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**TRUST INDENTURE  
DATED AS OF JANUARY 1, 1992**

**by and between**

**SouthTrust Bank of Alabama, National Association,  
As Trustee**

**and**

**Community College Development Co., Inc.**

**and**

**Jefferson State Community College**

\*\*\*\*\*

**SECURING**

**CERTIFICATES OF PARTICIPATION - RENTAL PAYMENTS  
Community College Development Co., Inc.  
Lease Agreement dated as of January 1, 1992**

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**Sirote & Permutt, P.C.  
Montgomery, Alabama  
Bond Counsel**

*James L. Rickey*

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THIS TRUST INDENTURE ("Indenture") dated as of January 1, 1992, between SouthTrust Bank of Alabama, National Association, a national banking association having a corporate trust office in Birmingham, Alabama ("Trustee"), and COMMUNITY COLLEGE DEVELOPMENT CO., INC., an Alabama corporation duly organized and existing under the laws of the State of Alabama and qualified to do business in the State of Alabama ("CCD"), is entered into for the benefit of the Registered Holders from time to time of the Certificates described herein and the Jefferson State Community College, on behalf of the State of Alabama Board of Education, created and operating pursuant to Section 16-60-1, et. seq., Code of Alabama (1975) ("Jeff State").

WITNESSETH:

WHEREAS, CCD has agreed to construct a building for use by Jeff State as an institutional facility (the "Building"), and lease and sell the Building to Jeff State pursuant to a Lease Agreement dated as of January 1, 1992, by and between the CCD and Jeff State and said Building is located on lands for which CCD currently has an option to purchase (the "Property") described in Exhibit B hereto; and

WHEREAS, the transactions conveying title to the Property to CCD have been closed in escrow pending the execution of a construction contract for the Building and the obtaining of all required permits relating to the construction of the Building and related improvements; and

WHEREAS, in order to provide the funds necessary to construct the Building, at the request of and for the benefit of Jeff State, CCD is willing to enter into this Indenture with the Trustee pursuant to which there are being issued \$2,500,000 aggregate principal amount Certificates of Participation in the Lease Agreement (the "Certificates"); and

WHEREAS, concurrently with the issuance of the Certificates, Jeff State (in such capacity, the "Lessee") and CCD (in such capacity, the "Lessor") are entering into the Lease Agreement pursuant to which the Lessee agrees to pay rent for the Building in amounts (the "Rental Payments", as hereinafter defined) sufficient to pay when due all required distributions of principal of and interest on the Certificates and certain additional payments to CCD; and

WHEREAS, in order to provide funds to undertake the construction of the Building the Trustee will, at the request and for the benefit of CCD, issue Certificates as contemplated herein and pursuant to the terms hereof; and

WHEREAS, the proceeds of the sale of the Certificates will be deposited in the funds established hereunder to further assure the availability of funds to construct the Building, pay certain issuance costs, and provide a debt service reserve fund for the benefit of the holders of the Certificates.

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the principal of, interest and redemption premium, if any, on the Certificates according to their tenor and effect, and to declare the terms and conditions upon and subject to which the Certificates are issued and secured, and for and in consideration of the mutual covenants herein contained and of purchase and acceptance of Certificates by the Holders thereof, and intending to be legally bound hereby, the Trustee and CCD have executed and delivered this Indenture, and by these presents there is hereby created an irrevocable trust for the benefit of the Registered Holders from time to time of the Certificates and their successors and assigns, upon all amounts received from the sale of the Certificates, and all proceeds thereof including any and all Pledged Revenues, which is hereinafter defined to mean all monies and Investment Securities (as hereinafter defined) in, and income and earnings on, the Funds and accounts created and provided, and CCD does hereby sell, assign, transfer, set over, pledge, confirm and grant unto the Trustee and its successors and assigns and grant a security interest in all of the right, title and interest and obligations of CCD in, to and under the Lease Agreement subject to its retained rights under the Lease Agreement.



**TO HAVE AND TO HOLD** the same unto the Trustee, and its successor or successors in the trust hereby created and its and their assigns forever.

**IN TRUST, NEVERTHELESS**, upon the terms and trusts herein set forth, and as specifically provided herein, for the benefit and security of all present and future Registered Holders of Certificates issued and to be issued under this Indenture, without preference, priority or distinction as to lien or otherwise of any one Certificate over any other Certificate, except as otherwise specifically provided herein, each and every Certificate issued and to be issued hereunder to have the same right, lien and privilege under and by virtue of this Indenture, and so that the principal of and interest on all Certificates shall be secured hereby as hereinafter specified and shall be subject also to all the provisions hereof.

**PROVIDED, HOWEVER**, and these presents are upon the condition that if there shall be paid or provided unto the Registered Holders of all Certificates Outstanding hereunder, the principal, interest and premium, if any, to become due in respect thereof, at the times and in the manner stipulated therein and herein, and there shall be kept, performed and observed all and singular the covenants and promises in the Certificates and in this Indenture expressed to be kept, performed and observed, according to the true intent and meaning of this Indenture or if a redemption in whole is effected pursuant to the extraordinary redemption provisions contained in Section 2.06 hereof due to the failure to execute the Construction Contract or obtain the Permits, then, upon such final payment of principal, interest and premium, if any, having been made or provided for as herein specified, this Indenture and the estate and rights hereby granted shall cease, determine and be void; otherwise to remain in full force and effect.

**AND IT IS HEREBY COVENANTED AND AGREED** by and between the parties hereto that the terms and conditions upon which the Certificates are to be executed, delivered, issued, secured, received and accepted by all persons who shall, from time to time, be or become Holders thereof, and the trusts and conditions upon which the Trustee shall hold and keep its trust, are as follows:

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## ARTICLE I

### DEFINITIONS

Section 1.01. Definitions. The terms and phrases defined in this Article I shall for all purposes of this Indenture, including the preceding recitals and any Supplemental Indenture, have the meanings herein specified unless the context clearly otherwise specifies.

"Administrative Expenses" shall mean the reasonable fees and expenses of the Trustee, including legal fees and expenses, incurred in connection with the Certificates, the Building and the administration thereof.

"Assignment Agreement" shall mean the Assignment Agreement dated as of January 1, 1992, by and between CCD and the Trustee wherein certain rights of CCD in the Lease Agreement have been assigned to the Trustee.

"Authorized Officer of the Lessee" means the President or that person designated by her in writing to the Trustee to deal with matters governed by this Indenture and the Lease Agreement.

"Building" means the building more fully described in the Lease Agreement.

"Building Construction Fund" shall mean the Fund so designated which is established pursuant to Section 3.04 hereof.

"Business Day" shall mean any day other than Sunday, a Saturday or any other day on which any banking institution in the State or in the state in which the Trustee has its principal corporate trust office is authorized by law or is required by executive order to be closed.

"Certificate" or "Certificates" shall mean all certificates issued and outstanding from time to time under this Indenture, being the Certificates.

"Certificates" shall mean the \$2,500,000 aggregate principal amount Certificates of Participation in the Lease Agreement.

"Certificate Fund" shall mean the fund so designated which is established pursuant to Section 3.01A hereof.

"Certificate Register" shall mean the books of the Trustee kept in the principal corporate trust office thereof for the registration, exchange and transfer of Certificates.

"Certified Resolution" shall mean a resolution duly passed by Jeff State or the State Board pursuant to applicable charter or statutory requirements.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and with respect to a specific section thereof, such reference shall be deemed to include the regulations promulgated under such section and applicable to the Certificates, the Holders thereof or the City.

"Contractor" means Brasfield & Gorrie, Inc. of Birmingham, Alabama.

"Construction Contract" means the Standard Form of Agreement Between Owner and Contractor to be entered into between CCD and Contractor, Inc. relating to the construction of the Building.



**"Cost" or "Costs", in connection with the issuance of the Certificates and the Building, means all expenses which are properly chargeable thereto under Generally Accepted Accounting Principles, including, without limitation, any expenses which are incidental to the financing, construction, and acquisition of the Building or any financing under this Indenture, including, without limiting the generality of the foregoing:**

**(a) Amounts payable under the Construction Contract for CCD to construct the Building, and the reimbursement to CCD of costs already incurred by CCD in the Building;**

**(b) Legal, accounting and other professional and advisory**

**(c) Printing, engraving, insurance premiums and other expenses of financing, including, without limitation, underwriter's discount and fees of CCD and financing advisers;**

**(d) Costs of labor, materials and fees necessary or desirable for the completion and operation of the Building and other items necessary to enable Jeff State to utilize the Building; and**

**(e) Interest costs during construction.**

**In the case of refunding or redeeming any Certificates, "Costs" includes advertising and other expenses related to the redemption of the Certificates to be redeemed and the Redemption Price of such Certificates (and the accrued interest payable on redemption to the extent not otherwise provided for).**

**Whenever Costs are required to be itemized, such itemization shall, to the extent practicable, correspond with the items listed above. Whenever Costs are to be paid hereunder, such payment may be made by way of reimbursement to CCD, Jeff State or others who have paid the same.**

**"Counsel" shall mean an attorney-at-law or firm thereof selected by CCD and satisfactory to the Trustee.**

**"Distribution Date" shall mean with respect to the Certificates April 1, 1992, and each April 1 and October 1 thereafter for so long as the Certificates are Outstanding.**

**"Financing Documents" shall mean the Certificates, the Lease Agreement, the Assignment Agreement, this Indenture and all other documents, certificates, writings and representations delivered in connection with the Building and the issuance of the Certificates.**

**"Fiscal Year" shall mean the fiscal period of Jeff State namely October 1 to September 30 of each year.**

**"Funds" shall mean the Building Construction Fund, Certificate Fund, Reserve Fund, Rebate Fund and any accounts or sub-accounts thereof.**

**"Generally Accepted Accounting Principles" shall mean those accounting principles applicable in the preparation of financial statements, as promulgated from time to time by the Financial Accounting Standards Board or such other body recognized as authoritative by the American Institute of Certified Public Accountants.**

**"Government Obligations" shall mean (i) direct and general obligations of, or obligations the timely payment of principal of the interest on which are unconditionally guaranteed by, the United States of America, including money market accounts secured by such obligations and (ii) pre-refunded municipal obligations meeting the following criteria:**

(a) The municipal obligations may not be callable prior to maturity or, alternatively, the trustee with respect thereto has received irrevocable instructions concerning their calling and redemption;

(b) The municipal obligations are secured by cash or securities described in subparagraph (i) above (the "Defeasance Obligations"), which cash or Defeasance Obligations may be applied only to interest, principal and premium payments of such municipal obligations;

(c) The principal and interest of the Defeasance Obligations (plus any cash in the fund in which the Defeasance Obligations are held) are sufficient to meet the liabilities of the municipal obligations;

(d) The Defeasance Obligations serving as security for the municipal obligations must be held by an escrow agent or trustee; and

"Holder" or "Registered Holder" with respect to any Certificate shall mean the person in whose name any Certificate is registered upon the registration book maintained by the Trustee.

"Indenture" shall mean this trust indenture dated as of January 1, 1992, by and between the Trustee and CCD, as amended or supplemented from time to time.

"Independent" shall mean with respect to the Certified Public Accountant, a Person (a) who is not an officer or employee of Jeff State; or (b) which is not a partnership, corporation or association having a partner, director, officer, member or substantial stockholder who is an officer or employee of Jeff State; provided, however, that the fact that such Person is retained regularly by or transacts business with the City shall not make such Person an employee within the meaning of this definition.

"Investment Instructions" shall mean the Investment Instructions executed by an Authorized Officer of CCD and delivered to the Trustee on the date of original delivery of the Certificates, as amended or superseded from time to time.

"Investment Securities" shall mean and include any of the following securities, if and to the extent the same (i) are at the time legal for investment of Jeff State funds and (ii) have a stated maturity date of, or are redeemable at the option of the holder thereof on a date, five (5) years or less from the date of purchase:

(a) Government obligations;

(b) Bonds, notes, debentures, or other evidences of indebtedness issued by any of the following agencies for so long as such agency is owned or sponsored by the United States of America: Federal Financing Bank; Federal Housing Administration; Private Export Funding Corporation; Federal Home Loan Bank System; Federal Home Loan Mortgage Corporation; Export-Import Bank of the United States; the Federal National Mortgage Association of the Government National Mortgage Association;

(c) (i) Direct and general obligations of any state of the United States or any political subdivision thereof, to the payment of the principal of and interest on which the full faith and credit of such state or political subdivision is pledged, if such obligations are rated in either of the two highest rating categories by Moody's or S&P or, upon the discontinuance of such services by Moody's or S&P, such other nationally recognized rating service or services as may succeed them;

(ii) Direct and general short-term obligations of any state or political subdivision described in (i) above which are rated in the highest rating category by Moody's or S&P.

(d) Negotiable or non-negotiable certificates of deposit, time deposits or other similar banking arrangements, issued by any bank or trust company (including the Trustee and any banks affiliated with the Trustee) or savings and loan association the deposits of which are insured by the Federal Deposit Insurance Corporation ("FDIC") provided such issuing institution in any case has combined capital, surplus and undivided profits of not less than \$3,000,000 or its long-term debt is rated A or better by Moody's or Moody's or S&P and that such deposits are fully insured by the FDIC or to the extent not so insured, are secured by securities described in subsections (a) or (b) above and: such collateral securities are held by (i) the Trustee, (ii) a Federal Reserve Bank, or (iii) a bank which is a member of the FDIC and which has a combined capital, surplus and undivided profits of not less than \$25,000,000 and such collateral securities have a fair market value at all times equal to at least 103% of the amount of the deposit, with the additional requirement that the Trustee liquidate the securities if any deficiency in the required percentage is not restored within two Business Day of a monthly valuation;

(e) Repurchase agreements or similar arrangements, the maturity of which are less than 90 days:

(i) with banking institutions, including the Trustee or any bank affiliated with the Trustee, if applicable, or government bond dealers reporting to, trading with and recognized as a primary dealer by the Federal Reserve Bank of New York and a member of the Security Investors Protection Corporation (having or the parent company of which shall have a current Moody's or S&P rating for any purpose, including outstanding indebtedness, of at least "A"), pursuant to which there shall have been delivered to the trust department of the Trustee, or its designee, Investment Securities of the types set forth in subsections (a) and/or (b) above and having at all times a fair market value of at least 103% of the value of such agreement; provided, that any Investment Securities delivered or pledged as provided above shall be subject to a perfected first security interest in favor of, and shall being the possession of, the Trustee as trustee for not fully insured by FDIC, having a combined capital and surplus of not less than \$50,000,000.

"Lease Agreement" shall mean that certain Lease Agreement dated as of January 1, 1992, between CCD and Jeff State, pursuant to which CCD has leased the Building to Jeff State upon the real estate more fully described in Exhibit B hereto.

"Moody's" shall mean Moody's Investors Service, Inc., a Delaware corporation, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Trustee, with the consent of CCD.

"Officer's Certificate" shall mean a certificate, executed by an Authorized Officer of Jeff State, under the official seal of Jeff State.

"Outstanding", in connection with the Certificates shall mean, as of the time in question, all Certificates authenticated and delivered under the Indenture, except:

(a) Certificates theretofore canceled or required to be canceled under Section 2.05 hereof,

(b) Certificates for the payment or redemption of which the necessary amount shall have been or shall concurrently be deposited with the Trustee and be available for payment thereof or for which provision for payment shall have been made; provided that, if such Certificates are being redeemed prior to maturity, the required notice of redemption shall have been given or provisions satisfactory to the Trustee shall have been made therefor; and

(c) Certificates in substitution for which other Certificates have been authenticated and delivered pursuant to Article II hereof.

In determining whether the Holders of a requisite aggregate principal amount of Certificates Outstanding have occurred in any request, demand, authorization, direction, notice, consent or waiver under the provisions hereof, unless all Certificates Outstanding are so held, Certificates which are held by or on behalf of Jeff State or any person controlling, controlled by or under common control with Jeff State shall be disregarded for the purpose of any such determination.

"Paying Agent" shall mean the Trustee.

"Payment Period" shall mean the period from and including the Distribution Date, or the series issue date of the Certificates if prior to the first Distribution Date, through the day immediately preceding the next Distribution Date.

"Permits" means all required building, access and utilities permits from appropriate Shelby County authorities in connection with the construction of the Building and related improvements.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization, a governmental body, any other political subdivision, municipality or municipal authority or any other group or organization of individuals.

"Pledged Revenues" shall mean:

(a) Any and all sums which may be deposited in any Funds or Accounts established under this Indenture (other than the Rebate Fund), which shall include all Rental Payments paid by Jeff State pursuant to the Lease Agreement and all amounts received by the Trustee from the sale or leasing of the Building (other than fees and expenses of the Trustee associated therewith) in the event Jeff State defaults under the Lease Agreement and the Trustee repossesses the Building as permitted by the Lease Agreement;

(b) Interest earned on all Funds created hereunder to the extent that interest on any such Fund is required to be deposited in the Certificate Fund;

(c) All other amounts received by the Trustee from or on behalf of Jeff State for deposit into any Fund (other than amounts, if any, that are deposited into any Fund and are to be used for the payment of fees and expenses of parties pursuant to this Indenture), and the proceeds received by the Trustee of any insurance coverages on and condemnation awards in respect of any portions of the Building, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by Jeff State.

"Prepayment Option" means the right of Jeff State to purchase CCD's interest in the Demised Premises for a stated price as provided in Section 12 of the Lease Agreement.

"Rebate Fund" shall mean the fund so designated which is established pursuant to Section 3.05 hereof.

"Record Date" shall mean the date which is the 15th Day preceding any Distribution Date.

"Regulatory Body" shall mean and include: (a) the United States of America and any department of or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the United States of America; (b) the State, any political subdivision thereof and any department of or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the State; and (c) any other public or private body, whether Federal, state, local or otherwise, having or exercising regulatory jurisdiction and authority over CCD.



**"Rental Payment Date"** means the first of the month following the delivery of the Certificates and the first day of each month thereafter during the term of the Lease Agreement.

**"Rental Payments"** shall mean payments made or to be made, or caused to be made, by or on behalf of Jeff State under the Lease Agreement and which will be used to pay distributions of principal of and interest on the Certificates.

**"S&P"** shall mean Standard & Poor's Corporation, a New York corporation, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Trustee, with the consent of the CCD.

**"Settlement Account"** shall mean the account, so designated which is established pursuant to Section 2.08 hereof.

**"Special Distribution Date"** shall mean with respect to Outstanding Certificates the date set for payment of amounts due on Certificates that were not paid when due on any Distribution Date, which date shall be fixed by the Trustee whenever monies become available for the payment of such debt service.

**"Special Record Date"** means the date which is fifteen (15) days prior to any Special Distribution Date.

**"State"** shall mean the State of Alabama.

**"Supplemental Indenture"** shall mean any indenture amending, modifying or supplementing this Indenture made, signed and becoming effective in accordance with the terms contained herein.

**"Supplemental Lease Documents"** shall mean any Supplemental Lease and all documents, certificates, writings and representations executed or made in connection with the execution and delivery hereof.

**"Trustee"** shall mean SouthTrust Bank of Alabama, National Association, a national banking association having a corporate trust office in Birmingham, Alabama, and its successor or successors as Trustee under this Indenture.

**Section 1.02. Interpretations.** The words "hereof", "herein", "hereto", "hereby", and "hereunder" (except in the forms of the Certificates), refer to the entire Indenture.

Words importing persons include firms, associations and corporations; all words importing the singular number include the plural number and vice versa; and all words importing the masculine gender include the feminine gender.



## **ARTICLE II CONCERNING THE CERTIFICATES**

**Section 2.01. Authorization, Amount and Terms of Certificates.** There shall be initially issued hereunder the Certificates as described in Section 2.06 hereof. The proceeds of the Certificates shall be used to provide funds for the deposit of monies into the Funds established hereunder, which monies shall be used to provide for (i) the payment of the Construction Costs of the Building, (ii) the securing of the Certificates through the creation of a Debt Service Reserve Fund, (iii) capitalizing interest during the construction period of the Project, and (iv) the payment of the costs of issuance of the Certificates, all as more fully set forth herein.

The Certificates shall be in the form provided in Exhibit A annexed hereto and made a part hereof, with appropriate insertions, omissions and variations, and shall be dated, shall be numbered, shall mature and shall bear interest as more particularly set forth in Section 2.06 hereof.

Certificates may also be issued under this Indenture pursuant to Section 2.05 hereof in lieu of Certificates theretofore issued which have been mutilated, lost, destroyed or stolen, or pursuant to Section 2.04 hereof in exchange for other Certificates.

**Section 2.02. Place, Manner and Source of Payment of Certificates.** The principal of and interest on the Certificates issued and to be used hereunder shall be payable in lawful money of the United States of America, which at the time of payment is legal tender for the payment of public and private debts therein. The final payment due on the Certificates shall be payable at the principal corporate trust office of the Trustee upon presentation and surrender of Certificates as the same shall become due and payable. All other payments on Certificates shall be paid on each Distribution Date (or if any such Distribution Date is not a Business Day, then on the Business Day next succeeding such Certificate Payment Date) by check or draft mailed by the Trustee to the person in whose name a Certificate is registered on the Certificate Register maintained by the Trustee at the close of business on the Record Date, and at the address appearing on the Certificate Register; provided, however, that if a person in whose name a Certificate is registered (i) requests, prior to the relevant Record Date, the Trustee to make payment on such Certificate in a manner other than as set forth above, and the Trustee agrees to make such payment in the manner requested, and (ii) reimburses the Trustee in advance for any costs that the Trustee incurs in complying with such request, the Trustee shall make payment on such Certificate in accordance with such person's request. Any such payment not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner thereof as of the Record Date, and shall be payable to the person who is the registered owner thereof (or of one or more predecessor Certificates) at the close of business on the Special Record Date preceding the Special Distribution Date. Notice of the Special Distribution Date shall be given to the Registered Holders as of the Special Record Date not less than ten (10) days prior to the Special Distribution Date. All Certificates shall provide that all payments in respect thereof shall be payable only out of the Pledged Revenues.

**Section 2.03. Execution of Certificates.** All Certificates issued hereunder shall be executed by the manual signature of an authorized officer of the Trustee.

**Section 2.04. Registration, Exchange and Transfer of Certificates; Certificate Register.** The Trustee shall keep or cause to be kept at its principal corporate trust office books for the registration, exchange and transfer of Certificates of like series in the manner provided therein and herein so long as any of such Certificates shall remain Outstanding. No transfer of Certificates shall be valid unless made by the Registered Holder or by his duly authorized attorney at the principal corporate trust office of the Trustee, upon surrender of such Certificates accompanied by a duly executed instrument of transfer in form and

with guaranty of signature satisfactory to the Trustee. Upon such transfer, a new fully registered Certificate or Certificates of like series of the same maturity, in authorized denominations, and bearing the same rate of interest shall be issued to the transferee. The Trustee shall exchange, register or transfer or cause to be exchanged, registered or transferred, Certificates, as herein provided, and under such reasonable regulations as it may prescribe. At the option of the Holder, Certificates may be exchanged for other Certificates of like series of any other authorized denomination of a like aggregate principal amount and maturity, upon surrender of the Certificates to be exchanged at any such office or agency. Whenever any Certificates are so surrendered for exchange, the Trustee shall execute and deliver the Certificates which the Holder making the exchange is entitled to receive. The Trustee shall serve as the registrar for the purpose of registering, exchanging and transferring the Certificates. The books kept pursuant to this Section are herein referred to as the Certificate Register.

Registration and transfer of registration of Certificates authorized under this Section 2.04 shall be made without charge to the Holder of any Certificate; provided, that the Holder, as a condition precedent to the exercise of such privilege, shall pay any taxes or other governmental charges imposed thereon.

The Trustee is not required (a) to issue or transfer any Certificates during a period beginning on the fifteenth day next preceding any date of selection of Certificates to be redeemed and ending at the close of business on the day on which the applicable notice of redemption is mailed, or (b) to transfer any Certificates which have been selected or called for redemption in whole or part.

All Certificates issued in exchange for Certificates shall be dated on the date of registration and execution thereof.

Section 2.05. Mutilated, Destroyed, Lost or Stolen Certificates. Upon receipt by the Trustee of evidence satisfactory to it that any Outstanding Certificate has been mutilated, destroyed, lost or stolen, and of indemnity satisfactory to it, the Trustee shall execute and deliver a new Certificate of the same series and same maturity and of like tenor in exchange and in substitution for, and upon surrender and cancellation of, the mutilated Certificate, or in lieu of and in substitution for the Certificate so destroyed, lost or stolen.

Any Holder requesting a new Certificate executed and delivered under the provisions of this Section, shall pay the expenses, including counsel fees connected with such transfer, which may be incurred by the trustee in connection therewith. In case any such mutilated, destroyed, lost or stolen Certificate has become or is about to become due and payable, the Trustee, in its discretion may, instead of issuing a new Certificate, make the payment thereof when such payment is due.

Any Certificate issued under the provisions of this Section 2.05 in lieu of any Certificate alleged to be mutilated, destroyed, lost or stolen, shall constitute an original additional direct and proportionate interest, whether or not the Certificate so alleged to be mutilated, destroyed, lost or stolen be at any time enforceable by anyone, and shall have equally and proportionately entitled to the benefits of this Indenture with the Certificate being replaced.

Section 2.06. Description and Terms of Certificates.

(a) The Certificates shall be numbered upward consecutively from 1 and shall be issued in \$5,000 denominations or integral multiples thereof. All Certificates shall bear interest at the rates as set forth below until payment of the principal amount or redemption price thereof shall have been made or provided for at or prior to maturity. Interest (calculated on the basis of a 30-day month and a 360-day year) is payable on the Certificates on each Distribution Date from January 1, 1992, unless such Certificate is dated as of a Distribution Date, in which case it shall bear interest from said Distribution Date, or unless,

as shown by the records of the Trustee, interest on the Certificates shall be in default, in which event such Certificate shall bear interest from the date on which interest was last paid on such Certificates. The Certificates shall bear interest and mature each year as follows:

<u>Year</u> (October 1)	<u>Principal Amount</u>	<u>Interest Rate</u>
1993	60,000	5.50
1994	65,000	6.00
1995	70,000	6.20
1996	75,000	6.40
1997	85,000	6.60
1998	90,000	6.80
1999	95,000	7.00
2000	105,000	7.10
2001	110,000	7.15
2002	120,000	7.20
2003	130,000	7.25

**\$1,495,000 7.55% Term Certificates Due October 1, 2011**

(b) Anything in this Indenture to the contrary notwithstanding, the Certificates, as hereinabove described, shall be secured solely by the Pledged Revenues.

**Redemption Provisions.**

***Mandatory Redemption.*** The Term Certificates shall be subject to Mandatory Redemption and Payment on October 1, 2004, and on each October 1 thereafter until and including October 1, 2011, in the amounts and in the years shown below:

<u>Year</u>	<u>Principal Amount</u>
2004	140,000
2005	150,000
2006	160,000
2007	175,000
2008	185,000
2009	200,000
2010	215,000

\$270,000 aggregate principal amount of the Term Certificates is scheduled to be paid at the final stated maturity on October 1, 2011, of the Term Certificates. Each Certificate to be redeemed under this provision shall be redeemed at and for a redemption price, with respect to each such Certificate (or a portion of the principal thereof) to be redeemed, equal to the principal amount thereof to be redeemed plus accrued interest thereon to the date fixed for redemption. The Certificates (or a portion of the principal thereof) to be redeemed shall be selected by a lot by the Trustee. The Trustee will take such actions as are necessary under the provisions hereof to redeem the principal amount of the Certificates required to be redeemed on each such October 1.

**Extraordinary Redemption.** The Certificates are subject to redemption by CCD at the price of par plus accrued interest to the redemption date as set forth below:

(1) All of the Certificates are subject to redemption in whole, but not in part, at any time if the Building is damaged or destroyed to the extent that the Building can not be economically restored within one hundred twenty (120) days to substantially its condition immediately prior to such event.

(2) All of the Certificates are subject to redemption in whole, but not in part, at any time if title to or the temporary use of the Building or any part thereof shall be taken under the exercise of the power of eminent domain to the extent that the Building cannot be reasonably restored to a condition of operating efficiency.

(3) In the event that Jeff State elects to exercise its option to purchase CCD's interest in the Lease Agreement or in the event a Construction Contract has not been executed and the Permits not obtained by September 30, 1992, the Lessee shall tender the Purchase Option Price provided for therein beginning on October 1, 1992, and on any monthly Rental Payment Date thereafter, in which event the Certificates will be subject to extraordinary redemption as a whole or in part on such date (and if in part, those to be redeemed to be selected by the Trustee by lot), at the following redemption prices [expressed as a percentage of par]:

**If the Date Fixed for Redemption Is**

**Redemption Price**

On or after October 1, 1992 and  
on or before September 1, 2002

102%

On or after October 1, 2002

100%

provided, however, that if such extraordinary redemption is effected due to the failure to execute a Construction Contract or obtain the Permits, then all monies in the funds held under this Indenture shall be used by the trustee to effect such redemption. CCD shall have no obligation or liability to provide any such funds to effect an extraordinary redemption.

**Optional Redemption**

The Certificates are subject to Optional Redemption in whole or in part at any time beginning January 1, 2002 and on any monthly Rental Payment Date thereafter at the following redemption prices [expressed as a percentage of the principal amount of each Certificate (or portion thereof) to be redeemed], plus accrued interest to the date fixed for redemption:

**THE DATE FIXED FOR REDEMPTION IS:**

**REDEMPTION PRICE:**

On or after January 1, 2002  
and on or before December 1, 2002

103%

On or after January 1, 2003  
and on or before December 1, 2003

102%

On or after January 1, 2004  
and on or before December 1, 2004

101%

On or after January 1, 2005

100%



If less than all of the Certificates of a maturity are to be redeemed, the selection of such Certificates shall be by lot or in any customary manner of selection as designated by the Trustee. The Trustee shall give the holders of the certificates not less than thirty (30) nor more than forty-five (45) days written prior notice of any redemption hereunder.

Section 2.07. Execution and Delivery of the Certificates. Upon the execution and delivery of this Indenture and the Lease Agreement, and upon the execution and delivery of a Closing Statement, as provided in section 2.08 hereof, the Trustee shall execute the Certificates described in Section 2.01 and 2.06 hereof, and shall deliver them to the purchaser thereof, but only upon receipt by the Trustee of the proceeds of the Certificates as shown on the Closing Statement.

Section 2.08. Settlement and Application of the Proceeds of the Certificates. There shall be delivered to the Trustee at the time the Certificates are executed and delivered a Closing Statement executed by an Authorized Officer of CCD showing: (a) the amount of the proceeds of the sale of the Certificates, including accrued interest, if any; (b) the amounts of accrued and capitalized interest, if any, on the Certificates to be deposited in the Certificate Fund for the Certificates; (c) the amount to be deposited in the Building Construction Fund and (d) the amount to be deposited into the Debt Service Reserve Fund. The Closing Statement shall be accompanied by the Investment Instruction, which shall contain a statement with respect to the disposition of monies received by the Trustee pursuant to this Section 2.08.

The Trustee shall open a Settlement Account and deposit therein the proceeds of the sale of the Certificates. From the Settlement Account, the Trustee shall make the deposits and pay or reserve the amounts set forth in accordance with the Closing Statement and the Investment instructions.

Anything in this Indenture to the contrary notwithstanding, all amounts representing accrued and capitalized interest on the Certificates which are deposited in the Certificate Fund shall be held by the Trustee solely for the payment of interest on the Certificates.

Section 2.09. Temporary Certificates. Pending the preparation of definitive Certificates, the Trustee may execute, authenticate and deliver temporary Certificates which are printed, lithographed, type written, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Certificates in lieu of which they are issued, but numbered from T-1 upwards, and with such other appropriate insertions, omissions, substitutions and other variations as the officers executing such Certificates may determine, as evidenced by their execution of such Certificates. If temporary Certificates are issued, the Trustee will cause definitive Certificates to be prepared without unreasonable delay. After the preparation of definitive Certificates, the temporary Certificates shall be exchangeable for definitive Certificates upon surrender of the temporary Certificates at the principal office of the Trustee, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Certificates the Trustee shall execute, authenticate and deliver in exchange therefore a like principal amount of definitive Certificates of authorized denominations. Until so exchanged, temporary Certificates shall in all respects be entitled to the security and benefits of this Indenture.



### **ARTICLE III FUNDS AND ACCOUNTS**

Section 3.01A. Certificate Fund. There is hereby created a separate fund known as "CCD Certificate Fund", referred to herein as the Certificate Fund, which shall be held in trust by the Trustee until applied as hereinafter provided. As provided in Section 2.08 hereof, the Trustee shall deposit in the Certificate Fund from the proceeds of the Certificates the amount, if any, shown in the Closing Statement delivered pursuant to that Section, which represents capitalized and accrued interest on the Certificates. The Trustee shall also deposit in the Certificate Fund all Rental Payments made by the City pursuant to the Lease Agreement, all amounts required to be deposited therein pursuant to the Lease Agreement, all amounts required to be deposited therein pursuant to Section 7.13 hereof and any monies received by the Trustee from the sale or leasing of the Building to a person other than Jeff State after foreclosure or repossession of the Building by the Trustee pursuant to the terms of the Lease Agreement.

The Trustee shall make the following withdrawals from the Certificate Fund:

(a) On or before April 1, 1992 and on or before each April 1 and October 1 thereafter for so long as any Certificates remain Outstanding hereunder, an amount sufficient to make all payment of principal and interest becoming due on the Certificates on such Distribution Date;

(b) On or before any date on which any Certificates are subject to redemption, an amount sufficient to pay the redemption price of such Certificates on the redemption date.

Section 3.01B. Interest Account. The Trustee shall establish and maintain so long as any of the Certificates are outstanding a separate account within the Certificate Fund to be known as the "Interest Account." Monies on deposit in the Interest Account shall be applied by the Trustee to pay interest on the Certificates as it becomes due.

Section 3.01C. Principal Account. The Trustee shall establish and maintain so long as any of the Certificates are outstanding a separate account within the Certificate Fund to be known as the "Principal Account." Monies on deposit in the Principal Account shall be applied by the Trustee to pay principal on the Certificates as it becomes due.

In lieu of making transfers into the Certificate Fund necessary to retire Certificates at the stated maturity dates thereof as hereinbefore provided, the Trustee may receive from Jeff State Certificates maturing on the succeeding Distribution Date, purchased by Jeff State for such purpose.

Section 3.01D. Capitalized Interest Account. There is hereby created a separate subaccount within the Certificate Fund designated the "Capitalized Interest Account". There shall be deposited into the Capitalized Interest Account on the date of delivery of the Certificates that amount of the proceeds from the sale of the Certificates designated by CCD in its request and authorization to the Trustee. The funds so deposited into the Capitalized Interest Account shall be transferred into the Certificate Fund to the extent that such funds remain in the Capitalized Interest Account on each April 1 and October 1 to satisfy the interest requirements as specified in Section 3.01A hereof. Funds so transferred from the Capitalized Interest Account to the Interest Account of the Certificate Fund shall serve to abate the monthly rental payment requirement of Jeff State pursuant to the Lease Agreement.

Section 3.02. Redemption Account. There is hereby established within the Certificate Fund a separate account designated "CCD Redemption Account", referred to herein as the Redemption Account. Monies to be used for redemption of the Certificates shall be transferred by the Trustee from the Certificate Fund and deposited in the Redemption Account. Said monies shall be set aside in the Redemption Account solely for the purpose of redeeming the Certificates in advance of their maturity and

shall be applied to the payment of principal of and interest on the Certificates in accordance with the provisions of this Indenture.

**Section 8.03. Purchase or Redemption of Certificates.** If monies are to be used for the purchase or redemption of Certificates, the Trustee shall apply the amount to be used for such purpose: (a) to the purchase of Certificates at the lowest prices reasonably obtainable, provided that the purchase price (exclusive of accrued interest, but inclusive of brokerage fees and charges) shall not exceed the redemption price on the next ensuing redemption date for such Certificates.

If Jeff State notifies the Trustee that it wishes to arrange for purchases of Certificates, the Trustee shall comply with Jeff State's arrangements, provided they conform to the foregoing provisions.

**Section 8.04A. Building Construction Fund.**

(a) There is hereby established a Building Construction Fund, into which there shall be deposited any amount accompanied upon its payment into the Building Construction Fund by a Certificate of an Authorized Officer of CCD directing its credit to the Building Construction Fund.

(b) Upon requisitions in a form satisfactory to the Trustee from time to time filed with the Trustee, signed by CCD stating, by general classification and by reference to the Building, the purpose for which each disbursement is to be made, and, if such disbursement is for the purpose of paying the cost or expense of work, materials, supplies or equipment, accompanied by CCD's statement stating that such work was actually performed, or such materials, supplies or equipment actually delivered, installed or fabricated, in, about or for the construction or reconstruction of such Building, the Trustee, out of the account, if any, in the Building Construction Fund established for the Construction of the Building, shall make such disbursements as may be certified by CCD as required in order to pay Costs with respect to the Building. In making any such disbursement, the Trustee shall be fully protected in acting upon such certification of CCD and shall not be required to verify or take any other or further action respecting the application of such disbursement.

(c) No amount shall be withdrawn from or paid out of the Building Construction Fund except as in this Section expressly provided and, further, no amount shall be withdrawn or paid out of the Building Construction Fund until these shall have been delivered to the Trustee an executed counterpart of the Construction Contract and proof of the obtaining of the Permits. All monies in the Building Construction Fund are hereby pledged, pending their application to other purposes or disbursement or transfer to other Funds or Accounts as herein above in this Section provided, to secure the payment of the principal or redemption price of and interest on the Certificates issued in respect of the particular project.

**Section 8.04-B. Debt Service Reserve Fund.**

(a) The Trustee shall establish and maintain so long as any of the Certificates are outstanding, the "Debt Service Reserve Fund". On the date of the execution and delivery hereof, an initial deposit from funds of Jeff State shall be made to the Debt Service Reserve Fund pursuant to Section 2.08 hereof to cause the amount on deposit therein to equal \$240,000. Monies in the Debt Service Reserve Fund shall be available to be transferred to the Interest Account, the Principal Account or the Redemption Account as follows:

(i) on the Business Day prior to each Distribution Date, or any other date upon which principal and interest is payable on the Certificates the Trustee shall immediately notify Jeff State and CCD if the amount on deposit in the Certificate Fund is inadequate to make the payments required to be made on such Distribution Date from the Interest Account, Principal or the Redemption Account or to pay any other amount that may be due with respect to the Certificates on such date. The Trustee shall provide

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AS A DEBT TO THE PROPERTY OF THE BUILDING AS CONSTRUCTION.

such notice by telephone, telegraph or facsimile transmission or other comparable means;

(ii) in the event that monies on deposit in the Interest Account, Principal Account or the Redemption Account on any Distribution Date shall not be sufficient to make the payment of the principal and interest to be due on the Certificates from each such account as of such Distribution Date, the Trustee shall transfer from the Debt Service Reserve Fund to the Interest Account, the Principal Account or the Redemption Account, as the case may be, the amount required to make such payments on the Certificates from such account;

(iii) the Trustee shall give notice by telegraph, telephone, facsimile transmission or other comparable means properly confirmed in writing, to Jeff State, CCD and each Certificate Holder of any such withdrawal and transfer from the Debt Service Reserve Fund.

(b) In the event all outstanding Certificates are to be redeemed in whole or paid upon maturity, all monies on deposit in the Debt Service Reserve Fund shall be transferred to the Redemption Account, or the Principal Account and Interest Account and credited against the amount of the principal and interest payment required to be made by Jeff State and CCD for such purpose.

Section 3.05. Rebate Fund. The Trustee shall establish a Rebate Fund which shall include a Rebate Principal Account and Rebate Interest Account. Jeff State shall cause to be made the calculation(s) required by the Investment Instructions and shall cause the Trustee to make deposits and disbursements from the Accounts of the Rebate Fund in accordance with the Investment Instructions. The Trustee shall invest the Rebate Fund pursuant to said Investment Instructions and shall deposit income from such investments immediately upon receipt thereof in the Rebate Interest Account. Sections 3.05, 3.06 and 3.07 hereof may be superseded or amended by new Investment Instructions if accompanied by an opinion of nationally recognized bond counsel addressed to the Trustee to the effect that the use of said new Investment Instructions will not cause the interest on the Certificates to become subject to Federal income taxation.

Section 3.06. Rebate Deposits. Jeff State shall annually cause to be made the computation of the Rebate Deposit described in Section II of the Investment Instructions. If a deposit to the Rebate Principal Account is required as a result of such computation, the Trustee, within fifteen (15) days of the end of the Certificate Year, as defined in the Investment Instructions, shall transfer the amount of the Rebate Deposit from the Certificate Fund. If a withdrawal from the Rebate Principal Account is permitted as a result of such computation, the Trustee shall transfer the amount of such permitted withdrawal to the Certificate Fund. Records of the determinations required by this Section and the Investment Instructions shall be retained by the Trustee until six (6) years after the Certificates are no longer Outstanding.

Section 3.07 Rebate Disbursements. Not later than thirty (30) days after the end of the fifth Certificate Year, as defined in the Investment Instructions, and within thirty (30) days after the end of the fifth year next succeeding any Rebate Disbursement, Jeff State shall cause the Trustee to pay to the United States no less than ninety percent (90%) of the amount required to be on deposit in the Rebate Principal Account as of such date and one hundred percent (100%) of the amount on deposit in the Rebate Interest Account as of such payment date. Not later than thirty (30) days after the final retirement of the Certificates, the Trustee shall pay to the United States one hundred percent (100%) of the balance remaining in the Rebate Principal Account and the Rebate Interest Account. Each payment required to be paid to the United States pursuant to this Section shall be filed with the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255 or such other address as may be appropriate or necessary at the time any such payment is due. Each payment shall be accompanied by a statement summarizing the determination of the amount to be paid to the United States.

Section 3.08 Discontinuance of Funds or Accounts; Redemption of Certificates. In the event that



Jeff State exercises its option under the Lease Agreement to purchase the Building and in connection therewith pays an amount sufficient, together with the monies in any one or more of the accounts created in Funds established hereunder (except the Rebate Fund or any account established thereunder) to redeem and pay all Outstanding Certificates, said accounts in said Funds may be discontinued and the monies therein applied toward such redemption or payment.

**Section 8.09 Reports By Trustee.** The Trustee shall furnish to Jeff State and CCD, at least annually, a report on the status of each of the accounts and Funds established under this Article III, showing at least the balance in each such account and Fund as of the first day of the period, the deposits to (including interest on investments) and the disbursements from each such account and Fund, and the balance in each such account and Fund on the last day of the report period.

**Section 8.10 Earnings on Funds.** The investment earnings, exclusive of accrued interest paid as a part of the purchase price of any investment, on the Certificate Fund and the Debt Service Reserve Fund shall from time to time, but not less than semi-annually and immediately prior to a Distribution Date, to the extent the amounts contained in such Funds and accounts shall be at or above the requirements therefor set forth herein, be transferred by the Trustee to the Certificate Fund and disbursed or deposited in accordance with Section 8.01 hereof; provided, however, that all investment earnings on all Funds established hereunder shall be used first to satisfy the requirements of Sections 8.06 and 8.07 hereof if and to the extent necessary. The interest earnings on the moneys deposited in the Building Construction Fund shall be retained in the Building Construction Fund and used to pay Construction Costs except those monies necessary to satisfy the requirements of Sections 8.06 and 8.07 hereof.

**Section 8.11. Surplus Funds.** Any funds remaining in the Building Construction Fund after CCD has certified to the Trustee and to Jeff State that all Construction Costs have been paid shall be transferred to the Certificate Fund and used to pay principal of and interest on the Certificates. The transfer of investment earnings on any of the Funds as set forth in Section 8.10, or the transfer of surplus money as provided in this Section 8.11 shall serve as a credit to Jeff State of the amount due as Rental Payments under the Lease Agreement, until the amount of such transfer has been used to pay principal of and premium if any, and interest on the Certificates. Any monies remaining on deposit in any Funds created hereunder after all of the Certificates have been fully paid, or payment has been provided for, shall be distributed to Jeff State.

**Section 8.12. No Disbursement of Funds Until Certain Conditions are Met.** Anything contained herein to the contrary notwithstanding, no monies shall be disbursed from any funds held hereunder, except for the payment of the debt service on the Certificates, until the items set forth in Section 8.04A(c) shall have been delivered to the Trustee, and it is understood that the Lease Agreement and the Assignment shall not be recorded until such conditions are met.

## ARTICLE IV

### SECURITY FOR DEPOSITS; INVESTMENT OF FUNDS

Section 4.01. Monies are Trust Funds; Deposits and Security Therefor. All monies received by the Trustee under this Indenture for deposit in any Fund established hereunder (except the Rebate Fund) shall at all times be trust funds held for the benefit and security of the Registered Holders of the Certificates in accordance with the provisions hereof, and shall remain uninvested, until or unless invested or deposited as provided in Section 4.02. All monies subject to the lien of this Indenture (whether under this Section 4.01 or under Section 4.02) shall, to the extent not insured, be fully secured as to principal by Government Obligations. If at any time the Trustee is unwilling to accept such monies or unable to secure them as provided above, the Trustee may deposit such monies with any other depository which is authorized to receive them and the deposits of which are insured by the Federal Deposit Insurance Corporation. All deposits in any other depository in excess of the amount covered by insurance (whether under this Section or Section 4.02 as aforesaid) shall be fully secured, as to principal, immediately upon the payment by the Trustee to such depository, by Government Obligations, shall be deposited with a Federal Reserve Bank, with the trust department of the Trustee as authorized by law with respect to trust funds in the State, or with a bank or trust company having a combined net capital and surplus of not less than \$25,000,000.

Section 4.02. Investment or Deposit of Funds. The Trustee shall invest monies held in the Construction Funds, and the Certificate Fund only in Investment Securities and in accordance with the Investment Instructions. All investments made pursuant to this Section 4.02 shall mature or be subject to redemption by the holder within five (5) years of their date of acquisition at not less than the principal amount thereof or the amortized cost of acquisition, whichever is lower, and all deposits in time accounts shall be subject to withdrawal without penalty not later than the date when the amounts will foreseeable be needed for purposes of this Indenture. The interest and income received upon such investments and any interest paid by the Trustee or any other depository of any Fund established hereunder, and any profit (net of losses) resulting from the sale of securities, shall be added or charged to the Certificate Fund established hereunder not less than semi-annually.

Section 4.03. Valuation of Funds. In computing the assets of any Fund or account, investments and accrued interest thereon shall be deemed a part thereof, subject to Section 4.02 hereof. Such investments shall be valued at their amortized cost, except for United States Treasury Obligations - State and Local Government Series, which shall be valued at their principal amount.



## ARTICLE V

### REDEMPTION OF CERTIFICATES

Section 5.01. General Provisions for Redemption. Certificates issued hereunder shall be subject to redemption at such time, times and from time to time, in such order, at such redemption prices, upon such notice, unless waived, and upon such terms and conditions as may be expressed in the particular Certificates. Whenever Certificates to be redeemed are required to be selected by lot, the Trustee shall be authorized to draw by lot the numbers of the Certificates to be redeemed in any manner deemed reasonable by the Trustee. The Trustee shall redeem Certificates in inverse order of maturity or by strip call. In the case of a Certificate of a denomination greater than \$5,000, the Trustee shall treat each such Certificate as representing such number of separate Certificates, each of the denomination of \$5,000, as is obtained by dividing the actual principal amount of such Certificate by \$5,000. On the redemption of a portion of the principal amount of such Certificates, the Trustee shall execute and cause to be delivered, on the surrender of such Certificate, a new Certificate or Certificates, of any authorized denomination, as requested by the Holder, in aggregate principal amount, having a maturity date and bearing interest at a rate equal to and in exchange for the unredeemed portion of the principal of the Certificate so surrendered. Such exchange shall be without charge to the Holder.

Section 5.02. Notice of Redemption. When Certificates are to be redeemed pursuant to the provisions of this Indenture, the Trustee shall cause a notice of redemption to be mailed to the Registered Holders of Certificates not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption. Such notice shall specify the maturities and, if less than all then Outstanding Certificates are to be redeemed, which may, if appropriate, be expressed in designated blocks of numbers. Such notice shall also state the date fixed for redemption, that on such date the Certificates called for redemption will be due and become payable at the principal corporate trust office of the Trustee, or at the principal office of the Paying Agent (if any) mentioned in the Certificate called for redemption, and that from and after such date, interest thereon shall cease to accrue; provided, however, that the Holders of any Certificates to be redeemed may file written waivers of notice with the Trustee, and if so waived, such Certificates may be redeemed and all rights and liabilities of said Holders shall mature and accrue on the date set for such redemption, without the requirement of written notice.

The Notice to Registered Holders of Certificates shall be deposited by the Trustee in the United States mail with first class postage prepaid and addressed to the Registered Holders of Certificates called for redemption at their addresses appearing upon the Certificate Register. The notices required to be given by this Section shall state that no representation is made as to correctness or accuracy of the numbers listed in such notice or stated on the Certificates.

If at the time of mailing of notice of any redemption by reason of purchase by Jeff State of the Building pursuant to the Lease Agreement and Jeff State shall not have deposited with the Trustee monies sufficient to redeem all the Certificates called for redemption, such notice shall state that it is conditional, subject to the deposit of funds with the Trustee not later than the redemption date, and such notice shall be of no effect unless such monies are so deposited.

Section 5.03. Payment of Redemption Price. Whenever Certificates are to be redeemed, all redemption costs, including the amounts necessary to pay all costs of required mailing, any other costs incidental to the redemption and to pay the principal, premium, if any, and all interest accrued and to accrue to the date fixed for redemption, shall be set aside and held in separate trust hereunder by the Trustee exclusively for such purposes. Notice having been given in the manner hereinbefore provided, or written waivers of notice having been filed with the Trustee prior to the date set for redemption, the Certificates so called for redemption shall become due and payable on the redemption date so designated and interest on such Certificates shall cease to accrue from the redemption date whether or not the

Certificates shall be presented for payment. The principal amount of all Certificates so called for thereon to the date of redemption, shall be paid by the Trustee or the Paying Agent, if any, mentioned in the Certificate called for redemption, upon presentation and surrender thereof in negotiable form.

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## ARTICLE VI

### DEFAULTS UNDER THE LEASE

Section 6.01. Legal Proceedings by Trustee. Upon the happening and during the continuance of any event of default by Jeff State (an "Event of Default") under the Lease Agreement, an Event of Default shall be deemed to have occurred hereunder, and in every such case the Trustee in its discretion may, and upon written request of the Holders of at least twenty-five percent (25%) in aggregate principal amount of the Certificates Outstanding, and upon receipt of indemnity and advice of Counsel to its satisfaction, shall proceed to protect and enforce its rights and the rights of the Holders of such Certificates under the laws of the State or under this Indenture by the exercise of any proper legal or equitable right or remedy under the Lease Agreement, or otherwise, as the Trustee being advised by Counsel shall deem most effectual to protect and enforce such rights.

Without limiting the generality of the foregoing, upon the occurrence of an Event of Default, and as long as such Event of Default is continuing, the Trustee may, at its option, exercise any one or more of the following remedies: (a) by written notice to Jeff State declare due an amount equal to all amounts then due under the Lease Agreement and all remaining Rental Payments due during the fiscal year during which the default occurred, whereupon the same shall become immediately due and payable; (b) by written notice to Jeff State request Jeff State to promptly give possession of the Building to the Trustee in the manner set forth in the Lease Agreement; (c) lease the Building or sublease it for the account of Jeff State, holding Jeff State liable for all Rental Payments and other payments due to the effective date of such leasing or subleasing and for the difference between the rental payments and other amounts paid by the lessee or sublessee pursuant to such lease or sublease, and the amounts payable by Jeff State in the fiscal period during which the Event of Default occurred; (d) exercise any other right, remedy or privilege which may be applicable to it under applicable laws of the State of Alabama or any other applicable law or proceed by appropriate court action to enforce the terms of the Lease Agreement or to recover damages for the breach of the Lease Agreement or to rescind the Lease as to the Building.

Section 6.02. Discontinuance of Proceedings by Trustee.

In case any proceeding taken by the Trustee on account of any Event of Default under the Lease shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then in every case Jeff State, the Trustee and the Holders shall be restored to their former positions and rights hereunder and under the Lease Agreement, and all rights, remedies and powers of the Trustee shall continue as through no such proceedings had been taken.

Section 6.03. Holders May Direct Proceedings. The Holders of a majority in aggregate principal amount of the Certificates Outstanding with respect to which an Event of Default under the Lease Agreement has occurred shall have the right, by an instrument in writing executed and delivered to the Trustee, after furnishing indemnity satisfactory to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder; provided that any such direction shall not be contrary to law or the provisions of this Indenture and that the Trustee shall have the right to decline to follow any such direction which, in the opinion of the Trustee, would be unjustly prejudicial to the rights hereunder of the Holders of such Certificates not parties to such direction or of any other series of Certificates.

Section 6.04. Limitations on Actions by Holders. No Holder of any of the Certificates shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for execution of any trust hereunder, or for any other remedy hereunder, unless such Holder previously shall have given to the Trustee written notice of an Event of Default under the Lease Agreement, and unless the Holders of not less than fifty percent (50%) of the Certificates Outstanding,

of the series with respect to which such Holder shall have given such notice, shall have made written request to the Trustee, after the right to exercise such powers or rights of action shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted in the Indenture or to institute such action, suit or proceeding in its or their names, and unless also there shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture and to any action or cause of action for the enforcement of this Indenture or for any other remedy hereunder, it being understood and intended that no one or more Holders of any Certificates shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture, or to enforce any right hereunder, except in the manner herein provided, and that all proceedings at law or in equity shall be instituted and maintained in the manner herein provided and for the ratable benefit (subject to all of the terms, conditions and provisions of this Indenture) of all Holders of such Outstanding Certificates.

Section 6.05. CCD Not Liable for Debt Service on Certificates or Payment of the Principal of the Certificates. Anything contained herein to the contrary notwithstanding, CCD has no obligation or liability hereunder for the payment of the principal of, premium, if any, or interest on the Certificates, and the Registered Holders shall look only to the Pledged Revenues for payment of the same.

Section 6.06. Remedies Not Exclusive; Delays Not to Impair Rights. No remedy herein conferred is intended to be exclusive of any other remedy or remedies, and each remedy is in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission in respect of exercising any right or power accruing upon any Event of Default under the Lease shall impair such right or power to be a waiver of such default, and every remedy given by this Article VI may be exercised from time to time and as often as may be deemed expedient.

Section 6.07. Trustee May Enforce Rights Without Possession of Certificates. All rights under this Indenture, the Lease Agreement, and the Certificates may be enforced by the Trustee without the possession of any Certificate or the production thereof at the trial or other proceedings relative thereto, and any proceedings instituted by the Trustee shall be brought in its name for the ratable benefit of the Registered Holders of the Certificates.

Section 6.08. Trustee and Holders Entitled to All Remedies. It is the purpose of this Article to provide such remedies to the Trustee and the Holders as may be provided by law; but should any remedy herein granted be held unlawful, the Trustee and the Holders shall, nevertheless, be entitled to every other remedy provided herein.



**ARTICLE VII**  
**CONCERNING THE TRUSTEE**

Section 7.01. Acceptance of Trust. The Trustee accepts and agrees to execute the trust hereby created, but only upon the additional terms set forth in this Article VII, to all of which the parties hereto and the Holders of Certificates agree. The Trustee shall perform only such duties as are specifically set forth in this Indenture and no implied covenants or obligations shall be read into this Indenture against the Trustee.

Section 7.02. Certain Rights of Trustee. The Trustee may execute any of the trusts or powers created hereby and perform the duties required by it, by or through agents or employees, shall be entitled to advice of Counsel concerning the duties hereunder and shall not be answerable for the default or misconduct of any such Counsel, agent or employee selected by it with reasonable care.

The Trustee may construe any provision of this Indenture which may be ambiguous or inconsistent with any other provision hereof, and any such construction made in good faith shall be binding upon the Holders.

Section 7.03. Compensation for Services; Indemnification. The Trustee shall be paid a fee upon the execution and delivery of the Certificates and an annual fee which shall constitute compensation for all services to be rendered by it hereunder, except for services performed in connection with the occurrence of an Event of Default. The Trustee shall be reimbursed from time to time for all of its reasonable expenses and charges including, but not limited to the costs associated in calculating the Rebate Deposit and those of its attorneys, agents and employees incurred in and about the administration and execution of the trusts and the performance of its powers and duties hereunder. The Trustee shall be reimbursed for all advances made by the Trustee in accordance with any of the provisions of this Indenture.

Section 7.04. Certain Exculpatory Provisions. The Trustee shall be under no duty or obligation to:

(a) Indemnify Jeff State against losses suffered from any authorized investment of any of the monies on deposit with it under this Indenture, it being responsible only for the safekeeping of the securities in which said monies are invested and the collection of interest thereon;

(b) Take any action in respect of any Event of Default under the Lease Agreement (other than a default by Jeff State in the payment of Rental Payments under the Lease Agreement, in which event the Trustee shall take such action as may be recommended by Counsel to the Trustee) or otherwise, or toward the execution or enforcement of any of the trusts hereby created, or institute, appear in or defend any suit or other proceeding in connection therewith, unless requested in writing to do so by Holders of at least fifty percent (50%) in aggregate principal amount of the Certificates then Outstanding and unless furnished, from time to time as often as it may require, with security and indemnity satisfactory to it; or

(c) Effect or renew any policy of insurance if Jeff State fails to effect or renew such insurance in accordance with the terms of the Lease Agreement.

Section 7.05 Notice of Default; Right to Investigate. The Trustee shall not be required to take notice or be deemed to have knowledge of any Event of Default of Jeff State under the Lease Agreement (other than a default by Jeff State in the payments of Rental Payments under the Lease Agreement, in which event the Trustee shall be deemed to have knowledge thereof) unless and until specifically notified in writing of such default by CCD, or by the Holders of at least fifty percent (50%) in aggregate principal amount of the Certificates then Outstanding affected by such default, as provided in Section 6.04.



Section 7.06. Liability of Trustee. The liability of the Trustee for actions taken or omitted to be taken hereunder shall be limited to its gross negligence or willful misconduct. The Trustee shall be protected and shall incur no liability in relying, acting or proceeding, or in not relying, not acting or not proceeding in good faith, upon any application, resolution, notice, order, telegram, request, requisition, consent, waiver, certificate, statement, affidavit, report, opinion, voucher, bond or other paper or document which it shall believe to be genuine and to have been passed, signed or presented by the proper board or person, or to have been prepared and furnished pursuant to any of the provisions of this Indenture, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements or opinions contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements and opinions.

As a condition to the taking, suffering or omission of any action hereunder, the Trustee may consult with Counsel and the opinion of such Counsel shall be full and complete authorization and protection in respect of any action taken, omitted or suffered by the Trustee hereunder in good faith and in accordance herewith.

The Trustee shall not be bound to recognize any person as the Holder of any Outstanding Certificate unless and until such Certificate is submitted to the Trustee for inspection if required and his title thereto satisfactorily established if disputed.

Section 7.07. Trustee May Deal in Certificates and Engage in Other Transactions. The Trustee, its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Certificates and may join in any action which any Holder may be entitled to take with like effect as if the Trustee were not a party to this Indenture. The Trustee, either as principal or agent, may also engage in or be interested in other financial or other transactions with Jeff State or CCD and may act as depository, trustee or agent for any committee or body of Registered Holders.

Section 7.08. Resignation. The Trustee may resign and be discharged of the trusts hereunder by executing an instrument in writing assigning such trusts, specifying the date when such resignation shall take effect, and filing the same with CCD not less than sixty (60) days before the date specified in such instrument when such resignation shall take effect; provided, however, that any such resignation shall not take effect until a successor trustee has accepted its appointment as such pursuant to the provisions of this Indenture.

Section 7.09. Removal. The Trustee may be removed at any time by an instrument in writing, filed with the Trustee, appointing a successor trustee, executed (i) by or on behalf of the Holders of a majority in aggregate principal amount of the Certificates Outstanding, or (ii) by CCD (provided no Event of Default exists under the Lease Agreement and the Holders of the Certificates have been notified prior to such removal).

Section 7.10. Vacancy in Office: Appointment of Successor. If the Trustee shall be dissolved, or if its property or affairs shall be taken under the control of any state or federal court or administrative body, a vacancy shall forthwith and ipso facto exist in the office of Trustee, and a successor may be appointed by CCD by an instrument in writing executed by an Authorized Officer of CCD; provided, however, that during the continuance of an Event of Default under the Lease Agreement the right to appoint such a successor may not be exercised by CCD but instead may only be exercised by the Holders of a majority in aggregate principal amount of the Certificates Outstanding by an instrument in writing executed by and on behalf of such Holders.

Until a successor trustee shall be appointed by the Holders during the continuance of an Event of Default under the Lease Agreement as herein authorized, CCD, by an instrument in writing, shall

appoint a trustee to fill such vacancy. Any new trustee so appointed by CCD shall immediately and without further fact be superseded by a trustee appointed by the Holders in the manner above provided.

Any successor trustee appointed pursuant to this Article VII shall be an incorporated bank or trust company in good standing, organized or authorized to transact business under the laws of the United States or of any state, be authorized under such laws to exercise corporate trust powers and be subject to supervision or examination by a federal or state authority having a reported capital and surplus of not less than \$25,000,000.

Section 7.11. Acceptance of Trust by Successor Trustee. Any successor trustee appointed hereunder shall execute, acknowledge and deliver to CCD and Jeff State an instrument accepting such appointment, and thereupon, without any further act, deed or conveyance shall become fully vested with all the estates, property, rights, powers, trusts, duties and obligations of its predecessor in the trust with like effect as if originally named Trustee herein. Upon request of such successor trustee, the predecessor Trustee shall execute and deliver an instrument transferring to such successor trustee all the estate, property, rights, powers and trusts hereunder of the predecessor Trustee, and the predecessor Trustee shall pay over to the successor trustee all monies at the time held by it hereunder.

Section 7.12. Successor Corporation as Trustee. Any corporation into which any Trustee hereunder may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which any Trustee hereunder shall be a party, shall be the Trustee under this Indenture without the execution or filing of any paper or any further act on the part of the parties hereto, anything herein to the contrary notwithstanding.

Section 7.13. Insurance Proceeds. All amounts payable pursuant to the insurance policies maintained with respect to the Building by Jeff State or the Construction Contractor pursuant to the Lease Agreement or Construction Contract shall be disposed of in accordance with the provisions of the Lease Agreement and shall be deposited in the Redemption Account if such amounts are not to be used to pay Costs of Construction or the Costs any repairs to the Building, to be used for the redemption of Certificates in accordance with the provisions of the Indenture.

## ARTICLE VIII

### **EVIDENCE OF HOLDERS' ACTION AND OWNERSHIP OF CERTIFICATES**

Section 8.01. Evidence on Which Trustee May Act. Any request, direction, consent or other instrument in writing required or permitted by this Indenture to be signed or executed by Holders, may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Holders in person or by an agent appointed in writing. The fact and date of the execution of any such instrument and of the ownership of Certificates shall be sufficient for any purposes of this Indenture and shall be conclusive evidence in favor of the Trustee with regard to any action taken under such instrument, if the fact and date of the execution by any Holder, person or agent of any such instrument is proven by the certificate of any officer in any jurisdiction who, by the laws thereof, has power to take acknowledgements within such jurisdiction to the effect that the Holder, person or agent signing such instrument acknowledged before him the executed thereof.

The ownership of Certificates shall be proven by the Certificate Register kept under Article II.

Section 8.02. Other Evidence. Nothing contained in this Article VIII shall be construed as limiting the Trustee to the proof hereinabove specified, it being intended that the Trustee may accept any other evidence of the matters herein stated which it may deem sufficient. Any request, consent, waiver of notice or vote of the Holder of any Certificate shall bind every future Holder of the same Certificate in respect of anything done or suffered by the Trustee in pursuance thereof.

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## ARTICLE IX

### AMENDMENTS AND MODIFICATIONS

Section 9.01. Amendments Without Holders' Consent. In addition to Supplemental Indentures otherwise authorized by this Indenture, the Trustee and CCD may, from time to time and at any time, and subject to Jeff State's and CCD's consent and approval enter into a Supplemental Indenture: (a) for any purpose not inconsistent with the terms of this Indenture or to cure any ambiguity or formal defect or omission in this Indenture or in any Supplemental Indenture which may be defective or inconsistent with any other provision contained herein or in any Supplemental Indenture, or to make such other provisions in regard to matters or questions arising under the Indenture which shall not be inconsistent with the provisions of the Indenture and which shall not adversely effect the interests of the Holders of the Certificate; or (b) to grant to and confer upon Holders, or the Trustee, for the benefit of Holders, any additional rights, remedies, powers, authority or security that may be lawfully granted to or conferred upon Holders or the Trustee.

Section 9.02. Amendments with Holders' Consent. Without the consent of Jeff State, CCD and of all of the Holders of all of the Certificates Outstanding of the series affected by such modification or amendment, no modification or amendment to this Indenture or a Supplemental Indenture shall be made which would: (a) alter the amount or payment date of any payment on the Certificates or the redemption provisions thereof, (b) modify the terms or payment or the right to enforce payment of the Certificates or (c) reduce the percentage of consenting Holders set forth below in this Section 9.02. Modification of the provisions governing the administration of Funds hereunder which do not impair the rights reserved above shall not be deemed to constitute a modification of terms of payment.

Subject to the foregoing limitations of this Section 9.02, this Indenture and any Supplemental Indenture may be modified or amended from time to time and at any time with the written consent of Jeff State, CCD and the Holders of not less than a majority in principal amount of Certificates Outstanding or, if such modification will not affect all the Certificates Outstanding, of the Certificates Outstanding which will be affected.

Modifications and amendments made under this section 9.02 shall be made by a Supplemental Indenture which shall be executed by the Trustee upon receipt of evidence satisfactory to the Trustee of the consent thereof of Jeff State, CCD and the Holders of the requisite principal amount of Certificates Outstanding; provided, however, that if such Supplemental Indenture shall adversely affect the Trustee's own rights, duties or immunities under this Indenture, the Trustee may, but shall not be obligated to, enter into such Supplemental Indenture. It shall not be necessary for the consent of Jeff State, CCD or the Holders to approve the particular form of any proposed Supplemental Indenture but only the substance thereof.

Section 9.03. Trustee Authorized to Join in Amendments and Supplements; Reliance on Counsel. The Trustee is authorized to join with CCD in the execution and delivery of any Supplemental Indenture or amendment permitted by this Article IX and in so doing shall be fully protected by an opinion of Counsel, that such Supplemental Indenture or amendment is so permitted and that all things necessary to make it a valid and binding agreement have been done.

## ARTICLE X

### MISCELLANEOUS

Section 10.01. Parties Interested. Nothing contained in this Indenture, express or implied, is intended or shall be construed to confer upon or give to any person, firm or corporation, other than the parties hereto, Jeff State and the Holders of the Certificates, any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation hereof; and the covenants, stipulations and agreements in this Indenture contained are and shall be for the sole and exclusive benefit of the parties hereto, their successors and assigns, the City and the Holders of Certificates.

Section 10.02. Unclaimed Monies. In the event that within three (3) years after the maturity or redemption date of any Certificate, or interest claim appurtenant thereto, any amount deposited or left with the Trustee with respect to such Certificate, or interest claim shall not have been claimed by the Holder thereof entitled thereto, the Trustee shall, upon demand, pay over to Jeff State the amount not so claimed; and the Trustee shall thereupon be relieved from all responsibility from such amount to the Registered Holders of such Certificate, or interest claim, and in the event of such payment to Jeff State, the Registered Holder of any such Certificate, or interest claim shall have recourse only to Jeff State for an amount equivalent to the amount paid over to Jeff State with respect to such Certificate or interest claim, without interest.

Section 10.03. Successors and Assigns. All the covenants, promises and agreements in this Indenture contained by or on behalf of the Trustee and CCD shall bind and inure to the benefit of their respective successors and assigns, whether or not so expressed.

Section 10.04. Effect of Invalid Provision. If any one or more of the provisions of this Indenture or of the Certificates shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Indenture or of the Certificates, but this Indenture and the Certificates shall be construed and enforced as if such illegal or invalid provisions had not been contained therein.

Section 10.05. Notices. Any notice to, or other instrument to be filed with, or demand upon (i) the Trustee may be served, presented or made at the principal corporate trust office of the Trustee at 420 20th Street North, 7th Floor, Birmingham, Alabama 35202, Attention: Corporate Trust Department, or such other address as shall then serve as its principal corporate trust office, (ii) CCD may be served, presented or made at P.O. Box 10367, Birmingham, Alabama 35202, or such other address as may be specified in writing by CCD and (ii) Jeff State may be served, presented or made at 2601 Carson Road, Birmingham, Alabama 35215 or such other address as may be specified in writing by the parties.

Section 10.06. Descriptive Headings. The descriptive headings of the Articles and Sections of this Indenture are inserted for convenience of reference only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 10.07. Separate Counterparts. This Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but such counterparts shall together constitute but one and the same instrument.

Section 10.08. Governing Law. This Indenture and the Certificates shall be governed by the laws of the State of Alabama.



IN WITNESS WHEREOF, SouthTrust Bank of Alabama, National Association, as Trustee and Community College Development Co., Inc. have each caused this Indenture to be executed and their respective corporate seals to be hereunto affixed and attested by their respective duly authorized officers, all as of the day and year first above written.

ATTEST:

Patricia C. [Signature]

SouthTrust Bank of Alabama,  
TRUSTEE National Association

By: [Signature]  
Its VICE PRESIDENT - CORPORATE TRUST

ATTEST:

[Signature]

(SEAL)

COMMUNITY COLLEGE  
DEVELOPMENT CO., INC.

By: [Signature]  
Its PRESIDENT

ACKNOWLEDGED:

JEFFERSON STATE COMMUNITY COLLEGE

By: [Signature]  
Its \_\_\_\_\_

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STATE OF ALABAMA

SS

*Virginia H. Willinger*

COUNTY OF JEFFERSON

On this the 28th day of January, 1992, before me, the undersigned Notary Public, personally appeared who acknowledged himself to be the Vice President Trust Officer of SouthTrust Bank of Alabama, National Association, a national banking association, and that he as such officer, being authorized to do so, executed the foregoing Indenture for the purposes therein contained by signing the name of said Bank, by himself as said VICE PRESIDENT - CORPORATE TRUST

IN WITNESS WHEREOF, I hereunto set my hand and official seal this 28th day of January, 1992.

*M. Fock*  
Notary Public  
My Commission Expires: 8/30/95

(SEAL)

STATE OF ALABAMA

SS:

*Michael Thompson*

COUNTY OF JEFFERSON

On this the 28th day of January, 1992, before me, the undersigned Notary Public, personally appeared who acknowledged himself to be the President of Community College Development Co., Inc. and that he as such officer, being authorized to do so, executed the foregoing Indenture for the purposes therein contained by signing the name of said Corporation, by himself as said President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal this 28th day of January, 1992.

*M. Fock*  
Notary Public  
My commission expires: 8/30/95

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EXHIBIT A

Certificate No. \_\_\_\_\_

**CERTIFICATE OF PARTICIPATION**  
Evidencing a Proportionate Interest of the Registered Owner  
Hereof in Rental Payments to be Made Pursuant to a Lease  
Agreement between Community College Development, Inc. and  
Jefferson State Community College

PRINCIPAL AMOUNT	INTEREST RATE	MATURITY DATE	CUSIP
_____	_____	_____	_____

REGISTERED OWNER:

THIS IS TO CERTIFY THAT the above-referenced registered owner of this Certificate of Participation (the "Certificate") is the owner of a proportionate interest in the right to receive those certain payments (the "Rental Payments") to be made by Jefferson State Community College ("JSCC") pursuant to that certain Lease Agreement dated as of January 1, 1992 (the "Lease Agreement") by and between Community College Development, Inc. ("CCD") and JSCC. All rights of CCD in and to the Lease Agreement, including its right to receive the Annual Rental Payments in the principal amount of \$2,500,000 have been assigned to SouthTrust Bank of Alabama, National Association, Birmingham, Alabama (the "Trustee") pursuant to that certain Trust Indenture (the "Indenture") dated as of January 1, 1992, between the Trustee and CCD. Payments of principal of and interest on the Certificates are to be distributed to the registered owner hereof by the Trustee pursuant to the Indenture.

The registered owner of this Certificate is entitled to receive certain amounts (the "Distributions") on each April 1 and October 1 (the "Distribution Dates"), commencing April 1, 1992 until the Final Distribution Date of this Certificate. The total amount of Distributions to be made with respect to this Certificate shall be equal to the Principal Amount of this Certificate plus interest on such Principal Amount at a rate equal to the Interest Rate set forth above. Distributions are payable by check or draft sent by U.S. mail, first class postage prepaid, or by such other method, acceptable to the Trustee, requested by, and at the risk and expense of, the registered owner, to the registered owner hereof on the Distribution Dates at the address on file with the Trustee; provided, that if any Distribution Date shall not be a Business Day (as such term is defined in the Indenture), then the Distribution shall be made on the next succeeding Business Day; and provided further, that the payment of the final Distribution shall be made only upon presentation and surrender of this Certificate at the principal corporate trust office of the Trustee in Birmingham, Alabama or at the principal corporate trust office of any successor Trustee.

This Certificate has been executed and delivered by the Trustee pursuant to the terms of the Indenture. Copies of the Indenture are on file at the principal corporate trust office of the Trustee in Birmingham, Alabama, and reference is hereby made to the Indenture and any and all amendments thereto for a description of the pledges and covenants securing the Certificates, the nature, extent and manner of enforcement of such pledges, the rights with respect thereto and the other terms and conditions upon which the Certificates are delivered thereunder.

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To the extent and in the manner permitted by the terms of the Indenture, the provisions of the Indenture may be amended by the parties thereto, but no such amendment which would adversely affect the registered owners of the Certificates shall become effective as to such registered owners until approved by a majority in aggregate dollar amount of such registered owners and JSCC; provided that no such amendment shall (1) extend the final Distribution Date of any of the Certificates, or reduce the amount of Distributions, or extend the time of payment thereof, without the consent of the registered owner hereof, or (2) reduce the percentage of registered owners of Certificates whose consent is required for the execution of any amendment or modification of the Indenture.

This Certificate is transferable by the registered owner hereof, in person, or by his attorney duly authorized in writing, at the principal corporate trust office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture and this Certificate. Upon such transfer a new fully registered Certificate or Certificates, of the same final Distribution Date and authorized denomination or denominations will be issued to the transferee in exchange therefor.

The Trustee may treat the registered owner hereof as the absolute owner hereof for all purposes, and the Trustee shall not be affected by any notice to the contrary.

The Certificates are subject to extraordinary redemption in whole or in part at any time beginning January 1, 1992 and on any monthly Rental Payment Date thereafter in the event that JSCC elects to exercise its option to purchase under the Lease Agreement, in which event the Certificates will be subject to redemption as a whole or in part on such date (and if in part, those to be redeemed to be selected by the Trustee by lot), at the following redemption prices [expressed as a percentage of the principal amount of each Certificate (or portion thereof) to be redeemed], plus accrued interest to the date fixed for redemption:

<u>If the Date Fixed for Redemption Is</u>	<u>Redemption Price</u>
On or after October 1, 1992 and on or before September 1, 2002	102%
On or after October 1, 2002	100%

The Certificates are subject to Optional Redemption in whole or in part at any time beginning January 1, 2002 and on any monthly Rental Payment Date thereafter at the following redemption prices [expressed as a percentage of the principal amount of each Certificate (or portion thereof) to be redeemed], plus accrued interest to the date fixed for redemption:

<u>THE DATE FIXED FOR REDEMPTION IS:</u>	<u>REDEMPTION PRICE:</u>
On or after January 1, 2002 and on or before December 1, 2002	103%
On or after January 1, 2003 and on or before December 1, 2003	102%
On or after January 1, 2004 and on or before December 1, 2004	101%
On or after January 1, 2005	100%



The Certificates are subject to redemption in whole any time prior to their Final Distribution Date from amounts deposited in the Certificate Fund from the sale or leasing of the Building by the Trustee to a Person other than the City upon the Trustee's foreclosure or repossession of the Building following an event of default under the Lease Agreement.

The Certificates are subject to extraordinary redemption in whole at any time from proceeds of insurance policies maintained by JSCC or from the proceeds of condemnation awards with respect to the Building which, together with other monies, if any, payable by JSCC under the Lease Agreement are deposited in the Redemption Account, at a redemption price equal to the principal amount thereof plus interest accrued to the date fixed for redemption.

The terms governing the foregoing redemptions are contained in the Indenture. Notice of redemption hereof shall be mailed, first class postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to such redemption, to the registered owner of this Certificate. If this Certificate is called for redemption and payment is duly provided therefor, as specified in the Indenture, any further payment shall cease to accrue hereon from and after the date fixed for redemption.

The Certificates evidence, inter alia, an undivided interest in the Rental Payments paid by JSCC under the Lease and enjoy the benefits of the monies held in funds and accounts established pursuant to the Indenture (except the Rebate Fund), all of which are subject to the provisions of the Indenture permitting the application thereof for or to the purposes and on the terms and conditions set forth in the Indenture. The obligation of JSCC to pay Rental Payments is terminable to the sole option of JSCC and does not constitute a debt of the City within the meaning of any constitutional or statutory limitation, is not a liability of or a lien or charge upon funds, other than certain funds established under the Indenture, or property of the City other than the Building (as such term is defined in the Indenture), beyond any fiscal period for which the City has budgeted and appropriated monies to pay the Rental Payments.

The Trustee has no obligation or liability to the registered owners of the Certificates for the payment of the Certificates other than from certain funds established under the Indenture; the Trustee's sole obligations with respect to such payment are to administer, at the direction of CCD, and for the benefit of the registered owners of the Certificates, the various funds and accounts established in the Indenture.

IN WITNESS WHEREOF, this Certificate has been executed by the manual signature of a duly authorized officer of the Trustee, all as of \_\_\_\_\_.

**SOUTHTRUST BANK OF ALABAMA  
NATIONAL ASSOCIATION**

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

FOR VALUE RECEIVED, \_\_\_\_\_ the undersigned do(es) hereby sell,  
assign, and transfer unto \_\_\_\_\_ (Name), \_\_\_\_\_  
\_\_\_\_\_ (Address), \_\_\_\_\_  
\_\_\_\_\_ (Employer Identification Number of Social Security Number), the  
within-mentioned registered Certificate and hereby irrevocably constitute(s) and appoint(s)  
\_\_\_\_\_, attorney, to transfer the same on the Certificate Register of the Trustee  
with full power of substitution in the premises.

Date: \_\_\_\_\_

Note: The signature(s) on this  
Assignment must correspond with  
the name(s) as written on the  
face of the within registered  
Certificate in every particular  
without alteration or  
enlargement or any change  
whatsoever.

Signature Guaranteed:

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EXHIBIT "B"

Lot 1 of Shelby Development Park, recorded in Map Book 16, Page 21,  
in the Probate Office of Shelby County, Alabama.

Situated in Shelby County, Alabama.

BOOK 393 PAGE 999

STATE OF ALA. SHELBY CO.  
I CERTIFY THIS  
INSTRUMENT WAS FILED

92 MAR 11 PM 3:41

JUDGE OF PROBATE

1. Deed Tax	\$	
2. Mtg. Tax	\$	
3. Recording Fee	\$	97.50
4. Indexing Fee	\$	3.00
5. No Tax Fee	\$	
6. Certified Fee	\$	1.00
Total	\$	101.50