Section 3.2. Other Amounts Payable. (A) The Borrower hereby further expressly agrees to pay to the Trustee as and when the same shall become due (1) an amount equal to the initial and annual fees of the Trustee for the ordinary services of the Trustee rendered and its ordinary expenses incurred under the Indenture, including fees and expenses as registrar and in connection with preparation of new Bonds upon exchanges or transfers, including reasonable counsel fees, (2) the reasonable fees and charges of the Trustee and any Paying Agents on the Bonds for acting as paying agents as provided in the Indenture, including reasonable counsel fees, (3) the reasonable fees and charges of the Trustee for extraordinary services rendered by it and extraordinary expenses incurred by it under the Indenture, including reasonable counsel fees, (4) the reasonable fees and charges of the Remarketing Agent, and (5) the fees and expenses incurred by reason of using a Book Entry System for the Bonds.

(B) The Borrower also agrees to pay all amounts payable by it under the Financing Documents at the time and in the manner therein provided.

(C) The Borrower also agrees to pay all reasonable costs and expenses of the Authority in connection with the issuance of the Bonds and the reasonable fees and expenses of the Authority's counsel and bond counsel pertaining to the issuance of the Bonds.

Section 3.3. Manner of Payment. The payments provided for in Section 3.1 hereof shall be made by any reasonable method providing immediately available funds at the time and place of payment directly to the Trustee for the account of the Authority and shall be deposited in the Debt Service Fund. The additional payments provided for in Section 3.2 shall be made in the same manner directly to the entitled party or to the Trustee for its own use or disbursement to the Paying Agents, as the case may be.

Section 3.4. Obligation Unconditional. The obligations of the Borrower under the Financing Documents shall be absolute and unconditional, irrespective of any defense or any rights of setoff, recoupment or counterclaim it might otherwise have against the Authority or the Trustee. The Borrower will not suspend or discontinue any such payment or terminate this Agreement (other than in the manner provided for hereunder) for any cause, including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration,

failure of title, or commercial frustration of purpose, or any damage to or destruction of the Project, or the taking by eminent domain of title to or the right of temporary use of all or any part of the Project, or any change in the tax or other laws of the United States, the State or any political subdivision of either thereof, or any failure of the Credit Institution to make payments under the Credit Facility, or any failure of the Authority or the Trustee to perform and observe any agreement or covenant, whether expressed or implied, or any duty, liability or obligation arising out of or connected with the Financing Documents.

Section 3.5. Security Clauses. (A) The Authority hereby notifies the Borrower and the Borrower acknowledges that, among other things, the Borrower's loan payments and all of the Authority's right, title and interest under the Financing Documents to which it is a party (except its rights (1) providing that notices, approvals, consents, requests and other communications be given to the Authority (2) to enforce in its own name and for its own account the provisions of Sections 4.2, 4.3 and 6.2 hereunder, and (3) regarding its limited liability and right to indemnification hereunder) are being concurrently with the execution and delivery hereof endorsed, pledged and assigned without recourse by the Authority to the Trustee as security for the Bonds as provided in the Indenture.

(B) From time to time, at the request of the Authority or the Trustee, the Borrower shall obtain, execute and deliver one or more instruments, and shall do all other acts and things, as the Authority or the Trustee deems necessary or desirable in order to effectuate the transactions contemplated hereby.

Section 3.6. Issuance of Bonds. The Authority has concurrently with the execution and delivery hereof sold and delivered the Bonds under and pursuant to a resolution duly adopted by the Authority on _____, 1989, authorizing their issuance under and pursuant to the Indenture. The proceeds of sale of the Bonds shall be applied as provided in Articles IV and V of the Indenture.

Section 3.7. Effect of Drawings or Realizations under Credit Facility. The payment obligations of the Borrower under this Agreement and the Note shall be completely satisfied to the extent of all drawings made under or other realizations upon the Credit Facility for the purpose of satisfying such obligations.

Section 3.8. Letter of Credit. (A) On the delivery date of the Bonds the Borrower shall have caused the Letter of Credit to be delivered to the Trustee for the benefit of the holders of the Bonds. Upon the initial delivery of the Letter of

Credit, and at all times thereafter until no Bonds remain Outstanding, the Borrower shall continuously provide for payment of the principal, premium, if any, and one hundred five (105) days' interest on the Bonds by maintaining in favor of the Trustee, for the benefit of the holders of the Bonds, the Letter of Credit or an Alternative Credit Facility. The Credit Facility shall not expire prior to the first to occur of the following: (1) the date that is fifteen days after the next succeeding Reset Date, (2) the date on which no Bonds remain Outstanding, (3) the date on which the Trustee receives the full amount of the final drawing permitted to be made under the Credit Facility, (4) the effective date of a qualifying Alternative Credit Facility, or (5) the date specified by the Credit Institution in a notice to the Trustee, which date shall be not less than ten days after receipt of such notice by the Trustee, to the effect that an Event of Default has occurred and is continuing under the Letter of Credit Agreement.

(B) A letter of credit shall qualify as an "Alternative Credit Facility" if, but only if, it is issued for the purpose of replacing the Letter of Credit or another Credit Facility and fully satisfies all of the following criteria:

(1) Each and every Alternative Credit Facility must be issued by a commercial bank organized and doing business in the United States or a branch or agency of a foreign commercial bank located in the United States and subject to regulation by state or federal banking regulatory authorities;

(2) The bank which issues each and every Alternative Credit Facility must be a bank that has then outstanding long-term debt (or if such bank then has no outstanding long-term debt, the parent corporation of which then has outstanding long-term debt or commercial paper) rated AA or higher by Standard & Poor's Corporation ("S&P") or bearing a comparable rating by Moody's Investors Service, Inc. ("Moody's"), in each case, without regard to substantive rating gradations;

(3) Each and every Alternative Credit Facility must be in a face amount equal to the principal amount of the Bonds Outstanding, plus any required premium not exceeding 4% which may be payable on such Bonds, plus one hundred five (105) days' interest on such Bonds, must be in form and substance substantially identical to the Credit Facility for which it is substituted and reasonably acceptable to the Trustee, and must permit the Trustee to draw upon the issuing bank on demand the amounts, at the times, for the purposes and in the manner provided for the Credit Facility for which it is substituted;

(4) Each and every Alternative Credit Facility must expire no earlier than the expiration date provided in the Credit Facility for which it is substituted; and

(5) Each and every Alternative Credit Facility must be accompanied by an opinion of counsel reasonably satisfactory to the Trustee addressed to the Trustee to the effect that:

(a) such Alternative Credit Facility is a legal, valid and binding obligation of the issuing bank enforceable against the issuing bank in accordance with its terms, except to the extent that the enforcement of such obligation may be limited by laws related to the bankruptcy or reorganization of such issuing bank or by other similar laws of general application affecting the rights of the creditors of said issuing bank;

(b) such issuing bank is duly organized and existing under the National Bank Act or the laws of the jurisdiction of its incorporation;

(c) such Alternative Credit Facility qualifies as an obligation which such issuing bank is permitted to issue under the National Bank Act or the laws of the jurisdiction of its incorporation;

(d) payments on the Bonds from Priority Amounts, including the proceeds of a drawing on the Alternative Credit Facility of such issuing bank, will not involve a transfer avoidable under the Federal Bankruptcy Code or under any other law or regulation concerning insolvency, reorganization or bankruptcy in the event of a bankruptcy or insolvency of the Borrower or the Authority; and

(e) the substitution of such Alternate Credit Facility for the Credit Facility for which it is substituted will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

(C) The Borrower shall have the right to provide to the Trustee an Alternative Credit Facility (1) in the event of an Act of Bankruptcy of the Credit Institution, (2) in any case where (a) the Alternative Credit Facility matures fifteen days after the next succeeding Reset Date and (b) the Credit Institution issuing such Alternate Credit Facility is a commercial bank the long-term debt rating of which is "AAA" by S&P or "Aaa" by Moody's,

or (3) on each Reset Date, and only in these specified circumstances. Any such Alternative Credit Facility shall be delivered in the time and manner required by the Indenture in each such circumstance.

Section 3.9. Effective Date and Term. (A) This Agreement shall become effective upon its execution and delivery by the parties hereto, shall remain in full force from such date and, subject to the provisions hereof (including particularly Articles VI and VIII), shall expire on such date as the Indenture shall be discharged and satisfied in accordance with the provisions of Section 12.1(A) thereto. The Borrower's obligations under Section 6.2 hereof, however, shall survive the expiration of this Agreement.

(B) Within a reasonable time of such expiration the Authority shall deliver to the Borrower any documents and take or cause the Trustee to take any such actions as may be necessary to effect the cancellation, release and satisfaction of the Indenture and the Financing Documents.

Section 3.10. Payment of Purchase Price of Tendered Bonds. The Borrower hereby approves and agrees to be bound by the provisions of the Indenture regarding the purchase, offer, sale and delivery of Bonds tendered for purchase thereunder, including particularly those set forth in Section 2.6 and in Article XIII thereof. The Borrower shall have all of the rights and obligations provided in the Indenture with respect to the Borrower in connection with such transactions. The Authority shall have no obligations or responsibility with respect to the purchase of Bonds or any related arrangements except that the Authority at the expense of the Borrower shall cooperate in the making of any such appointments.

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ARTICLE IV

THE PROJECT

Section 4.1. Maintenance of Project by Borrower. The Borrower agrees that throughout the Term of this Agreement it will, at its own expense, as independent contractor and not as agent of the Authority, (i) operate, repair and maintain the Project, (ii) keep the Project in as reasonably safe condition as its operations shall permit, and (iii) keep the Project Realty and the Project Equipment and all other improvements forming a part of the Project in good repair and in good operating condition, normal wear and tear and obsolescence excepted, making from time to time all necessary repairs thereto and renewals and replacements thereof.

Section 4.2. Use of Project and Conduct of Project Enterprise. The Borrower covenants that it will use the Project solely for the Project Enterprise for so long as there shall be Bonds Outstanding. Notwithstanding such covenant, the Borrower with the prior approval of the Authority and the Trustee shall have the right to use the Project for any lawful purpose which in the opinion of bond counsel will not affect adversely the validity of the Bonds or the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

Section 4.3. Taxes, Licenses, Utilities and Governmental Charges. The Borrower agrees to pay promptly, as and when the same shall become due and payable, each and every lawful cost, expense and obligation of every kind and nature, foreseen or unforeseen, for the payment of which the Authority or the Borrower is or shall become liable by reason of its estate or interest in the Project or in any portion thereof, or by reason of or in any manner connected with or arising out of the possession, operation, maintenance, alteration, repair, rebuilding, use or occupancy of the Project or any part thereof, and any and all documentary stamp taxes and intangible taxes on or with respect to the Bonds, this Agreement, the Note and the Indenture, or on or with respect to any assignments thereof by the Authority to the Trustee (including any interest and penalties for nonpayment thereof when due, if any). The Borrower also agrees to pay and discharge, promptly as and when the same shall become due and payable, all lawful real estate taxes, personal property taxes, business and occupation taxes, occupational license taxes, assessments for public improvements or benefits and all other lawful governmental taxes, impositions and charges of every kind and nature, ordinary or extraordinary, general or special, foreseen or unforeseen, whether similar or dissimilar to any of the foregoing, and all applicable interest and penalties thereon, if any, which at any time shall be or become due and payable and which

shall be lawfully levied, assessed or imposed upon or with respect to, or which shall be or become liens upon, the Project or any portion thereof or any interest of the Borrower therein. The Borrower also agrees to pay or cause to be paid all lawful charges for and connection fees or permits for connection to gas, water, sewer, electricity, light, heat, power, telephone and other utility and service used, rendered or supplied to, upon or in connection with the Project. The Borrower agrees that the Authority is not, nor shall it be, required to furnish free of charge to the Borrower or any other occupant of the Project, any gas, water, sewer, electricity, light, heat, power or other facilities, equipment, labor, materials or service of any kind.

The Borrower shall not be required to pay any such tax, assessment, governmental charge or utility charge referred to in this Section, so long as the Borrower shall contest or there shall be contested on the Borrower's behalf, in good faith and at the Borrower's own cost and expense, the amount or validity thereof, in an appropriate manner or by appropriate proceedings which shall operate during the pendency thereof to prevent the collection of or other realization upon the tax, assessment, levy, fee, rent, charge, lien or encumbrance so contested, and the sale, forfeiture, or loss of the Project or any part thereof or interest therein, to satisfy the same; provided, that no such contest shall subject the Authority, the Trustee or any owner of the Bonds to the risk of any liability. Each such contest shall be promptly prosecuted to final conclusion (subject to the right of the Borrower to settle any such contest), and in any event the Borrower will save the Authority, the Trustee and all owners of the Bonds harmless against all taxes, including any interest and penalties with respect thereto, required to be paid by the Borrower hereunder, and all losses, judgments, decrees and costs (including attorneys' fees and expenses in connection therewith) and will, promptly after the final determination of such contest or settlement thereof, pay and discharge the amounts which shall be levied, assessed or imposed or determined to be payable therein, together with all penalties, fines, interest, costs and expenses thereon or in connection therewith. The Borrower shall give the Authority and Trustee prompt written notice of any such contest.

Section 4.4. No Warranty Regarding Condition or Suitability. Neither the Authority nor the Trustee, nor any Bondholder makes any warranty, either expressed or implied, as to the Project or its condition or that it is or will continue to be suitable for the Borrower's purposes or needs.

Section 4.5. Insurance. The Borrower agrees, both generally and specifically with respect to the Project, that it will continuously insure against such risks in such amounts as are customarily insured against by businesses of like size similarly situated including, but not limited to hazard insurance in an

amount equal to 100% of replacement cost of the Project, such insurance naming the Trustee as loss payee, and liability and flood insurance. Such insurance may be obtained (i) by the purchase of insurance policies (including blanket policies covering multiple risks) issued by reputable insurance companies authorized and qualified to underwrite such risks, or (ii) by means of an adequate insurance fund set aside and maintained out of its earnings (including arrangements of such character with other companies for insurance trusts and similar devices), or (iii) any combination thereof without limiting the generality of the foregoing, the Borrower agrees that it shall take out and continuously maintain in effect insurance policies meeting the following minimum specifications:

(a) insurance to the extent of the full replacement value of the Project against loss or damage by fire, with standard extended coverage endorsements and with loss payable endorsements in favor of the Authority and the Trustee as their interests may appear;

(b) insurance against liability for personal injury including the death of persons resulting from injuries occurring on or in any way related to the Project in the minimum amount of \$1,000,000 per occurrence, and for damage to property occurring on or in any way relating to the Project in the minimum amount of \$500,000 per occurrence, with endorsements naming the Authority and the Trustee as additional insureds;

(c) flood insurance in the maximum available amount;
and

(d) such other or additional insurance as the Trustee may require.

All insurance policies required under this Section 4.5 shall be taken out and maintained with generally recognized responsible insurance companies, qualified under the laws of the State to assume the respective risks undertaken and may be written with deductible amounts, co-insurance features and exceptions and exclusions comparable to those on similar policies carried by other companies similarly situated and acceptable to the Trustee. All policies evidencing the insurance required by this Section 4.5 shall be deposited with the Trustee, or in lieu thereof the Borrower may deposit with the Trustee a certificate or certificates of the respective insurers attesting the fact that such insurance is in force and effect. The Borrower shall, upon request of the Trustee, make available for inspection by representatives of the Trustee the original insurance policies herein required. Each policy of insurance required by this Section 4.5 shall contain a provision that it is noncancellable by the insurer except upon at least 30 days' prior written notice to the Borrower and the Trustee.

Prior to the expiration or cancellation of any policy required by this Section 4.5, the Borrower will furnish to the Trustee satisfactory evidence that such policy has been renewed or replaced by another policy or policies which cover not only the Project but other properties owned or leased by the Borrower which policies may contain comparable deductible amounts, co-insurance features and exceptions and exclusions to those permitted above.

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ARTICLE V

CONDEMNATION,
DAMAGE AND DESTRUCTION

Section 5.1. No Abatement of Payments Hereunder. If the Project Realty or the Project Equipment shall be damaged or either partially or totally destroyed, or if title to or the temporary use of the whole or any part thereof shall be taken or condemned by a competent authority for any public use or purpose, there shall be no abatement or reduction in the amounts payable by the Borrower hereunder and the Borrower shall continue to be obligated to make such payments. In any such case the Borrower shall promptly give written notice thereof to the Authority and the Trustee.

Section 5.2. Project Disposition Upon Condemnation, Damage or Destruction. (A) In the event of any such condemnation, damage or destruction the Borrower shall:

(1) At its own cost, repair, restore or reconstruct the Project Realty and the Project Equipment to substantially its condition immediately prior to such event or to a condition of at least equivalent value, regardless of whether or not the proceeds of any and all policies of insurance covering such damage or destruction, or the amount of the award or compensation or damages recovered on account of such taking or condemnation, shall be available or sufficient to pay the cost thereof;

(2) At its own cost, replace or relocate the Project Realty and the Project Equipment at its site in such fashion as to render the replacement or relocated structures, improvements and items, machinery, equipment or other property of equivalent value to the Project Realty and the Project Equipment immediately prior to such event; or

(3) If and as permitted by Section 8.1 hereof, exercise its option to prepay its loan obligation in full.

(B) Any repair, restoration, reconstruction, replacement or relocation of the Project Realty and the Project Equipment shall be subject to the condition that it will not cause a violation of the provisions of Section 6.4 hereof.

Section 5.3. Application of Net Proceeds of Insurance or Condemnation. (A) The Net Proceeds from any insurance or condemnation award with respect to the Project Realty or the Project Equipment shall be deposited in the Renewal Fund and either

(1) applied to pay for the cost of making such repairs, restorations, reconstructions, replacements or relocations, or to reimburse the Borrower, the Authority or the Trustee for payment therefor from time to time as provided in the Indenture, or (2) if prepayment of the loan obligation is then permitted and the Borrower exercises its option to do so, transferred to the Redemption Account in the Debt Service Fund and applied to the redemption of the Bonds, with credit given against the loan obligation in the amount so applied.

(B) Notwithstanding the provisions of subsection (A) of this Section, any insurance or condemnation proceeds attributable to improvements, machinery, equipment and other property installed in or about the Project Realty and the Project Equipment, but which do not constitute a portion of the Project Realty and the Project Equipment, shall be paid directly to the Borrower. The Trustee and the Authority agree to execute such documents as may be reasonably necessary to accomplish the purposes of this subsection.

(C) The Borrower, the Authority and the Trustee shall cooperate and consult with each other in all matters pertaining to the settlement or adjustment of any and all claims and demands for damages on account of any taking or condemnation of the Project Realty or the Project Equipment or pertaining to the settlement, compromising or arbitration of any claim on account of any damage or destruction thereof.

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ARTICLE VI

COVENANTS

Section 6.1. The Borrower to Maintain its Corporate Existence; Conditions Under Which Exceptions Permitted. (A) The Borrower covenants and agrees that during the Term of this Agreement it will maintain its corporate existence, will continue to be a corporation either organized under the laws of or duly qualified to do business as a foreign corporation in the State and in all jurisdictions necessary in the operation of its business, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it.

(B) The Borrower may, however, without violating the agreements contained in this Section, consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it, or sell or otherwise transfer to another corporation all or substantially all of its assets as an entity and thereafter liquidate or dissolve, with the prior written consent of the Authority, if (1) the Borrower is the surviving, resulting or transferee corporation, as the case may be, or (2) in the event the Borrower is not the surviving, resulting or transferee corporation, as the case may be, such corporation (a) is a solvent corporation either organized under the laws of or duly qualified to do business as a foreign corporation subject to service of process in the State and (b) assumes in writing all of the obligations of the Borrower herein and under the Note.

Section 6.2. Indemnification, Payment of Expenses and Advances. (A) The Borrower agrees to protect, defend and hold harmless the Trustee, the Paying Agent, the Authority, the County, the State, members, servants, agents, officers and employees, now or forever, of the Trustee, the Paying Agent, the Authority, the County or the State (each an "Indemnified Party") from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever, arising or purportedly arising from or in connection with the Financing Documents, the Indenture, the Bonds, or the transactions contemplated thereby or actions taken thereunder by any person (including without limitation any statement, information or certificate furnished by the Borrower to any Indemnified Party which is misleading, untrue or incorrect in any material respect or the filing of any information, form or statement with the Internal Revenue Service).

(B) The Borrower agrees that the Indemnified Parties shall not be liable for, and agrees to defend and hold each Indemnified Party harmless against, (i) any errors or omissions of any nature whatsoever contained in any legal proceedings or other official representation or inducement made by the Authority or the County pertaining to the Bonds, and (ii) any fraud or misrepresentations or omissions contained in the proceedings of the Authority or the County relating to the issuance of the Bonds or pertaining to the financial condition of the Borrower which, if known to the original purchaser of the Bonds, might be considered a material factor in its decision to purchase the Bonds.

(C) The Borrower agrees that the Indemnified Parties shall not be liable for, and agrees to defend and hold each Indemnified Party harmless against, (i) any damage or injury to the persons or property of the Borrower or its members, officers, agents, servants or employees, or any other person who may be about the Project Realty and the Project Equipment due to any act or omission of any person, and (ii) any injury to or death of any person or damage to property in or upon the Project or growing out of or connected with the use, non-use, condition or occupancy of the Project or any part thereof.

(D) The Borrower releases each Indemnified Party from, agrees that no Indemnified Party shall be liable for, and agrees to hold each Indemnified Party harmless against any attorney fees, expenses or damages incurred because of any investigation, review or lawsuit commenced by Bondholders, the Trustee, or the Authority in good faith with respect to the Financing Documents, the Indenture, the Bonds and the Project Realty and the Project Equipment, and the Authority shall promptly give written notice to the Borrower with respect thereto.

(E) All covenants, stipulations, promises, agreements and obligations of the Authority and the Trustee contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Authority and the Trustee and not of any member, officer or employee of the Authority or the Trustee in his or her individual capacity, and no recourse shall be had for the payment of the Bonds or for any claim based thereon or hereunder against any member, officer or employee of the Authority or the Trustee or any natural person executing the Bonds.

(F) In case any action shall be brought against one or more of the Indemnified Parties based upon any of the above and in respect of which indemnity may be sought against the Borrower, such Indemnified Party shall promptly notify the Borrower in writing, enclosing a copy of all papers served, but the omission so to notify the Borrower of any such action shall not relieve the Borrower of any liability which it may have to any Indemnified Party otherwise than under this Section 6.2. In case any such action shall be brought against any Indemnified Party and it shall

notify the Borrower of the commencement thereof, the Borrower shall be entitled to participate in and to assume the defense thereof with counsel satisfactory to such Indemnified Party, and after notice from the Borrower to such Indemnified Party of the Borrower's assumption of the defense thereof, the Borrower shall not be liable to such Indemnified Party for any legal or other defense expenses, other than reasonable costs of investigation subsequently incurred by such Indemnified Party in connection with the defense thereof. The Indemnified Party shall have the right to employ its own counsel in any such action, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party unless (1) the employment of counsel by such Indemnified Party has been authorized by the Borrower, (2) the Indemnified Party shall have reasonably concluded that there may be a conflict of interest between the Borrower and the Indemnified Party in the conduct of the defense of such action (in which case the Borrower shall not have the right to direct the defense of such action on behalf of the Indemnified Party) or (3) the Borrower shall not in fact have employed counsel reasonably satisfactory to the Indemnified Party to assume the defense of such action.

(G) The Borrower also agrees to pay all reasonable or necessary out-of-pocket expenses (including counsel fees) of the Authority in connection with the issuance of the Bonds, the administration of the Financing Documents and the enforcement of its rights thereunder.

(H) In the event the Borrower fails to pay any amount or perform any act under the Financing Documents, the Trustee or Authority may pay the amount or perform the act, in which event the costs, disbursements, expenses and reasonable counsel fees thereof, together with interest thereon from the date the expense is paid or incurred at the prime interest rate generally prevailing among banks in the State on the date of the advance plus 2% shall be an additional obligation hereunder payable on demand by the Authority or the Trustee.

(I) Any obligation of the Borrower under this Section, notwithstanding any other provisions contained in the Financing Documents, shall survive the termination of this Agreement and shall be recourse to the Borrower, and for the enforcement thereof the Authority shall have recourse to the general credit of the Borrower.

Section 6.3. Payments Upon Taxability. (A) If any Bondholder receives from the Internal Revenue Service a notice of assessment and demand for payment with respect to interest on any Bond (except a notice and demand based upon the assertion that the Bondholder is a Substantial User or Related Person), an appeal

may be taken by the Bondholder at the option of either the Bondholder or the Borrower. In either case all expenses of the appeal including reasonable counsel fees shall be paid by the Borrower, and the Bondholder and the Borrower shall cooperate and consult with each other in all matters pertaining to any such appeal, except that no Bondholder shall be required to disclose or furnish any nonpublicly disclosed information, including, without limitation, financial information and tax returns. Before the taking of any appeal, however, the Bondholder shall have the right to require the Borrower to pay the tax assessed and conduct the appeal as a contest for reimbursement.

(B) Not later than thirty days following a Determination of Taxability, the Borrower shall pay to the Trustee an amount sufficient, when added to the amount then in the Debt Service Fund and available for such purpose, to retire and redeem all Bonds then Outstanding, in accordance with Section 2.4 of the Indenture.

(C) In the event that any Bonds are paid at maturity, or in the event any Bonds are purchased by the Borrower, or purchased by the Trustee pursuant to Section 5.3(C) of the Indenture subsequent to the Tax Incidence Date without the Bondholder entitled thereto receiving payment of an amount at least equal to the applicable Redemption Price thereof, plus accrued interest to the redemption date at the rate applicable following a Determination of Taxability, and other amounts required to be paid hereunder, the Borrower shall, promptly upon receipt from the Trustee of a notice to that effect, pay to the Trustee for payment to the former Bondholders entitled thereto an amount equal to the difference between the amount actually applied to the payment, purchase or redemption of such Bonds and the applicable Redemption Price thereof, plus accrued interest to the redemption date at the rate applicable following a Determination of Taxability, and other amounts required to be paid hereunder.

(D) The obligation of the Borrower to make the payments provided for in this Section shall be absolute and unconditional, and the failure of the Authority or the Trustee to execute or deliver or cause to be delivered any documents or to take any action required under the Agreement or otherwise shall not relieve the Borrower of its obligation under this Section. Notwithstanding any other provision of this Agreement or the Indenture, the Borrower's obligations under this Section shall survive the termination of this Agreement and the Indenture.

Section 6.4. Public Purpose Covenants. The Borrower further covenants and agrees that it will, throughout the term of this Agreement (A) comply with all applicable laws, regulations, ordinances, rules, and orders relating to the Project Realty or the Project Equipment, (B) maintain and insure the Project Realty

and the Project Equipment and pay all taxes, payments-in-lieu-of-taxes, assessments and other governmental charges in accordance with the Financing Documents, (C) not cause or permit the Project Realty or the Project Equipment to become or remain a public nuisance, (D) not allow any change in the nature of the occupancy, use or operation of the Project Realty or the Project Equipment except as provided in Section 4.2 hereof, and (E) not sell, assign, convey, lease or otherwise dispose of its interest in the Project Realty or the Project Equipment without the prior written consent of the Authority.

Section 6.5. Further Assurances and Corrective Instruments. The Authority and the Borrower agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project Realty or the Project Equipment or for carrying out the intention of or facilitating the performance of this Agreement. The Borrower shall pay the reasonable costs and expenses, including attorneys fees, of the Authority.

Section 6.6. Covenant by Borrower as to Compliance with Indenture. The Borrower approves the terms of the Indenture and the appointment of Deutsche Bank Capital Corporation as Remarketing Agent and covenants and agrees that it will comply with the provisions of the Indenture with respect to the Borrower and that the Trustee and the Bondholders shall have the power and authority provided in the Indenture. The Borrower further agrees to aid in the furnishing to the Authority or the Trustee of opinions that may be required under the Indenture.

Section 6.7. Assignment of Agreement or Note. (A) The Borrower may not assign its rights, interests or obligations hereunder or under the Note except as provided in this Agreement.

(B) The Authority agrees that it will not assign or transfer any of the Financing Documents or the revenues and other receipts, funds and moneys to be received thereunder during the Term except to the Trustee as provided in this Agreement and the Indenture.

Section 6.8. Inspection. The Authority, the Trustee and their duly authorized agents shall have the right at all reasonable times upon reasonable notice to enter upon and to examine and inspect the Project Realty and the Project Equipment. The Authority and the Trustee shall also be permitted, at all reasonable times upon reasonable notice, to examine the books and records of the Borrower with respect to the Project Realty and the Project Equipment. Any inspection of examination permitted under

this Section 6.8 shall be undertaken in a manner which does not disturb the business operations of the Borrower.

Section 6.9. Default Notification. The Borrower shall deliver to the Authority and the Trustee within ninety days after the close of each fiscal year, a certificate signed by an Authorized Representative of the Borrower to the effect that the Borrower is in compliance with the provisions of the Financing Documents executed by the Borrower or specifying the nature of the non-compliance and the steps the Borrower is taking to correct any noncompliance. Upon becoming aware of any condition or event which constitutes, or with the giving of notice or the passage of time would constitute, an Event of Default, the Borrower promptly shall deliver to the Authority, the Trustee and each holder of registered Bonds a notice stating the existence and nature thereof and specifying the corrective steps the Borrower is taking with respect thereto.

Section 6.10. Tax-Exempt Status of the Bonds. It is the intention of the parties hereto that the interest on the Bonds be and remain excludable from gross income for federal income tax purposes in accordance with Section 103 of the Code, and to that end the Borrower hereby represents, warrants and agrees as follows:

(a) The Project since the time of its acquisition, construction and installation, has constituted and will constitute either land or property of a character subject to the allowance for depreciation under Section 167 of the 1954 Code.

(b) All of the proceeds of the Refunded Bonds were used to pay for, or to reimburse the Borrower for payment of, the costs of the acquisition, construction and installation of the Project, and none of such proceeds were used, directly or indirectly, to provide working capital (within the meaning of Section 103(b) of the 1954 Code) to the Borrower or any Related Person. None of such costs was for or with respect to obligations paid or incurred on or before the Inducement Date.

(c) Prior to the Inducement Date, neither the Borrower nor any Related Person (i) had acquired title to or possession of all or any portion of the Project, or (ii) paid all or any portion of the purchase price for the Project. All of the Project is still owned and operated by the Borrower.

(d) All of the costs described in subsection (b) above are chargeable to the capital account of the Borrower for Federal income tax purposes or would be so chargeable either with a proper election by the Borrower

(for example, under Section 266 of the 1954 Code) or but for a proper election by the Borrower to deduct such amounts.

(e) The Refunded Bonds were issued on the Refunded Bonds Issuance Date. The acquisition, construction and installation of the Project was completed, and all of the proceeds of the Refunded Bonds were disbursed, prior to _____.

(f) Neither the Borrower nor any Related Person has taken or permitted to be taken on its behalf, any action which would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds or the Refunded Bonds; the Borrower will not take, or permit to be taken on its behalf or by or on behalf of any other users of all or any portion of the Project, or any Related Person of either, any action which would adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds (including allowing any person or entity to become an owner or user of all or a portion of the Project); and the Borrower will take and cause to be taken such action as may from time to time be required under applicable law or regulation, whether now in effect or hereafter enacted or promulgated, to continue the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

(g) With respect to the Bonds and the Refunded Bonds, there were and are no other obligations that were or are in whole or in part either an obligation of, or guaranteed or otherwise secured by the credit of, the Borrower and that have been, are being, or will be sold (i) at substantially the same time, (ii) under a common plan of marketing, and (iii) at substantially the same rate of interest.

(h) All of the statements and representations in the Company's Arbitrage Certificate of the Borrower dated May 9, 1979, with respect to the Project and the use of the proceeds of the Refunded Bonds are in all respects true, correct and complete on the date hereof.

(i) The Project has since the Refunded Bonds Issuance Date constituted, and will at all times until payment in full of the Bonds be operated so that it constitutes, a "manufacturing plant" within the meaning of the Act (except to the extent otherwise permitted by Section 4.2 hereof).

(j) All of the Project is, and has been since the Refunded Bonds Issuance Date, located in an unincorporated area of the County.

(k) The Project has been "placed in service" (within the meaning of Section 147(b) of the Code). The remaining "average reasonably expected economic life" (as that term is used in Section 147(b) of the Code) of the Project on the Date of Issuance is _____ years.

(l) The Borrower is now, has been since the Refunded Bonds Issuance Date, and is expected to be, the only owner and user of the Project.

(m) The statements, recitals and representations contained in the Information Return for Private Activity Bonds Issues (Form 8038) of the Borrower dated the Date of Issuance with respect to the Bonds (except those with respect to the Authority, as to which the Borrower makes no warranty) are in all respects true, correct and complete.

(n) No person or entity that was a Substantial User of the Project at any time within the five (5) years prior to the Inducement Date and who directly or indirectly received any proceeds of the Refunded Bonds for its interest in the Project, nor any Related Person thereto, was a Substantial User of the Project at any time during the five years after the Refunded Bonds Issuance Date.

(o) Neither the obligations of the Borrower under this Agreement nor the Bonds are or will be "federally guaranteed", as defined in Section 103(h)(2) of the 1954 Code.

(p) The outstanding principal balance on the Refunded Bonds on the Date of Issuance is \$5,680,000.

(q) Less than 25% of the proceeds of the Refunded Bonds were used, either directly or indirectly, for the acquisition of land or an interest therein, or costs in connection therewith, and no portion of the proceeds of the Refunded Bonds were used either directly or indirectly for the acquisition of land or an interest therein to be used for farming purposes. No portion of the proceeds of the Bonds were used for the acquisition of any property, or an interest therein (other than land), unless the first use of such property was pursuant to such acquisition; provided, however, that this representation shall not apply with respect to any building (and the equipment therefor) if the rehabilitation

expenditures, as such term is used in Section 103(b)(17) of the 1954 Code, equalled or exceeded 15% of the cost of acquiring such building and equipment financed with the proceeds of the Refunded Bonds.

(r) The description of the Project contained herein is substantially the same in all material respects to that contained in the 1979 Agreement and the resolution with respect to the Project adopted by the Board of County Commissioners on the Inducement Date.

(s) In order that the Bonds shall not be "arbitrage bonds" within the meaning of the Code the Borrower covenants that it shall not take any action whereby the proceeds of the Bonds or any other moneys shall be invested or used in such manner that any of the Bonds would be "arbitrage bonds" within the meaning of Section 148 of the Code.

(t) No portion of the Project is, and unless the exclusion of interest on the Bonds from gross income for federal income tax purposes is not and will not be adversely affected thereby, the Borrower will not permit any portion of the Project to become, part of a single building if any other portion of such building is financed with the proceeds of any bonds or other obligations the interest on which is excluded from gross income for federal income tax purposes.

(u) No moneys or securities were pledged, directly or indirectly, to secure payment of the principal of, premium, if any, or interest on the Refunded Bonds, except for the moneys and securities in the funds and accounts established under the Refunded Bonds Indenture, under and pursuant to which the Refunded Bonds were issued. All of the proceeds of the Refunded Bonds, together with the investment earnings thereon, were applied by the Borrower to the payment of the costs of the acquisition, construction and installation of the Project.

(v) All of those representations of the Borrower with respect to the exclusion from gross income for federal income tax purposes of interest on the Refunded Bonds contained in each of the following were true and correct on the Refunded Bonds Issuance Date and, except as otherwise expressly warranted herein or in the Borrower's Closing Certificate to be executed in connection with the issuance of the Bonds, have been true and correct since the Refunded Bonds Issuance Date and are true and correct on the Date of Issuance: (1) the 1979 Agreement; and (2) the certificates, each dated

the Refunded Bonds Issuance Date, of the Borrower executed in connection with the issuance of the Refunded Bonds.

(w) The Borrower has not violated any of its representations, warranties, covenants or agreements contained in the 1979 Agreement or in the closing certificates referred to in subsection (v) above which would affect the exclusion from gross income for federal tax purposes of interest on the Refunded Bonds or the Bonds. None of the 1979 Agreement, the Refunded Bonds or any of the other documents executed in connection with the issuance of the Refunded Bonds, have been amended or modified since the Refunded Bonds Issuance Date.

(x) The Borrower further covenants and represents that none of the proceeds from the sale of the Refunded Bonds were used to provide a facility the primary purpose of which includes the provision of automobile sales or service or recreation or entertainment and that none of the proceeds from the sale of the Bonds will be used to provide any private or commercial golf course, country club, massage parlor, tennis club, skating facility (including roller skating, skateboard and ice skating), racquet sports facility (including any handball or racquet ball court), hot tub facility, sun-tan facility or race track.

(y) The Borrower further covenants and represents that, in accordance with Section 103(b)(18) of the 1954 Code, no portion of the proceeds from the sale of the Refunded Bonds was used to provide any airplane, any sky box or other private luxury box, any health club facility, any facility primarily used for gambling or any store the principal business of which is the sale of alcoholic beverages for consumption off premises.

(z) The Borrower further covenants and represents that (i) less than twenty-five (25%) percent of the proceeds of sale of the Refunded Bonds were used to provide, (ii) less than twenty-five (25%) percent of the leasable floor area of the Project Realty is, has been or will be used for and (iii) less than twenty-five (25%) of the gross revenues of the Project have been or will be derived from, a facility the primary purpose of which includes the provision of retail food and beverage services.

(aa) The \$10,000,000 capital expenditures limitation applicable to the Refunded Bonds set forth in Section 103(b)(6)(D) of the 1954 Code was not exceeded during the six-year period beginning three years before

the Refunded Bonds Issuance Date and has not been and will not be exceeded at any time.

(bb) The Borrower has duly and timely filed or caused to be filed with the appropriate person all statements, returns and other filings required to be filed or otherwise necessary to preserve the tax-exempt status of the interest on the Refunded Bonds, and will duly and timely file or cause to be filed with the appropriate person all statements, returns or other filings required to be filed or otherwise necessary to preserve the tax-exempt status of the interest on the Bonds.

(cc) The aggregate authorized face amount of the Bonds, when added to the aggregate face amount of all the outstanding tax-exempt industrial development bonds "allocated" to any "test period beneficiary" (within the meaning of and pursuant to Section 103(b)(15) of the 1954 Code), will not exceed \$40,000,000.

(dd) The Project constitutes and at all times since the Refunded Bonds Issuance Date has constituted a "manufacturing facility" within the meaning and contemplation of Section 103(b)(6)(N)(iii) of the 1954 Code, and any office space including as part of the Project is, has been and will be (i) located at or within the Project, (ii) directly related to the day-to-day manufacturing operations at the Project, and (iii) de minimis in size and cost in relation to the size and cost of the Project.

Section 6.11 Certain Covenants with Respect to Compliance with Arbitrage Requirements for Investments in Nonpurpose Obligations and Rebate to the United States of America. Section 148 of the Code (the "Rebate Provisions"), requires that, with certain exceptions, the Authority pay to the United States of America the excess of the amount earned on all nonpurpose investments (as defined in Section 144(f)(6)(A) of the Code) over the amount that would have been earned if such nonpurpose investments were invested at a rate equal to Yield on the Bonds, plus any income attributable to such excess (the "Rebate Amount"). The Borrower hereby assumes and agrees to make all payments for deposit into the Rebate Fund, in accordance with the terms of Section 5.6 of the Indenture, to pay the Rebate Amount, consents to the payment of the Rebate Amount by the Trustee in accordance with the terms and provisions of Section 5.6 of the Indenture, and agrees to pay any amounts in addition to the Rebate Amount, including all interest and penalties, if any, related thereto to the extent that funds available therefor held by the Trustee under the Indenture are not sufficient for such purpose. The Borrower agrees to indemnify, protect and hold harmless the Authority with respect to any nonpayment of the Rebate Amount and such interest and

penalties, and the Trustee with respect to the unavailability or insufficiency of funds with which to make such payments, and with respect to any expenses or costs incurred by the Trustee in complying with the terms of Section 5.6 of the Indenture. The Borrower hereby agrees to fully and timely comply with the requirements of Section 5.6 of the Indenture.

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ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

Section 7.1. Events of Default. Any one or more of the following shall constitute an "Event of Default" hereunder:

(A) Any representation or warranty made by the Borrower in the Financing Documents or any certificate, statement, data or information furnished by the Borrower in connection therewith or included by the Borrower in its application to the Authority proves at any time to have been incorrect when made in any material respect.

(B) Failure by the Borrower to pay any amount payable pursuant to Section 3.1(C) hereof within two days of the date when due and payable as provided in Section 3.1(C) or to pay any other amount with respect to the Bonds that has become due and payable with respect to the Bonds pursuant to the Financing Documents.

(C) Failure by the Borrower to comply with the default notification provisions of Article VI hereof.

(D) The occurrence of an "event of default" under Section 8.1 of the Indenture.

(E) Failure by the Borrower to pay any other amount with respect to the Financing Documents (not including rebates to the federal government under Section 6.11 hereof), observe or perform any covenant, condition or agreement hereunder or under the Financing Documents (except those referred to above) and (1) continuance of such failure (a) for a period of five days with respect to failure to pay, and (b) for a period of sixty days for other failure after receipt by the Borrower of written notice specifying the nature of such failure, or (2) if by reason of the nature of a failure, other than payment, the same cannot be remedied within the sixty day period, the Borrower fails to proceed with reasonable diligence after receipt of the notice to cure the failure.

(F) The Borrower shall (1) apply for or consent to the appointment of a receiver, trustee, liquidator or custodian or the like of itself or of its property, (2) admit in writing its inability to pay its debts generally as they become due, (3) make a general assignment for the benefit of creditors, (4) be adjudicated a bankrupt or insolvent, or (5) commence a voluntary case under the federal bankruptcy laws of the United States or file a

voluntary petition or answer seeking reorganization, an arrangement with creditors or an order for relief of seeking to take advantage of any insolvency law or file an answer admitting the material allegations of a petition filed against it in any bankruptcy, reorganization or insolvency proceeding; or corporate action shall be taken by it for the purpose of effecting any of the foregoing; or if without the application, approval or consent of the Borrower, a proceeding shall be instituted in any court of competent jurisdiction, seeking in respect of the Borrower, an adjudication in bankruptcy, reorganization, dissolution, winding up, liquidation, a composition or arrangement with creditors, a readjustment of debts, the appointment of a trustee, receiver, liquidator or custodian or the like of the Borrower or of all or any substantial part of its assets, or other like relief in respect thereof under any bankruptcy or insolvency law, and, if such proceeding is being contested by the Borrower in good faith, the same shall continue undismissed, or pending and unstayed, for any period of 75 consecutive days.

Section 7.2. Remedies on Default. (A) Whenever any Event of Default shall have occurred, the Trustee, or the Authority where so provided herein, may take any one or more of the following actions:

(1) The Trustee, as and to the extent provided in Article VIII of the Indenture, may cause all amounts payable under the Financing Documents and the Indenture to be immediately due and payable, whereupon the same shall become immediately due and payable.

(2) The Authority, without the consent of the Trustee or any Bondholder, may proceed to enforce the obligations of the Borrower to the Authority, to the Trustee and/or to the appropriate taxing jurisdictions under Sections 4.2, 4.3 and 6.2 of this Agreement.

(3) The Trustee may exercise any and all rights and remedies it may have under the Financing Documents.

(4) The Trustee may take whatever action at law or in equity it may have to collect the amounts then due and thereafter to become due, or to enforce the performance of observance of the obligations, agreements, and covenants of the Borrower under the Financing Documents.

(B) In the event that any Event of Default or any proceeding taken by the Authority (or by the Trustee on behalf of the Authority) thereon shall be waived or determined adversely to the Authority, then the Event of Default shall be annulled and the Authority and the Borrower shall be restored to their former

rights hereunder, but no such waiver or determination shall extend to any subsequent or other default or impair any right consequent thereon.

(C) If the Trustee has acted under Section 7.2(A)(1) hereof, the maturity of the Bonds shall be accelerated and the Bonds shall be redeemed at a Redemption Price of 104% if redeemed prior to June 1, 1993, and thereafter at the Redemption Prices provided in the schedule for general optional redemption set forth in Section 2.4(A) of the Indenture, plus accrued interest to the date of redemption. The Borrower shall be obligated to make loan payments necessary to pay the Redemption Price and interest on the Bonds.

Section 7.3. No Duty to Mitigate Damages. Unless otherwise required by law, neither the Authority, the Trustee nor any Bondholder shall be obligated to do any act whatsoever or exercise any diligence whatsoever to mitigate the damages to the Borrower if an Event of Default shall occur.

Section 7.4. Remedies Cumulative. No remedy herein conferred upon or reserved to the Authority or the Trustee is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to every remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. Delay or omission to exercise any right or power accruing upon any default or failure by the Authority to insist upon the strict performance of any of the covenants and agreements herein set forth or to exercise any rights or remedies upon default by the Borrower hereunder shall not impair any such right or power or be considered or taken as a waiver or relinquishment for the future of the right to insist upon and to enforce, by injunction or other appropriate legal or equitable remedy, strict compliance by the Borrower with all of the covenants and conditions hereof, or of the right to exercise any such rights or remedies, if such default by the Borrower be continued or repeated.

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ARTICLE VIII

PREPAYMENT PROVISIONS

Section 8.1. Optional Prepayment. (A) The Borrower shall have, and is hereby granted, the option to prepay its loan obligation as a whole or in part at any time by delivering a written notice to the Trustee in accordance with the Indenture (such notice to be consented to in writing by the Credit Institution) with a copy to the Authority, setting forth the amount to be prepaid, the amount of Bonds requested to be redeemed with the proceeds of such payment, and the date on which such Bonds are to be redeemed, which date shall be June 1, 1993, or any subsequent due date for the payment of interest on the Bonds; except that, in the event that at such time the Borrower is in default under the Financing Documents, such option may be exercised only as a whole. Such prepayment must be sufficient to provide moneys for the payment of interest and Redemption Price in accordance with the terms of the Bonds requested to be redeemed with such prepayment and all other amounts then due under the Financing Documents. In the event of any complete prepayment of its loan obligation, the Borrower shall, at the time of such prepayment, also pay or provide for the payment of all reasonable or necessary fees and expenses of the Authority, the Trustee and the Paying Agent accrued and to accrue through the final payment of all the Bonds. Any such prepayments shall be applied to the redemption of Bonds in the manner provided in Section 6.2 of the Indenture, and credited against payments due hereunder in the same manner.

(B) The Borrower shall have, and is hereby granted, the option to prepay its loan obligation in full at any time if any of the following events shall have occurred, as evidenced in each case by the filing with the Trustee of a certificate of an Authorized Representative of the Borrower to the effect that one of such events has occurred and is continuing, and describing the same and that as a result of such event the Borrower has determined or is required to abandon the Project and ceases its business operations at the Project:

(1) The Project shall have been damaged or destroyed to such extent that (a) the Project cannot be reasonably restored within a period of twelve months from the date of such damage or destruction to the condition thereof immediately preceding such damage or destruction, or (b) the Borrower is thereby prevented or likely to be prevented from carrying on its normal operation of the Project for a period of twelve months from the date of such damage or destruction.

(2) Title to or the temporary use of all or part of the Project shall have been taken or condemned by a competent authority which taking or condemnation results or is likely to result in the Borrower being thereby prevented or likely to be prevented from carrying on its normal operation of the Project for a period of twelve months.

(3) As a result of changes in the Constitution of the United States of America or of the State or as a result of legislative or executive action of the State or any political subdivision thereof or by final decree or judgment of any court after the contest thereof by the Borrower (a) this Agreement becomes void or unenforceable or impossible of performance in accordance with the intent and purpose of the parties as expressed herein or (b) unreasonable burdens or excessive liabilities are imposed upon the Borrower by reason of the operation of the Project.

In any such case the final loan payment shall be a sum sufficient, together with other funds deposited with the Trustee and available for such purpose, to redeem all Bonds then Outstanding under the Indenture at the Redemption Price thereof plus accrued interest to the redemption date established pursuant to Section 2.4(B) of the Indenture and all other amounts then due under the Financing Documents, and the Borrower shall also pay or provide for all reasonable or necessary fees and expenses of the Trustee and Paying Agent accrued and to accrue through final payment for the Bonds. The Borrower shall deliver a written notice to the Trustee, with a copy to the Authority and the Credit Institution, requesting the redemption of the Bonds hereunder, which notice shall have attached thereto the applicable certificate of the Authorized Representative of the Borrower.

Section 8.2. Notice of Prepayment. To exercise any options granted in this Article, or to consummate the acceleration of the loan payments as set forth in this Article, the written notice to the Trustee shall be signed by an Authorized Representative of the Borrower and shall specify therein the date of prepayment, which date shall be not less than 60 days nor more than 90 days from the date the notice is mailed. A duplicate copy of any written notice hereunder shall also be filed with the Authority and the Credit Institution.

Section 8.3. Mandatory Prepayment on Taxability. The Borrower shall prepay or cause the prepayment of its loan obligation following a Determination of Taxability in the manner provided in Section 6.3 of this Agreement.

Section 8.4. Mandatory Prepayment on Expiration of the Credit Facility. The Borrower shall prepay or cause the prepayment of its loan obligation prior to the payment of the Bonds

upon redemption of the Bonds pursuant to Section 2.4(D) of the Indenture as a result of the termination of the Credit Facility.

Section 8.5. Mandatory Prepayment on Failed Remarketing. The Borrower shall prepay or cause the prepayment of such portion of its loan obligation relating to Bonds not remarketed on a Reset Date prior to payment of such Bonds upon redemption of such Bonds pursuant to Section 2.6(E) and (F) of the Indenture.

Section 8.6. Mandatory Prepayment on Act of Bankruptcy of the Credit Institution. The Borrower shall prepay or cause the prepayment of its loan obligation prior to the payment of the Bonds upon redemption of the Bonds pursuant to Section 2.4(E) of the Indenture as a result of the occurrence of an Act of Bankruptcy of the Credit Institution.

[The next page is Nine-1]

ARTICLE IX

GENERAL

Section 9.1. Indenture. (A) Moneys received from the sale of the Bonds and all loan payments made by the Borrower and all other moneys received by the Authority or the Trustee under the Financing Documents and the Credit Facility shall be applied solely and exclusively in the manner and for the purposes expressed and specified in the Indenture and in the Bonds and as provided in this Agreement.

(B) The Borrower shall have and may exercise all the rights, powers and authority given the Borrower in the Indenture and in the Bonds, and the Indenture and the Bonds shall not be modified, altered or amended in any manner which adversely affects such rights, powers and authority or otherwise adversely affects the Borrower without the prior written consent of the Borrower.

Section 9.2. Benefit of and Enforcement by Bondholders. The Authority and the Borrower agree that this Agreement is executed in part to induce the purchase by others of the Bonds and for the further securing of the Bonds, and accordingly that all covenants and agreements on the part of the Authority and the Borrower as to the amounts payable with respect to the Bonds and the Note hereunder are hereby declared to be for the benefits of the holders from time to time of the Bonds and may be enforced as provided in the Indenture on behalf of the Bondholders by the Trustee.

Section 9.3. Limitations on Liability. (A) No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future member, officer, employee or agent of the Authority in his or her individual capacity, and neither the members of the Authority nor any officer thereof executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member, officer, employee or agent of the Authority shall incur any personal liability with respect to any other action taken by him or her pursuant to the Financing Documents or the Act, provided such director, officer, employee or agent acts in good faith.

(B) Notwithstanding anything to the contrary herein contained by implication or otherwise, the obligations of the Authority created by or arising out of this Agreement shall not be general debt obligations of the Authority, or of the County, or of the State or any political subdivision thereof, and shall not constitute or give rise to charges against its or their general credit or taxing powers. Neither the issuance of the Bonds nor

the delivery of this Agreement shall, directly or indirectly or contingently, obligate the Authority or the County, or the State or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. Nothing in the Bonds or in the Indenture or in this Agreement or in the proceedings of the Authority authorizing the Bonds or in the Act shall be construed to authorize the Authority to create a debt of the Authority or of the County, or of the State or any political subdivision thereof within the meaning of any constitutional or statutory provision of the State. Recourse to the Authority under this Agreement for damages is limited solely to the trust estate under the Indenture. The principal of and premium, if any, and interest on the Bonds shall be payable solely from the funds pledged for their payment in accordance with the Indenture.

(C) No recourse shall be had for the payment of the principal of, premium, if any, or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement contained in the Financing Documents against any past, present or future officer, director, member, employee or agent of the Authority, or of any successor public body, either directly or through the Authority or any successor public body, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, directors, members, employees or agents as such is hereby expressly waived and released as a condition of, and consideration for, the execution of the Financing Documents and the issuance of such Bonds.

Section 9.4. Amendments. This Agreement may be amended only with the concurring written consent of the Trustee and the Bondholders given in accordance with the provisions of the Indenture.

Section 9.5. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or when mailed by first class mail, or sent by telegram, addressed as follows: if to the Authority, at St. Johns County Administration Building, Route 10, Box 85, State Road 16-A, St. Augustine, Florida, 32085, Attention: Chairman; if to the Borrower, at Route 209, Ellenville, NY 12428, Attention: President; and if to the Trustee, at 801 Riverside Avenue, P. O. Box 40200, Jacksonville, Florida, 32231, Attention: Corporate Trust Department. A duplicate copy of each notice, certificate or other communication given hereunder by either the Authority or the Borrower to the other shall also be given to the Trustee and to the Credit Institution. The Authority, the Borrower and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 9.6. Prior Agreements Superseded. This Agreement, together with all agreements executed by the parties concurrently herewith or in conjunction with the sale of the Bonds, shall completely and fully supersede all other prior understandings or agreements, both written and oral, between the Authority and the Borrower relating to the Bonds, including those contained in any commitment letter executed in anticipation of the issuance of the Bonds.

Section 9.7. Execution of Counterparts. This Agreement 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 9.8. Severability. If any provisions of this Agreement 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, for any reason, such circumstance 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 provisions or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or Sections in this Agreement contained, shall not affect the remaining portions of this Agreement, or any part thereof.

Section 9.9. Governing Law. The laws of the State shall govern this Agreement and the Note.

IN WITNESS WHEREOF, the Authority has caused this Agreement to be executed in its name by its duly authorized officers and its seal to be hereunto affixed, and the Borrower has caused this Agreement to be executed in its name by its duly authorized officers and its seal to be hereunto affixed, all as of the date first above written.

ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

(SEAL)

Attest:

By _____
Its Chairman

Its Secretary

V.A.W. OF AMERICA, INCORPORATED

(SEAL)

By _____
Its President

Attest:

Its Secretary

SJ24LA1/2

PROMISSORY NOTE

\$5,680,000

\$5,680,000

V.A.W. of America, Incorporated, a New York corporation (the "Borrower"), for value received, hereby promises to pay to the order of St. Johns County Industrial Development Authority (the "Authority"), the principal sum of \$5,680,000, together with interest on the unpaid principal balance thereof from the date hereof until fully and finally paid, together with all taxes levied or assessed on this Note or the debt evidenced hereby against the holder hereof. This Note shall initially bear interest at the rate of ____% per annum. Commencing June 1, 1999, the interest rate shall be adjusted to the rate of interest borne by the Bonds (as defined below). Interest shall be payable on September 1, December 1, March 1 and June 1 of each year, commencing September 1, 1989. Copies of the Bonds are on file in the office of the Trustee (as defined below). This Note matures on June 1, ____.

This Note has been executed under and pursuant to a Loan Agreement dated as of June 1, 1989, between the Authority and the Borrower (the "Agreement"). This Note is issued to evidence the obligation of the Borrower under the Agreement to repay the loan made by the Authority from the proceeds of its \$5,680,000 Industrial Development Revenue Refunding Bonds (V.A.W. of America, Incorporated Project), Series 1989 (the "Bonds"), together with interest thereon and all other amounts, fees, penalties, premiums, adjustments, expenses, counsel fees and other payments of any kind required to be paid by the Borrower under the Agreement. The Agreement includes provision for mandatory and optional prepayment of the loan as a whole or in part, and in such event the prepayment shall be credited in inverse order of principal installments due. The Agreement further provides for the payment of interest on the loan at other rates in certain circumstances. Advances made pursuant to Section 6.2 of the Agreement shall bear interest at the prime interest rate generally prevailing among banks in the State of Florida on the date of the advance plus 2% and are payable in accordance therewith. The Borrower irrevocably and unconditionally agrees to make payments hereunder sufficient to timely pay all of the principal of, premium, if any, and interest on the Bonds when and as the same become due.

The Agreement and this Note (hereinafter collectively referred to as the "Financing Documents") have been assigned to Barnett Banks Trust Company, N.A., as Trustee (the "Trustee"), acting pursuant to an Indenture of Trust dated as of June 1, 1989 (the "Indenture"), between the Authority and the Trustee. Such

assignment is made as security for the payment of the Bonds issued by the Authority pursuant to the Indenture.

The Borrower has arranged the delivery to the Trustee of an Irrevocable Direct-Pay Letter of Credit, dated the date of delivery of the Bonds, issued by Deutsche Bank AG, New York Branch, for the account of the Borrower in favor of the Trustee. The Agreement provides that all payment obligations of the Borrower thereunder and under the Note shall be completely satisfied to the extent of all drawings made under the Letter of Credit for the purpose of satisfying such obligations.

As provided in the Agreement and subject to the provisions thereof, payments hereon are to be made at the principal office of the Trustee in Jacksonville, Florida, or at the office designated for such payment by any successor trustee in an amount which, together with other moneys available therefor pursuant to the Indenture, will equal the amount payable as principal or redemption price, if any, of and interest on the Bonds outstanding under the Indenture on such due date.

The Borrower shall make payments on this Note on the dates and in the amounts specified herein and in the Agreement and in addition shall make such other payments as are required pursuant to the Financing Documents, the Indenture and the Bonds. In the event of default, as defined in any of the Financing Documents, the principal of and interest on this Note may be declared immediately due and payable as provided in the Agreement. Upon any such declaration the Borrower shall pay all costs, disbursements, expenses and reasonable counsel fees of the Authority and the Trustee in seeking to enforce their rights under any of the Financing Documents.

The Borrower (1) waives diligence, demand, presentment for payment, notice of nonpayment, protest and notice of protest, notice of any renewals of extension of this Note, and all rights under any statute of limitations, (2) agrees that the time for payment of this Note may be changed and extended at the sole discretion of the Trustee without impairing its liability hereon, and (3) consents to the release of all or any part of the security for the payment thereof at the discretion of the Trustee or the release of any party liable for this obligation without affecting the liability of the other parties hereto. Any delay on the part of the Authority or the Trustee in exercising any right hereunder shall not operate as a waiver of any such right, and any waiver granted with respect to one default shall not operate as a waiver in the event of any subsequent default.

IN WITNESS WHEREOF, V.A.W. of America, Incorporated has caused this Note to be executed in its corporate name by its duly

authorized officers and its seal to be hereunto affixed, all as of June 1, 1989.

V.A.W. OF AMERICA, INCORPORATED

(SEAL)

By _____
Its President

Attest:

Its Secretary

FOR VALUE RECEIVED, the undersigned, St. Johns County Industrial Development Authority, hereby assigns, without recourse, all its right, title and interest in and to the above Promissory Note to Barnett Banks Trust Company, N. A., a national banking association, Jacksonville, Florida, or its successor or successors, as trustee under that certain Indenture of Trust, dated as of June 1, 1989, by and between the undersigned and said Trustee, securing the undersigned's Industrial Development Revenue Refunding Bonds (V.A.W. of America, Incorporated Project), Series 1989, in the aggregate principal amount of \$5,680,000.

ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

(SEAL)

By _____
Its Chairman

Attest:

Its Secretary

SJ24LA1/2

Description of Project RealtyPARCEL "A"

Legal Description

A parcel of land lying in and being a part of the F. J. PATTO Grant, being SECTION 44, TOWNSHIP 4 SOUTH, RANGE 10 EAST, St. Johns County, Florida,

being more particularly described as follows:

BEGIN at the southwest corner of said Section 44: run thence North 01°10'28" East, along the west boundary line thereof, a distance of 1040.00 feet; thence, leaving said section line, run North 09°10'28" East a distance of 140.00 feet; thence run North 01°49'32" East a distance of 210.00 feet; thence run North 09°10'28" East a distance of 240.00 feet; thence run South 01°49'32" East a distance of 210.00 feet; thence run North 09°10'28" East a distance of 400.00 feet; thence run South 09°10'28" East a distance of 120 feet; thence run South 01°05'16" East a distance of 454.37 feet to a point on the south boundary line of said Section 44; thence run North 08°27'22" West, along said south boundary line, a distance of 1168.00 feet to the Point of Beginning.

PARCEL "B"-2

A non-exclusive easement for ingress and egress to Parcel A created by Grant of Easement from The Deltona Corporation, to Barnett Banks Trust Company, N.A., as Trustee, under Land Trust No. 86-8906-00-7, dated July 21, 1978 and recorded July 24, 1978, over and across the following described lands:

Legal Description:

ST. AUGUSTINE SHORES
ALTERNATE ACCESS EASEMENT - Shores Blvd. to Riviera Blvd.
(for Manufactured Homes Plant Site)

Legal Description

A 30 foot Road Right of Way Over

THAT PART OF:

Government Lot 13 of SECTION 19, TOWNSHIP 8 SOUTH, RANGE 30 EAST; THE F. J. Fatio Grant, being SECTION 44, TOWNSHIP 8 SOUTH, RANGE 30 EAST; and Tract "A-C" of ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 11, Pages 95 through 106 inclusive, of the Public Records of St. Johns County, Florida,

lying within 15 feet each side of the following described center-line:

COMMENCE at the point of intersection of the centerline of Riviera Blvd. and the southerly limit of plat of, and as shown on the plat of, said St. Augustine Shores Unit Two, thence run South 02°54'43" East a distance of 354.61 feet to the beginning of a circular curve concave to the westerly having a radius of 353.42 feet; thence run Southeasterly along the arc of said curve through a central angle of 03°44'08" a distance of 189.58 feet to the end of said curve; thence run South 02°10'40" East a distance of 226.65 feet; thence run South 89°22'49" West a distance of 40.01 feet to the POINT OF BEGINNING; continue thence South 89°22'49" West a distance of 391.97 feet to the beginning of a circular curve concave to the northeasterly having a radius of 100 feet; thence run northwesterly along the arc of said curve through a central angle of 91°50'23" a distance of 160.20 feet to the end of said curve; thence run North 01°13'12" East a distance of 160.20 feet to the beginning of a circular curve concave to the West having a radius of 500 feet, thence run along the arc of said curve through a central angle of 17°32'52" for an arc distance of 153.13 feet to the end of said curve thence run north 02°10'40" West along a line that is radial to the center line and Right of Way of SHORES BLVD. for a distance of 76.20 feet to the intersection with the southerly Right of Way line of SHORES BLVD. being the Point of Termination.

PARCEL "C"

DRAINAGE EASEMENT

Legal Description

Two 10 feet wide strips of land lying in and being a part of the F. J. PATIC Grant, being SECTION 44, TOWNSHIP 8 SOUTH, RANGE 10 EAST, St. Johns County, Florida,

lying within 10 feet to the left of, as measured perpendicularly to, the following described lines:

Commence at the southwest corner of said Section 44; run thence North 01°10'23" East, along the west boundary line thereof, a distance of 1440.00 feet to the POINT OF BEGINNING of the first Drainage Easement strip; thence, leaving said section line, run North 88°10'28" East a distance of 140.00 feet to the Point of Termination of the first Drainage Easement strip; continue thence North 88°10'28" East a distance of 240.00 feet to the POINT OF BEGINNING of the second Drainage Easement strip; continue thence North 88°10'28" East a distance of 430.00 feet; thence run South 16°49'00" East a distance of 720 feet; thence run South 01°06'16" East a distance of 454.67 feet to a point on the south boundary line of said Section 44; then run South 88°27'52" East, along said south boundary line, a distance of 665 feet, more or less, to a 10 feet wide creek and Point of Termination of the second Drainage Easement strip.

EXHIBIT "A"

PARCEL C

Two parcels of land lying in and being a part of the F. J. PATIO Grant, being SECTION 44, TOWNSHIP 9 SOUTH, RANGE 30 EAST, St. Johns County, Florida,

being more particularly described as follows:

Commence at the southwest corner of said Section 44; run thence North $01^{\circ}10'28''$ East, along the west boundary line thereof, a distance of 1040.00 feet to the POINT OF BEGINNING; thence, leaving said section line, run North $88^{\circ}10'28''$ East a distance of 140.00 feet; thence run North $01^{\circ}49'32''$ West a distance of 210.00 feet; thence run South $88^{\circ}10'28''$ West a distance of 128.99 feet to the aforementioned west boundary line of Section 44; thence run South $01^{\circ}10'28''$ West, along said west boundary line, a distance of 210.29 feet to the Point of Beginning.

AND

Commence at the southwest corner of said Section 44; run thence North $01^{\circ}10'28''$ East, along the west boundary line thereof, a distance of 1040.00 feet; thence, leaving said section line, run North $88^{\circ}10'28''$ East a distance of 140.00 feet; thence run North $01^{\circ}49'32''$ West a distance of 210.00 feet; thence run North $88^{\circ}10'28''$ East a distance of 240.00 feet to the POINT OF BEGINNING; thence run South $01^{\circ}49'32''$ East a distance of 210.00 feet; thence run North $88^{\circ}10'28''$ East a distance of 430.00 feet; thence run South $26^{\circ}49'32''$ East a distance of 720 feet; thence run South $01^{\circ}06'16''$ East a distance of 454.37 feet to a point on the south boundary line of said Section 44; thence run South $89^{\circ}27'52''$ East, along said south boundary line, a distance of 210.22 feet; thence, leaving said section line, run North $01^{\circ}06'16''$ West a distance of 512.00 feet; thence run North $26^{\circ}49'32''$ West a distance of 901.73 feet; thence run South $88^{\circ}10'28''$ West a distance of 563.78 feet to the Point of Beginning.

Description of Project Equipment

"Project Equipment" means all personal property, goods, leasehold improvements, machinery, equipment, furnishings, furniture, fixtures, tools and attachments, wherever located, acquired with the proceeds of St. Johns County, Florida, Industrial Development Revenue Bonds (V.A.W. of America, Inc. Project), Series A and B, dated as of May 1, 1979, and any additions and accessions thereto, substitutions therefor and replacements thereof, and proceeds and products thereof.

SJ24LA1/2

IRREVOCABLE DIRECT-PAY LETTER OF CREDIT

DEUTSCHE BANK AG
New York Branch
31 West 52nd Street
New York, New York 10019

_____, 1989

IRREVOCABLE LETTER OF CREDIT NO. 839-_____

Barnett Banks Trust Company, N.A.
801 Riverside Avenue
Jacksonville, Florida 32204
Attention: Corporate Trust Department

Ladies and Gentlemen:

Effective immediately and expiring on the Termination Date (as hereinafter defined), you, as Trustee under the Indenture of Trust dated as of June 1, 1989 (the "Indenture") between yourself and the St. Johns County Industrial Development Authority (the "Issuer") providing for the issuance of \$5,680,000 aggregate principal amount of the Issuer's Industrial Development Revenue Refunding Bonds (V.A.W. of America, Incorporated Project) Series 1989 (the "Bonds"), are hereby irrevocably authorized to draw on Deutsche Bank AG New York Branch (the "Bank") Irrevocable Direct-Pay Letter of Credit No. 839-_____, for the account of V.A.W. of America, Incorporated (together with its successors, the "Company") and available by your sight draft(s) upon the terms and conditions hereinafter set forth, an aggregate amount not exceeding \$_____ (as reduced from time to time in accordance with the terms hereof, the "Stated Amount"), of which Stated Amount an amount not exceeding \$5,680,000 (as reduced from time to time in accordance with the terms hereof, the "Principal Component") may be drawn upon with respect to the payment of principal of the Bonds, an aggregate amount not exceeding \$_____ (as reduced from time to time in accordance with the terms hereof, the "Interest Component") may be drawn upon with respect to the payment of interest on the Bonds and an aggregate amount not exceeding \$_____ (as reduced from time to time in accordance with terms hereof, the "Premium Component") may be drawn upon with respect to the payment of redemption premium on the Bonds. The Interest Portion is

subject to reinstatement from time to time as set forth below. All drawings under this Letter of Credit will be paid with our own funds.

This Letter of Credit shall automatically terminate and be delivered to us for cancellation upon the earliest of (i) June 16, 1999, (ii) the date specified by us in a notice to you, which date shall be not less than ten days after receipt of such notice by you, to the effect that an Event of Default has occurred and is continuing under the Letter of Credit Agreement dated as of June 1, 1989 between the Company and the Bank, (iii) our receipt of a certificate signed by your authorized officer to the effect that you have accepted an Alternative Credit Facility (as defined in the Indenture) and (iv) the honoring of the last drawing of the Principal Component (and any related drawing of Interest Component and/or Premium Component) permitted hereunder. The date of termination of this Letter of Credit as provided in this paragraph is herein referred to as the "Termination Date".

On the business day following each drawing hereunder with respect to the Interest Component prior to the Termination Date, the Interest Component shall be automatically reinstated to an amount equal to 105 days interest on the Bonds then outstanding. Drawings hereunder honored by us shall not, in the aggregate, exceed the Stated Amount, as the Stated Amount may have been automatically reinstated or reduced from time to time. Subject to the preceding sentence, each drawing hereunder honored by the Bank with respect to the Principal Component, the Interest Component and the Premium Component shall pro tanto reduce the Principal Component, the Interest Component and the Premium Component, respectively, and, thus, both the Stated Amount and the amount available to be drawn under this Letter of Credit. In addition, the Premium Component (and, thus, both the Stated Amount and the amount available to be drawn under this Letter of Credit) shall be reduced by \$ _____ on _____, and on each _____ thereafter, until such time as the Premium Component is reduced to zero.

Funds under this Letter of Credit are available to you against your sight draft(s) drawn on us in the form of Annex 1 hereto and accompanied by a certificate signed by your authorized officer in the form, (a) with respect to a drawing from the Principal Component for a payment of principal of the Bonds, of Annex 2 hereto, (b) with respect to a drawing from the Interest Component for a payment of inter-

est on the Bonds, of Annex 3 hereto, or (c) with respect to a drawing from the Premium Component for a payment of premium on the Bonds, of Annex 4 hereto, in each case appropriately completed. Such draft and certificate shall be dated the date of presentation and shall be made by hand delivery or tested or authenticated telex between the hours of 9:00 A.M. and 5:00 P.M., each New York City time, at our office at 31 West 52nd Street, New York, New York 10019, Attention: International Department, or at any other office or telex number in New York, New York which may be designated by us by written notice delivered to you. We hereby agree that your draft(s) drawn under and in conformity with the terms and conditions of this Letter of Credit will be duly honored by us upon due delivery of the certificate, as specified, appropriately completed, if presented as specified on or before the Termination Date. If presentation in respect of payment is made by you hereunder at or prior to 11:00 A.M., New York City time, on a business day, and provided that the documents so presented conform to the terms and conditions hereof, payment of the amount specified shall be made out of our own funds to you or to your designee, in immediately available funds in U.S. dollars, not later than 4:00 P.M., New York City time, on the same business day. If presentation in respect of payment is made by you hereunder after 11:00 A.M., New York City time, on a business day, and provided that the documents so presented conform to the terms and conditions hereof, payment shall be made out of our own funds to you, or your designee, of the amount specified in immediately available funds in U.S. dollars, not later than 1:00 P.M., New York City time, on the succeeding business day. If requested by you, payment under this Letter of Credit may be made by wire transfer of federal funds in U.S. dollars to a bank account designated by you and maintained in the United States or by deposit of immediately available funds into a designated account that you maintain with us. As used herein "business day" shall mean any day other than a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law or order to close.

Except as specifically otherwise set forth herein, this Letter of Credit shall be governed by and construed in accordance with the Uniform Customs and Practice for Documentary Credits, 1983 Revision, ICC Publication No. 400 (the "Uniform Customs"). This Letter of Credit shall be deemed to be a contract made under the laws of the State of New York (the "State") and shall, as to matters not governed

by the Uniform Customs, be governed by and construed in accordance with the laws of the State.

All documents presented to us in connection with your demand for payment hereunder, as well as all notices and other communications to us in respect of this Letter of Credit, shall be in writing (including tested or authenticated telex) and addressed and presented to us at 31 West 52nd Street, New York, New York 10019, Attention: International Department, specifically referring therein to "Deutsche Bank AG New York Branch, Irrevocable Direct-Pay Letter of Credit No. 839-_____".

Only you may make a drawing under this Letter of Credit. Upon the payment to you or to your order of the amount specified in a sight draft drawn hereunder we shall be fully discharged of our obligation under this Letter of Credit with respect to such sight draft and we shall not thereafter be obligated to make any further payments under this Letter of Credit in respect of such sight draft to you or any other person who may have made to you, or makes to you, a demand for the payment of principal of, or premium or interest on, the Bonds.

This Letter of Credit is transferable in its entirety (but not in part) to any transferee who has succeeded to you as Trustee under the Indenture and may, Article 54(e) of the Uniform Customs notwithstanding, be successively so transferred. Transfer of this Letter of Credit to such transferee shall be effected by the presentation to us of this Letter of Credit accompanied by a certificate substantially in the form of Annex 5 attached hereto. Upon such presentation we shall forthwith issue an irrevocable letter of credit in favor of such successor Trustee in the form of this Letter of Credit.

This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein except only the Annexes hereto, and the sight drafts; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except as set forth above.

Very truly yours,

DEUTSCHE BANK AG, NEW YORK BRANCH

By _____
Title:

By _____
Title:

ANNEX 1 TO THE
LETTER OF CREDIT

[PLACE]
[DATE]

AT SIGHT
PAY TO _____ U.S. \$ _____
(Name of Beneficiary)

_____ United States
Dollars. Drawn under Deutsche Bank AG New York Branch Irre-
vocable Direct-Pay Letter of Credit No. 839-_____.

[BENEFICIARY]

By _____
Title: _____

Deutsche Bank AG
New York Branch
31 West 52nd Street
New York, New York 10019

Attention: International Department

ANNEX 2 TO THE
LETTER OF CREDIT

CERTIFICATE FOR THE PAYMENT
OF PRINCIPAL COMPONENT

The undersigned, a duly authorized officer of Barnett Banks Trust Company, N.A. (the "Trustee"), hereby certifies to Deutsche Bank AG New York Branch (the "Bank"), with reference to its Irrevocable Direct-Pay Letter of Credit No. 839-_____ (the "Letter of Credit"; any capitalized term used herein and not defined shall have its respective meaning as set forth in the Letter of Credit), that:

1. The Trustee is the Trustee under the Indenture for the holders of the Bonds.

2. The Trustee is making its drawing under the Letter of Credit with respect to the payment of principal of the Bonds now due and payable (or becoming due and payable on the business day next succeeding the date hereof) in accordance with the terms and conditions thereof.

3. The amount of the sight draft(s) accompanying this Certificate does not exceed the Principal Component available to be drawn under the Letter of Credit with respect to the payment of principal of the Bonds.

4. Upon receipt by the undersigned of the amount demanded hereby, (a) the undersigned will apply the same directly to the payment when due of the principal of the Bonds pursuant to the Indenture, (b) no portion of such amount shall be applied by the undersigned for any other purpose and (c) no portion of such amount shall be commingled with other funds (other than funds drawn under the Letter of Credit) held by the undersigned.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19__.

BARNETT BANKS TRUST COMPANY, N.A.

By _____
Name:
Title:

ANNEX 3 TO THE
LETTER OF CREDIT

CERTIFICATE FOR THE PAYMENT
OF INTEREST COMPONENT

The undersigned, a duly authorized officer of Barnett Banks Trust Company, N.A. (the "Trustee"), hereby certifies to Deutsche Bank AG New York Branch (the "Bank"), with reference to its Irrevocable Direct-Pay Letter of Credit No. 839-_____ (the "Letter of Credit"; any capitalized term used herein and not defined shall have its respective meaning as set forth in the Letter of Credit), that:

1. The Trustee is the Trustee under the Indenture for the holders of the Bonds.

2. The Trustee is making a drawing under the Letter of Credit with respect to the payment of interest on the Bonds now due and payable (or becoming due and payable on the business day next succeeding the date hereof) in accordance with the terms and conditions thereof.

3. The amount of the sight draft(s) accompanying this Certificate does not exceed the Interest Component available to be drawn under the Letter of Credit with respect to the payment of interest on the Bonds.

4. Upon receipt by the undersigned of the amount demanded hereby, (a) the undersigned will apply the same directly to the payment when due of the interest on the Bonds pursuant to the Indenture, (b) no portion of such amount shall be applied by the undersigned for any other purpose and (c) no portion of such amount shall be commingled with other funds (other than funds drawn under the Letter of Credit) held by the undersigned.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the _____ day of _____, 19__.

BARNETT BANKS TRUST COMPANY, N.A.

By _____
Name:
Title:

ANNEX 4 TO THE
LETTER OF CREDIT

CERTIFICATE FOR THE PAYMENT
OF PREMIUM COMPONENT

The undersigned, a duly authorized officer of Barnett Banks Trust Company, N.A. (the "Trustee"), hereby certifies to Deutsche Bank AG New York Branch (the "Bank"), with reference to its Irrevocable Direct-Pay Letter of Credit No. 839-_____ (the "Letter of Credit"; any capitalized term used herein and not defined shall have its respective meaning as set forth in the Letter of Credit), that:

1. The Trustee is the Trustee under the Indenture for the holders of the Bonds.

2. The Trustee is making its drawing under the Letter of Credit with respect to the payment of redemption premium on the Bonds now due and payable (or becoming due and payable on the business day next succeeding the date hereof) in accordance with the terms and conditions thereof.

3. The amount of the sight draft(s) accompanying this Certificate does not exceed the Premium Component available to be drawn under the Letter of Credit with respect to the payment of redemption premium of the Bonds.

4. Upon receipt by the undersigned of the amount demanded hereby, (a) the undersigned will apply the same directly to the payment when due of the redemption premium on the Bonds pursuant to the Indenture, (b) no portion of such amount shall be applied by the undersigned for any other purpose and (c) no portion of such amount shall be commingled with other funds (other than funds drawn under the Letter of Credit) held by the undersigned.

IN WITNESS WHEREOF, the Trustee has executed and delivered this Certificate as of the ____ day of _____, 19__.

BARNETT BANKS TRUST COMPANY, N.A.

By _____
Name:
Title:

INSTRUCTION TO TRANSFER

_____, 19__

Deutsche Bank AG New York Branch
31 West 52nd Street
New York, New York 10019

Attention: International Department

Re: Deutsche Bank AG New York Branch
Irrevocable Direct-Pay Letter of Credit
No. 839-_____

Ladies and Gentlemen:

For value received, the undersigned beneficiary hereby irrevocably instructs you to transfer to:

(Name of Transferee)

(Address)

all rights of the undersigned beneficiary to draw under the above-captioned Letter of Credit (the "Letter of Credit") in its entirety. The Transferee has succeeded to the undersigned as Trustee under the Indenture of Trust dated as of June 1, 1989 between the St. Johns County Industrial Development Authority and Barnett Banks Trust Company, N.A., as Trustee.

By this transfer, all rights of the undersigned beneficiary in the Letter of Credit are transferred to the transferee and the transferee shall hereafter have the sole rights as beneficiary thereof, including sole rights relating to any amendments, whether now existing or hereafter made. All future amendments are to be advised directly to the transferee without necessity of any consent of or notice to the undersigned beneficiary. No rights shall be deemed to have been transferred to the transferee until compliance

with the requirements of the Letter of Credit pertaining to transfers has occurred.

The Letter of Credit is returned herewith and in accordance therewith we ask you to issue a new irrevocable letter of credit in favor of the transferee containing the same terms and provisions as the Letter of Credit except that the amount available under the new letter of credit will be the Stated Amount presently available under the Letter of Credit.

Very truly yours,

BARNETT BANKS TRUST COMPANY, N.A.

By _____
Name:
Title:



BOND PURCHASE AGREEMENT

among

V.A.W. OF AMERICA, INCORPORATED,

ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

and

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

dated as of

June __, 1989

MUNICIPAL INVESTMENT TRUST FUND

\$5,680,000

ST. JOHNS COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT REVENUE REFUNDING BONDS
(V.A.W. OF AMERICA, INCORPORATED PROJECT),
SERIES 1989

EXHIBIT IV

The following Table of Contents has been inserted for convenience only and does not constitute a part of this Agreement.

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SIGNATURES

Exhibit A - Form of Letter of Intent to Remarket

Schedule I - Principal Amounts, Maturities and Interest Rates

BOND PURCHASE AGREEMENT

As of June __, 1989

Merrill Lynch, Pierce, Fenner & Smith
Incorporated
One Liberty Plaza
165 Broadway
New York, NY 10080

Ladies and Gentlemen:

You have informed the undersigned, V.A.W. of America, Incorporated, a New York corporation (the "Company"), and St. Johns County Industrial Development Authority (the "Issuer") that Merrill Lynch, Pierce, Fenner & Smith Incorporated ("ML"), together with certain other investment banking firms, proposes to sponsor certain unit investment trusts (the "Funds" or, individually, a "Fund"). The Prospectus dated _____, 1989 filed with the Securities and Exchange Commission and relating to units of "Municipal Investment Trust Fund, One Hundred _____," a copy of which you have furnished to each of us, describes the form of unit investment trusts to be so sponsored by you.

You have further informed us of your desire to purchase from the Issuer for deposit in one or more of such Funds an aggregate of \$5,680,000 principal amount of Bonds, hereinafter described.

Now, therefore, the undersigned hereby agrees with you and you agree with the undersigned as follows:

1. Definitions.

For purposes of this Agreement the following terms have the meanings specified.

"Act" means Chapter 159, Parts II and III, Florida, Statutes, as amended.

"Affiliate" means any Person controlling, controlled by or under common control with the Company.

"Agreement" means this Bond Purchase Agreement, as from time to time amended, supplemented or modified.

"Ancillary Agreements" means the Bond Trust Indenture, the Letter of Credit, the Letter of Intent to Remarket, the Project Agreement and all other agreements executed and delivered in connection therewith or otherwise in connection with the issuance

and sale of the Bonds, each as it may have been restated, amended, supplemented or modified as of the date hereof.

"Bank" means Deutsche Bank AG, New York Branch, and its successors and assigns.

"Bondholder" means the record owner of any Bond.

"Bonds" means the Issuer's Industrial Development Revenue Refunding Bonds (V.A.W. of America, Incorporated Project), Series 1989, issued pursuant to the Bond Trust Indenture.

"Bond Trust Indenture" means the Indenture of Trust, dated as of June 1, 1989, between the Issuer and the Bond Trustee, as from time to time amended, supplemented or modified.

"Bond Trustee" means Barnett Banks Trust Company, N.A., Jacksonville, Florida, as Trustee under the Bond Trust Indenture, and its successors and assigns.

"Book Entry Form" or "Book Entry System" means, with respect to the Bonds, a form of system, as applicable, under which (i) the ownership of beneficial interests in Bonds and bond service charges may be transferred only through a book entry and (ii) physical Bond certificates in fully registered form are registered only in the name of a Depository or its nominee as Holder, with the physical Project Bond certificates "immobilized" in the custody of the Depository.

"Business Day" means any day on which the Bank and the Trustee are each open for business and on which the New York Stock Exchange is not closed.

"Closing" means the Closing held on the Closing Date as defined herein.

"Closing Date" means _____, 1989 or such later date as you and the Issuer shall agree upon.

"Company" means V.A.W. of America, Incorporated, a New York corporation, borrower from the Issuer under the Project Agreement, and its successors and assigns.

"Depository" means any securities depository that is a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, operating and maintaining, with its participants or otherwise, a Book Entry System to record ownership of beneficial interests in Bonds or Bond Service Charges, and to effect transfers of

Bonds, in Book Entry Form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

"Fund" means any Intermediate Term Series of the Municipal Investment Trust Fund which shall hold a Bond.

"Fund Trustee" means the trustee of a Fund.

"Governmental Body" means any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign.

"Issuer" means St. Johns County Industrial Development Authority and its successors and assigns.

"Letter of Credit" means a Letter of Credit issued by the Bank acceptable to ML and securing the Bonds.

"Letter of Intent to Remarket" means the letter from the Placement Agent to ML in the form of Exhibit A hereto.

"ML" means Merrill Lynch, Pierce, Fenner & Smith Incorporated.

"Person" means an individual, a corporation, a partnership, an association, a trust or any other entity or organization, including without limitation a government or political subdivision thereof or a Governmental Body.

"Placement Agent" means Deutsche Bank Capital Corporation, in its capacity as such, and its successors and assigns.

"Project" means the Project as defined in the Bond Trust Indenture.

"Project Agreement" means, the Loan Agreement, dated as of June 1, 1989, between the Company and the Issuer as the same may be from time to time amended, supplemented or modified.

"Purchaser" means means Merrill Lynch, Pierce, Fenner & Smith Incorporated.

"Refunded Bonds" means the St. Johns County, Florida, Industrial Development Revenue Bonds (V.A.W. of America, Inc. Project), Series A and B, dated as of May 1, 1979, issued in the original aggregate principal amount of \$6,500,000.

"Sponsors" means Merrill Lynch, Pierce, Fenner & Smith Incorporated, Dean Witter Reynolds, Inc., Prudential/Bache Securities, Inc., PaineWebber Incorporated and Shearson Lehman/American

Express Inc. and their respective successors or any successor Sponsor appointed as provided in the trust indenture of the Fund.

"Subsidiary" means, with respect to any Person, any corporation or other entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are at the time directly or indirectly owned by such Person and one or more Subsidiaries.

"Tax Event" means, with respect to any Bond, any event which by the terms of such Bond or any related financing document relates to the taxability of interest paid on such Bond and as a result of which such Bond shall become subject to a mandatory redemption.

2. Sale and Purchase of Bonds.

(A) Sale of Bonds. Subject to the terms and conditions contained in this Agreement, the Issuer hereby agrees to sell to you, and you hereby agree to purchase from the Issuer, for your own account or for an accumulation account for a Fund or Funds heretofore created or hereafter to be created, an aggregate of \$5,680,000 principal amount of Bonds (the respective principal amounts, maturities and interest rates to be as specified in Schedule I hereto) at a purchase price of 100% of the principal amount of the Bonds plus accrued interest, if any, from the date of the Bonds to the Closing Date. The Bonds shall be in the form of one (1) certificate, registered in the name of Cede & Co., or such other name as you shall have designated in writing at or prior to closing and shall be delivered in Book Entry Form through the Depository.

(B) Closing. The sale of the Bonds shall take place on the Closing Date at the offices of Foley & Lardner, 1700 First Union Building, 200 West Forsyth Street, Jacksonville, Florida, or such other location which is agreed upon by the parties. You should make payment of the purchase price for the Bonds on the Closing Date in immediately available funds, by certified or official bank check, wire transfer or by credit advice of transfer to such account as the Issuer may have designated to you in writing at least two Business Days prior to such Closing Date.

(C) Right to Rescind. You shall have the right to rescind or terminate this Agreement at any time on or prior to the Closing Date if an event of default or a default on the Bonds shall have occurred and be continuing or if the sale and purchase of the Bonds as provided herein shall in your reasonable judgment become impossible or impracticable because, since the date hereof: (i) any outbreak of major hostilities or any other national or international calamity or crisis shall have occurred; (ii) a general banking moratorium shall have been declared by Federal or

New York State authorities; (iii) trading on the New York Stock Exchange shall have been suspended, or minimum or maximum prices for trading shall have been fixed or maximum ranges for prices shall have been required on the New York Stock Exchange by such Exchange or by the Securities and Exchange Commission or any other Governmental Body; or (iv) any action shall have been taken by the Securities and Exchange Commission preventing the effectiveness of the registration statement filed with the Securities and Exchange Commission under the Securities Act of 1933 with respect to one or more of the Funds or the Securities and Exchange Commission shall have issued a stop order suspending the effectiveness of such registration statement.

3. Representations and Warranties of the Company.

The Company represents and warrants that on and as of the date hereof and on and as of the Closing Date:

(A) Organization and Power. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of New York, and is duly qualified and in good standing in the State of Florida, and has all powers and all material governmental licenses, authorizations, consents and approvals required to carry on its business as now conducted or proposed to be conducted and to enter into and perform this Agreement and any Ancillary Agreement to which it is or is to be a party.

(B) Authorization of Agreements, etc. This Agreement and the Ancillary Agreements to which the Company is or is to be a party have been duly authorized by all necessary action on the part of the Company. This Agreement has been duly executed and delivered by the Company and constitutes, and the Ancillary Agreements to which the Company is or is to be a party, when duly executed and delivered, will constitute valid and binding agreements of the Company.

(C) Financial Information. The consolidated balance sheet of the Company and the related statements of income and cash flows for the fiscal year ending December 31, 1988, reported on by Ernst & Whinney, independent accountants to the Company, a copy of which has been delivered to ML, fairly present, in conformity with generally accepted accounting principles, the financial condition of the Company.

(D) Litigation. There is no action, suit, proceeding, inquiry or investigation pending or, to the knowledge of the Company, threatened, against or affecting the Company or any Affiliate thereof in any court or before any arbitrator or before or by any Governmental Body in which there is a reasonable possibility of an adverse decision which could materially adversely affect the business (present or

prospective), financial position or results of operations of the Company, or which in any manner raises any question affecting the validity or enforceability of this Agreement or any of the Ancillary Agreements to which the Company is or is to be a party and that is to be used in connection with, or is contemplated by, this Agreement, nor to the knowledge of the Company is there any basis therefor.

(E) Noncontravention. The execution, delivery and performance by the Company of this Agreement and the Ancillary Agreements to which it is or is to be a party do not and will not contravene, or constitute a default under, any provision of applicable law or regulation of the Articles of Incorporation or by-laws of the Company, and will not materially adversely contravene or cause a default of any applicable law, regulation, agreement, judgment, injunction, order, decree or other instrument binding upon the Company or any Affiliate thereof, or result in the creation of any lien other than liens contemplated by the Ancillary Agreements or other encumbrance on any asset of the Company or any Affiliate.

(F) Governmental Consents. No consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any Governmental Body in connection with the execution, delivery and performance of this Agreement or any Ancillary Agreement to which the Company is or is to be a party, or, if any such action is required, the same has been duly taken, is in full force and effect and constitutes valid and sufficient authorization therefor.

(G) Brokers, etc. No Person has, or as a result of the transactions contemplated hereby and by the Ancillary Agreements will have, any right, interest or valid claim against or on the Company or ML or any Sponsor for any commission, fee or other compensation as a broker or finder or in any similar capacity other than a fee to the Placement Agent, which fee is the obligation solely of the Company and will be paid on or before the Closing Date. If any commission, fee or other compensation which should have been borne by the Company becomes payable in connection with the sale of the Bonds hereunder by ML or any Sponsors, the Company will indemnify ML and any such Sponsor for such commission, fees or other compensation.

4. Representations and Warranties of the Issuer.

The Issuer represents and warrants that, on and as of the date hereof and on and as of the Closing Date:

(A) The Issuer is a public body corporate and politic of the State of Florida and has the power and authority to carry

out and consummate the transactions contemplated by the Project Agreement, the Bond Trust Indenture and this Agreement.

(B) The Project Agreement, the Bond Trust Indenture and this Agreement have been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the other parties thereto, are each in full force and effect.

(C) The execution and delivery by the Issuer of the Project Agreement, the Bond Trust Indenture, this Agreement and the Bonds, and compliance with the provisions thereof by the Issuer, does not violate any applicable judgment, order or regulation of any court or any public or governmental agency or authority of the State of Florida or the federal government of the United States of America and does not conflict with, or result in the breach of any of the provisions of, or constitute a default under, any indenture, mortgage, deed of trust or other agreement or instrument to which the Issuer is a party or by which it or its properties is or may be bound.

(D) To the best of the Issuer's knowledge, there is no litigation pending or threatened against the Issuer to restrain or enjoin the issuance or sale of the Bonds or the execution and delivery of the Bond Trust Indenture, the Project Agreement, the Bonds or this Agreement, or in any way affecting the authority for or the validity of the Bonds, the Bond Trust Indenture, the Project Loan Agreement, or this Agreement, or the existence or power of the Issuer to use the proceeds from the sale of the Bonds to finance the costs of refunding the Refunded Bonds described in the Project Agreement.

(E) All meetings of the Issuer at which action was taken in connection with the Project Agreement, the Bond Trust Indenture, this Agreement and the Bonds were duly and legally called and held meetings, open to the public at all times, and notice of the time and place of each such meeting was given as required by law and any procedural rules of the Issuer.

5. Representations and Warranties of the Purchaser.

The Purchaser represents and warrants that:

(a) All information (including financial statements) relating to the Company, the Credit Bank and any other Person that the Purchaser requested and deemed necessary to review in connection with the transactions referred to herein has been provided to the Purchaser, and the Purchaser hereby expressly relieves the Issuer and St. Johns County ("the County") and any employees, directors, members or agents thereof of any liability for such information or for the inclusion in such information or in any of the documents,

representations or certifications to be provided by the Borrower, the Credit Bank or otherwise in connection with the issuance of the Bonds of any untrue fact or for the failure therein to include any fact.

(b) The Purchaser is purchasing the Bonds solely for deposit into the Municipal Investment Trust Fund, Intermediate Term Series and not with a view to reselling or otherwise distributing the Bonds. The Purchaser is familiar with and shall comply with Federal statutes, rules and regulations relating to limitations on the public distribution of the Bonds to the extent that it is Purchaser's obligation to do so.

(c) The Purchaser is an investment bank and is duly and legally authorized to purchase the Bonds which are the subject of this Bond Purchase Agreement.

(d) The Purchaser understands that the Bonds are not secured by any obligation or pledge of any moneys received or to be received from taxation or from the State of Florida or any political subdivision or taxing district thereof (including, without implied limitation, St. Johns County, and that the Bonds will never represent or constitute a general obligation, debt or bonded indebtedness of St. Johns County, the State of Florida or any political subdivision thereof and that no right will exist to have taxes levied by St. Johns County, the State of Florida or any political subdivision thereof for the payment of principal of and interest on the Bonds.

(e) The Purchaser agrees that the Bonds (i) are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state, (ii) will not be listed on any stock or other securities exchange, (iii) will carry no rating from any rating service and (iv) are likely to be marketable to institutional investors only.

(f) It will not offer, sell or otherwise dispose of all or any part of or interest in the Bonds, except in full good faith compliance with all securities registration, broker-dealer, antifraud and other provisions of applicable state and federal laws.

(g) The Purchaser is buying the Bonds as agent to the Sponsors. Purchaser is generally engaged in the investment advisory business.

(h) The Purchaser agrees to indemnify and hold harmless all parties to this Bond Purchase Agreement from any and all losses, claims, damages, liabilities and expenses

arising out of violations by it of any of its statements, covenants or representations contained in this Section 5.

6. Conditions of Closing.

Your obligation to purchase Bonds under this Agreement shall be subject to the satisfaction of the following conditions:

(A) Opinion of Counsel to the Company. You shall have received a favorable opinion dated the Closing Date from counsel to the Company, satisfactory to you and your special counsel, to the effect that:

(i) the Company is a corporation duly organized, validly existing and in good standing under the laws of New York and duly qualified and in good standing in the State of Florida and has all powers and to the best of such counsel's knowledge all material governmental licenses and approvals, authorizations and consents to carry on its business as now conducted and to enter into and perform this Agreement and the Ancillary Agreements to which it is a party except no opinion is being rendered on federal or blue sky laws;

(ii) this Agreement and the Ancillary Agreements to which the Company is a party have been duly authorized by all necessary action on the part of the Company. This Agreement and the Ancillary Agreements to which the Company is a party have been duly executed and delivered by the Company and constitute valid and binding agreements of the Company;

(iii) there are no actions, suits or proceedings pending or to the best of the Counsel's knowledge threatened against or affecting the Company in any court or before any arbitrator or before or by any Governmental Body in which there is a reasonable possibility of an adverse decision which could materially adversely affect the business (present or prospective), financial position or results of operations of the Company or which in any manner raises any question affecting the validity of this Agreement or any of the Ancillary Agreements to which the Company is a party;

(iv) the execution, delivery and performance by the Company of this Agreement and the Ancillary Agreements to which it is a party (A) do not contravene, or constitute a default under (a) any provision of the articles of incorporation or by-laws of the Company or (b) in any material respect, any provision of applicable law or regulation as presently enacted or adopted and construed, or any agreement, judgment, injunction, order, decree or other instrument known to such counsel and binding upon the Company, or (B) result in the creation of any lien or other

encumbrance on any asset of the Company; except that no opinion is being rendered on federal securities or blue sky laws; and

(v) no material consent or approval is required to be obtained by the Company from, or document filed by the Company with, any Governmental Body in connection with the execution, delivery and performance of this Agreement or any Ancillary Agreement to which the Company is a party or, if such action is required, the same has been duly taken, is in full force and effect and constitutes valid and sufficient authorization therefor.

(B) Opinion of Counsel to the Bank. You shall have received a favorable opinion dated the Closing Date from White & Case, counsel to the Bank, satisfactory to you and your special counsel, to the effect that:

(i) the Letter of Credit constitutes the valid and binding obligation of the Bank, enforceable against the Bank in accordance with its terms, except only as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights in general as such law would apply in the event of any moratorium or similar occurrence affecting the Bank.

(C) Opinion of Bond Counsel. You shall have received a favorable opinion dated the Closing Date from Foley & Lardner, bond counsel, satisfactory to you and your special counsel, to the effect that:

(i) the Act is valid under the constitution of the State of Florida and the Bonds have been issued in conformity with the Act and the Bond Resolution adopted by the governing body of the Issuer on _____, 1989; the Bond Resolution has been duly adopted and is in full force and effect in the form adopted;

(ii) no filing or recording of any document is required in order to establish, protect and preserve the rights and security interests assigned and pledged to the Bond Trustee pursuant to the Bond Trust Indenture;

(iii) the Issuer has the right and power under the laws of the State of Florida to enter into and perform this Agreement and the Ancillary Agreements to which the Issuer is a party and to issue, sell and perform the Bonds;

(iv) this Agreement and the Ancillary Agreements to which the Issuer is a party have been duly authorized,

executed and delivered by the Issuer and constitute valid and binding agreements of the Issuer;

(v) the Bonds have been duly authorized, executed and delivered by the Issuer, in accordance with law, the Bond Resolution and the Indenture, and constitute valid and binding obligations of the Issuer and the Bonds are entitled to the benefits of the Bond Trust Indenture;

(vi) no consent or approval is required to be obtained which has not already been obtained, or document filed with, any Governmental Body in connection with the execution and delivery of, or performance under, this Agreement or the Ancillary Agreements or in connection with the issuance, sale and performance of the Bonds, except for any Blue Sky filings upon which such counsel express no opinion;

(vii) under presently existing statutes, regulations, court rulings and court decisions, the Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes on interest, income or profits on debt obligations owned by corporations, as defined by Chapter 220, Florida Statutes, as amended;

(viii) under presently existing statutes, regulations, court rulings and court decisions, the interest on the Bonds is excludable from gross income for federal income tax purposes although certain environmental protection, branch profits and alternative minimum taxes may be imposed on such interest and the use of the direct pay Letter of Credit in the manner contemplated by the Bond Trust Indenture will not adversely affect such exclusion;

(ix) the Bonds and the Letter of Credit are exempt securities within the meaning of Section 3(a)(2) of the Securities Act of 1933, as amended, and no indenture with respect to the Bonds or the Letter of Credit need be qualified under the Trust Indenture Act of 1939; and

(x) all payments of principal, interest and premium on the Bonds to the Bondholders by the Bond Trustee from draws on the Letter of Credit or from Priority Amounts (as defined in the Project Agreement) will not constitute voidable preferences or postpetition transfers of property under the Federal Bankruptcy Code or any other applicable state or federal law.

(D) Representations and Warranties. The representations and warranties of each of the Company and the Issuer contained herein shall be true and correct on and as of the Closing

Date with the same effect as though such representations and warranties had been made on and as of the Closing Date.

(E) Performance; No Default. Each of the Company and the Issuer shall have performed and complied with all agreements and conditions herein required to be performed or complied with by it prior to or on the Closing Date, and at the time of the Closing no event of default or default shall have occurred and be continuing with respect to the Bonds.

(F) Legality of Investment. You shall have determined that the Bonds may lawfully be acquired as investments by the Funds in which they are proposed to be deposited.

(G) Compliance Certificate. Each of the Company and the Issuer shall have delivered to you on the Closing Date a certificate, dated the Closing Date, certifying that the conditions relating to it specified in subparagraphs (D) and (E) of this paragraph 6 have been fulfilled.

(H) Letter of Intent to Remarket. The Placement Agent shall have delivered at the Closing an executed Letter of Intent to Remarket relating to the Bonds in the form of Exhibit A hereto.

(I) Letter of Credit. The Bank shall have delivered at the Closing a valid and enforceable irrevocable and transferable Letter of Credit in form and substance satisfactory to you and to your special counsel.

(J) Ancillary Agreements. All of the Ancillary Agreements shall have been duly executed and delivered by, and shall constitute valid and binding agreements of, the parties thereto.

(K) Other Documents and Proceedings. You shall have received all other documents and opinions as you may reasonably request relating to (i) the existence of the Company, the Issuer and the Bank, (ii) the corporate and governmental authority for and validity of this Agreement, the Ancillary Agreements and the Bonds, (iii) the exemption from Federal and state income taxes of interest on the Bonds, and (iv) other matters relevant to the issuance of the Bonds pursuant to the terms of the Bond Trust Indenture and the sale of the Bonds hereunder. All proceedings to be taken in connection with the transactions contemplated by this Agreement and the Ancillary Agreements, and all documents, opinions and certificates incident to such transactions shall be satisfactory in form and substance to you and to your special counsel.

(L) The Bonds. You shall have received the duly authenticated Bonds in compliance with the provisions of paragraph 2(A) hereof.

(M) Notice. You shall have received five Business Days' written notice from the Company or the Issuer of the proposed Closing Date.

(N) Payment of Counsel Fees. The Company shall have paid the fees and disbursements of your special counsel which shall not exceed \$15,000.

(O) No Legal Action. There shall not be pending before any court or any other Governmental Body any action, proceeding or investigation which is directed toward challenging, restraining, prohibiting or invalidating the transactions contemplated hereby or by the Ancillary Agreements, nor shall the Issuer, the Company, or the Bank have received from any Governmental Body official notification objecting to the sale of the Bonds.

Each opinion, letter and certificate delivered hereunder shall contain a statement that it may be relied upon by each Fund in which you shall have deposited or shall deposit any of the Bonds as fully and to the same extent as if such opinion, letter or certificate had been specifically addressed to such Fund.

7. Agreements of the Company.

The Company agrees that, so long as you or any Fund shall hold any of the Bonds, it will deliver to you and to the Trustee of any Fund holding any of the Bonds:

(i) as soon as available, and in any event within 120 days after the close of each fiscal year of the Company, the consolidated financial statements of the Company including the balance sheet as of the end of such fiscal year and the related statements of income and of cash flows, setting forth in each case in comparative form the corresponding figures for the preceding fiscal year, all in reasonable detail and certified by Ernst & Whinney, or another public accountant acceptable to the Company;

(ii) such other information respecting the business, properties or the condition or operations, financial or otherwise, of the Company as you may from time to time reasonably request;

(iii) promptly upon becoming aware of any Tax Event relating to any Bond, a notice of such Tax Event setting forth the details thereof; and

(iv) promptly upon becoming aware of the existence of any condition or event which constitutes a default or an event of default on the Bonds, a certificate of an officer of

the Company to such effect setting forth the details thereof and the actions to be taken with respect thereto.

8. Payment of Certain Expenses and Taxes by the Company.

Whether or not the transactions contemplated by this Agreement shall be consummated, the Company agrees (A) to pay all reasonable expenses incurred by you or any holder of any of the Bonds or an interest incurred by you or any holder of any of the Bonds or an interest therein in connection with any enforcement, modification, amendment or alteration of this Agreement, the Bonds or any of the Ancillary Agreements (whether or not any such enforcement, modification, amendment or alteration becomes effective), including, but not limited to, any out-of-pocket expenses incurred by you or any such holder and the fees, charges and disbursements of special counsel for you or any such holder; (B) to pay the fees and expenses of the Depository during periods when the Bonds are in Book Entry Form; and (C) to pay, and save you or any such holder of any of the Bonds or an interest therein, harmless against any and all liability with respect to, amounts payable as a result of (i) any issuance, stamp, documentary, transfer or similar taxes which may be determined to be payable in connection with the execution and delivery of the Bonds, this Agreement or any of the Ancillary Agreements, or any modification, amendment or alteration, of the terms or provisions of any of the Bonds, this Agreement or any of the Ancillary Agreements, (ii) any interest or penalties resulting from any delays in paying any of such expenses, charges, disbursements, liabilities or taxes, and (iii) any advisory, placement, brokers' or finders' fees or similar fees incurred in connection with sale of the Bonds hereunder except for any fees incurred by ML without the Company's consent. The obligations of the Company under this paragraph 8 shall survive the payment of the Bonds.

9. Survival of Covenants; Successors and Assigns.

All covenants, agreements, representations and warranties made by the Company or the Issuer in this Agreement, the Ancillary Agreements, or in certificates or other documents delivered pursuant to any thereof shall survive the delivery of the Bonds to you, and shall continue in full force and effect until all the Bonds are paid in full and thereafter to the extent provided by paragraph 8. All such covenants, agreements, representations and warranties shall be binding upon any successors and assigns of the Company or the Issuer, as the case may be, and shall inure to the benefit of your successors and assigns.

10. No Oral Change; Assignment.

(A) This Agreement may not be changed orally, but only by an agreement in writing and signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

(B) Neither the Company nor the Issuer may assign any of its respective rights or obligations under this Agreement without your written consent, and you shall not be required to purchase the Bonds under this Agreement except from the Issuer.

11. Notices.

All communications hereunder shall be in writing and, unless otherwise directed in writing, shall be addressed as follows: if to the Issuer, at County Administration Building, Route 10, Box 85, County Road 16-A, St. Augustine, Florida 32085, Attention: Chairman; if to the Borrower, at P.O. Box 3887, St. Augustine, Florida 32085, Attention: Mr. Manfred F. Schroeder; if to the Purchaser, at One Liberty Plaza, 165 Broadway, New York, New York 10080, Attention: Mr. Robert Wolforth.

12. Reproduction of Documents.

This Agreement, the Ancillary Agreements, and all documents relating thereto, including without limitation (A) consents, waivers and modifications which may hereafter be executed, (B) documents received by you or any Fund at the Closing (except the Bonds themselves), and (C) financial statements, certificates and other information previously or hereafter furnished to you or any Fund may be reproduced by you or such Fund by any photographic, photostatic, microfilm, micro-card, miniature photographic or other similar process and you or any Fund may destroy any original document so reproduced. The Company and the Issuer agree and stipulate that any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by you or any Fund in the regular course of business) and that any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

13. Law Governing.

This Agreement shall be construed in accordance with and governed by the laws of the State of Florida.

14. Headings.

The headings of the paragraphs and subparagraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Agreement.

15. Severability.

If any provision of this Agreement shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

If you agree with the foregoing, please sign four copies of this Agreement in the space provided below and return one copy so executed to each of the Company, and the Issuer, whereupon this Agreement shall then become a binding agreement among you, the Company, and the Issuer.

16. Further Condition of Closing.

As a further condition of closing the Purchaser shall deliver to Issuer the disclosure statements required by Chapter 218, Part III, Florida Statutes as amended.

Very truly yours,

V.A.W. OF AMERICA INCORPORATED

By _____
Title:

ST. JOHNS COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By _____
Title:

The foregoing is hereby
accepted as of the date
first above written.

MERRILL LYNCH, PIERCE, FENNER
& SMITH INCORPORATED

By _____
Vice President

GT15BPA1

[FORM OF LETTER OF INTENT TO REMARKET]

June __, 1989

Merrill Lynch, Pierce, Fenner
& Smith Inc.
One Liberty Plaza
165 Broadway
New York, NY 10080

Re: \$5,680,000 St. Johns County Industrial Development
Authority Industrial Development Revenue Refunding
Bonds (V.A.W. of America, Incorporated Project)
Series 1989

Gentlemen:

This letter is delivered to you in connection with the closing described in the Bond Purchase Agreement dated as of June __, 1989 (the "Bond Purchase Agreement"). All terms herein shall be considered to have the same meaning as in the Bond Purchase Agreement and the Purchase Agreement referred to therein.

Deutsche Bank Capital Corporation believes that the Bonds are marketable. If requested, the undersigned, acting as Agent, would find alternate purchasers for such bonds to the extent practicable and at market prices then prevailing. Based on our experience, we believe that seven days is a reasonable period of time to obtain indications of interest.

Although the undersigned represents its good faith intention to find alternate purchasers for such bonds pursuant to the foregoing understanding, the undersigned shall not be legally obligated to do so.

Merrill Lynch, Pierce, Fenner
& Smith Inc.

June __, 1989

Page Two

You may deliver a copy of this letter to the Fund Trustee of any series of any fund into which the Bonds may be deposited and such Fund Trustee may call upon the intention to replace herein expressed to the same extent as you.

Very truly yours,

Deutsche Bank Capital
Corporation

Merrill Lynch, Pierce, Fenner
& Smith Inc.
June __, 1989
Page Three

Schedule I

<u>Bond</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
Series 1989 Bond No. R-1	June __	\$5,680,000	___%

GT15BPA1