

1268

MORTGAGE AND TRUST INDENTURE

between

**THE INDUSTRIAL DEVELOPMENT BOARD
OF SHELBY COUNTY**

and

AMSOUTH BANK N.A.

Dated as of May 1, 1984

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Relating to

\$800,000

**THE INDUSTRIAL DEVELOPMENT BOARD
OF SHELBY COUNTY**

**Industrial Development Revenue Bonds
(Cook Publications, Inc. Project)
Series 1984**

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MORTGAGE AND TRUST INDENTURE between **THE INDUSTRIAL DEVELOPMENT BOARD OF SHELBY COUNTY**, a public corporation and instrumentality under the laws of the State of Alabama, party of the first part, and **AMSOUTH BANK N.A.**, a national banking association having its principal place of business in the City of Birmingham, Alabama, party of the second part,

RECITALS

The party of the first part makes the following recitals of fact as the basis for the undertaking following: it is duly incorporated under the provisions of Code of Alabama 1975, Title 11, Chapter 20, Article 2, by Certificate of Incorporation duly filed for record in the office of the Judge of Probate of Shelby County, Alabama; its Certificate of Incorporation has not been amended and is in full force and effect; it is not in default under any of the provisions contained in its Certificate of Incorporation, in its bylaws or in the laws of the State of Alabama; by proper corporate action it has duly authorized the issuance of the Series 1984 Bonds hereinafter referred to; and to secure payment of the principal of and the interest and premium (if any) on all bonds that may be issued hereunder, it has by proper corporate action duly authorized the execution and delivery of this Indenture.

NOW, THEREFORE, THIS INDENTURE

WITNESSETH:

For the aforesaid purpose and in consideration of the respective agreements herein contained, it is hereby agreed between the parties signatory hereto and the holders of all bonds issued hereunder (the holders of said bonds evidencing their consent hereto by their acceptance of the said bonds and the parties signatory hereto evidencing their consent hereto by their execution hereof), each with each of the others, as follows (provided, that in the performance of any of the agreements of the party of the first part herein contained, any obligation it may thereby incur for the payment of money shall not be a general debt on its part but shall be payable solely from the sources of payment hereinafter specified):

ARTICLE I

DEFINITIONS AND USE OF PHRASES

Section 1.1 Definitions. Unless the context clearly indicates a different meaning, the following words and phrases, as used herein, shall have the following respective meanings:

"Act" means the statutes codified as Code of Alabama 1975, Title 11, Chapter 20, Article 2, as amended and supplemented and at the time in force and effect.

"Additional Bonds" means bonds of the Board authorized in Article VIII hereof to be issued hereunder and secured hereby on a parity with the Series 1984 Bonds.

"Affiliate" of any designated Person means any Person which, directly or indirectly, controls, or is controlled by, or is under common control with, such designated Person. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person whether through the ownership of voting securities or by contract or otherwise.

"Authorized Board Representative" means the person or persons at the time designated as such by written certificate furnished to the Company and the Trustee, containing the specimen signature or signatures of such person or persons and signed on behalf of the Board by the Chairman or the Vice Chairman of its Board of Directors; provided, however, that no director, officer or employee of the Company or any Affiliate thereof may at any time be designated as an Authorized Board Representative.

"Authorized Company Representative" means the person or persons at the time designated as such by written certificate furnished to the Board and the Trustee, containing the specimen signature or signatures of such person or persons and signed on behalf of the Company by the President or any Vice President thereof.

"Basic Rent" means (i) the moneys payable by the Company pursuant to the provisions of Section 5.2 of the Lease, (ii) any other moneys payable by the Company pursuant to the Lease to provide for the payment of the principal of and the interest and premium (if any) on the Bonds (other than the aforesaid moneys payable pursuant to Section 5.2 of the Lease), and (iii) any other moneys payable by the Company pursuant to the Lease that are therein referred to as Basic Rent.

"Board" means the party of the first part hereto and, subject to the provisions of Section 11.6 hereof, includes its successors and assigns and any public corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party.

"Bond Counsel" means Independent Counsel whose opinions respecting the legality or validity of securities issued by or on behalf of states or political subdivisions thereof are nationally recognized.

"Bond Fund" means the Cook Publications, Inc. Bond Principal and Interest Fund created in Section 10.1 hereof and consisting of two accounts, the Primary Account and the Escrow Account.

"Bond Fund Escrow Account" means the Escrow Account forming part of the Bond Fund.

"Bond Fund Primary Account" means the Primary Account forming part of the Bond Fund.

"Bondholder" means the Holder of any Bond.

"Bond Payment Date" means the twentieth day of each calendar month, commencing with July 20, 1984, on which any principal or interest with respect to the Bonds shall mature and be due and payable or on which any principal amount of the Bonds shall be required by the Indenture to be redeemed prior to the stated maturity thereof.

"Bonds" means all bonds of the Board issued under the Indenture; i.e., the Series 1984 Bonds and all Additional Bonds which may from time to time be issued under the Indenture.

"Chase Security Agreement" means that certain Security Agreement executed as of December 10, 1980, by The Sun Papers, Inc. and Rockwell Graphic System, Inc., which said Security Agreement has been assigned to Chase Commercial Corporation, as said Security Agreement now exists and as it may hereafter be supplemented and amended.

"Code" means the Internal Revenue Code of 1954, as amended and at the time in force and effect.

"Company" means Cook Publications, Inc., a corporation organized and existing under the laws of the State of Alabama, and, subject to the provisions of Section 8.4 of the Lease, includes its successors and assigns and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party.

"Completion Date" means the date on which the completion of the Project Improvement Work and the satisfaction of the other conditions referred to in Section 4.6 of the Lease are certified to the Trustee and the Board in accordance with the provisions of said Section 4.6.

"Component Completion Date", when used with reference to any part of the Project constituting a "project" within the meaning of §1.266-1(c) of the United States Treasury Regulations or successor regulations under Section 266 of the Code, means the date on which an election to capitalize expenditures with respect to such "project" would no longer be effective under Section 266 of the Code.

"Construction Fund" means the Cook Publications, Inc. Construction Fund created in Section 9.2 hereof.

"Cook Mortgage" means that certain Mortgage and Security Agreement dated as of May 1, 1984, between the Company, Arthur P. Cook and wife, Margaret B. Cook and A. Philip Cook, Jr. and wife, Deane P. Cook, parties of the first part, and the Board, party of the second part, pursuant to which the Company has granted to the Board a security interest in the Existing Equipment and said individuals have mortgaged the Project Realty to the Board, as said Mortgage and Security Agreement now exists and as it may hereafter be supplemented and amended.

"Counsel" means any attorney duly admitted to practice before the highest court of any state of the United States of America or the District of Columbia (including any officer or full-time employee of the Board, the Company or an Affiliate of either thereof who is so admitted to practice), it being understood that "Counsel" may also mean a firm of attorneys all of whose members are so admitted to practice.

"County" means Shelby County, Alabama, or any political subdivision of the State of Alabama succeeding to the powers thereof.

"Directors" means the Board of Directors of the Board.

"Easement and License Agreement" means that certain Easement and License Agreement dated as of May 1, 1984, between Arthur P. Cook and wife, A. Philip Cook, Jr. and wife and the Board, pursuant to which said persons have granted an easement and certain licenses to the Board in connection with the Board's ownership of the Project.

"Eligible Certificates" means certificates of deposit issued by any bank organized under the laws of the United States of America or any state thereof and having, at the time of the acquisition by the Board of such certificates of deposit, combined capital, surplus and undivided profits of not less than \$10,000,000.

"Eligible Investments" means (i) Eligible Certificates, (ii) Federal Securities, (iii) shares or other investment units representing a beneficial interest in any money market fund which is registered under the Investment Company Act of 1940, as from time to time amended (or successor provision of federal law), provided that the investment portfolio of such money market fund consists of Federal Securities, and (iv) any other debt securities in which the Board is legally authorized to invest its moneys.

"Event of Default" means an "Event of Default" as specified in Section 13.1 hereof.

"Existing Equipment" means all items (whether or not fixtures) of machinery, equipment and other personal property constituting a portion of the Project Equipment that are listed in Exhibit A attached hereto and made a part hereof.

"Federal Securities" means (i) any debt securities that are direct obligations of the United States of America, and (ii) any debt securities payment of the principal of and the interest on which is unconditionally guaranteed by the United States of America.

"fully paid", "payment in full", or any similar expression with respect to the Indenture Indebtedness, means that the entire Indenture Indebtedness has been paid in full or duly provided for pursuant to Section 16.1 hereof and that the lien of the Indenture has been cancelled, satisfied and discharged in accordance with the provisions of said Section 16.1.

"Holder", when used in conjunction with a Bond, means the Person in whose name such Bond is registered on the registry books of the Trustee pertaining to the Bonds.

"Home Office Payment Agreement" means a special payment agreement between the Trustee and any Bondholder complying with the provisions of Section 3.3 hereof.

"Indenture" means this Mortgage and Trust Indenture, as supplemented and amended by any Supplemental Indenture executed by the Board and the Trustee in accordance with the applicable provisions of Article XV hereof.

"Indenture Indebtedness" means all indebtedness of the Board at the time secured by the Indenture, including, without limitation, (i) all principal of and interest and premium (if any) on the Bonds and (ii) all reasonable and proper fees, charges and disbursements of the Trustee for services performed under the Indenture.

"Independent Appraiser" means a Person (i) that is regularly engaged in the business of appraising real or personal property (as appropriate to the property being appraised or valued) and otherwise competent, in the opinion of the Trustee, to determine the value of the property in question and (ii) that has no continuing employment or business relationship or other connection with the Board or the Company or any Affiliate thereof which, in the opinion of the Trustee, might compromise or interfere with the independent judgment of such Person in the performance of any services to be performed hereunder as an Independent Appraiser.

"Independent Counsel", when used to describe Counsel who is an individual attorney, means that he is not an officer or full-time employee of the Board, the Company or an Affiliate of either thereof and, when used to describe Counsel consisting of a firm of attorneys, means that none of the members of such firm is an officer or full-time employee of the Board, the Company or an Affiliate of either thereof.

"Independent Engineer" means an engineer or engineering firm licensed to engage in the independent practice of engineering under the laws of the State of Alabama and not regularly employed or retained by the Board, the Company or an Affiliate of either thereof.

"Irregular Denomination Series 1984 Bond" means either (i) any Series 1984 Bond initially issued, pursuant to any applicable provisions hereof, in a principal amount not evenly divisible by \$1,000 or (ii) any Series 1984 Bond at the time outstanding in a principal amount not evenly divisible by \$1,000.

"Jefferson Federal Mortgage" means those certain Mortgages from Arthur P. Cook and A. Philip Cook, Jr. to Jefferson Federal Savings and Loan Association of Birmingham, which are recorded in the office of the Judge of Probate of Shelby County, Alabama, in Mortgage Book 350, at page 492 et seq., and in Mortgage Book 380, at page 831 et seq., as said Mortgages now exist and as they may hereafter be supplemented and amended.

"Lease" means that certain Lease Agreement dated as of May 1, 1984, between the Board, as lessor, and the Company, as lessee, as said Lease Agreement

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now exists and as it may from time to time be modified, supplemented or amended in accordance with the provisions of Article XV hereof.

"Lease Default" means an "Event of Default" under the Lease, as such term is defined in Section 10.1 of the Lease.

"New Equipment" means (i) all items (whether or not fixtures) of furniture, furnishings, machinery, equipment or other personal property the costs of which, in whole or in part, have been or are to be paid by the Board out of the proceeds of any of the Bonds and (ii) all items (whether or not fixtures) of furniture, furnishings, machinery, equipment or other personal property at any time installed in the Project Building or elsewhere on the Project Site that are acquired by the Board in substitution for or replacement of property theretofore constituting part of the New Equipment and that, under the provisions of the Lease and the Indenture, are to constitute part of the Project Equipment. As of the delivery of this Indenture, the New Equipment is expected to consist of those items (whether or not fixtures) of furniture, furnishings, machinery, equipment or other personal property that are generally described in Exhibit B attached hereto and made a part hereof.

"Newspaper" means a newspaper printed in the English language, published not less than five days during each calendar week and being published or having general circulation in such localities as may be herein specified, if there be any such. If there is no newspaper in existence meeting the foregoing qualifications, the term "Newspaper" shall mean any newspaper or other publication selected by the Trustee and reasonably suitable in the circumstances for use in making the publication at the time required to be made.

"outstanding", when used with reference to any of the Bonds, means, at any date as of which the amount of such Bonds outstanding is to be determined, all such Bonds which have been theretofore authenticated and delivered by the Trustee under the Indenture, except (i) those of such Bonds purchased for retirement which have been delivered to and cancelled by the Trustee, (ii) those of such Bonds cancelled by the Trustee because of payment at or after their respective maturities or redemption prior to their respective maturities, (iii) those of such Bonds for the payment or redemption of which provisions shall have been made with the Trustee as provided in Section 16.1 of the Indenture, and (iv) those of such Bonds in exchange for which, or in lieu of which, other Bonds have been authenticated and delivered under the Indenture. In determining whether the Holders of a requisite aggregate principal amount of outstanding Bonds have concurred in any request, demand, authorization, direction, notice, consent or waiver under the provisions of the Indenture, Bonds which are owned by the Company or any Affiliate thereof shall be disregarded and deemed not to be outstanding hereunder for the purpose of any such determination.

"Permitted Encumbrances" means, as of any particular time, any of the following: (i) the Lease and the Indenture; (ii) the security interest created by the Chase Security Agreement; (iii) the Jefferson Federal Mortgage; (iv) the Cook Mortgage; (v) liens imposed by law, such as mechanics', workmen's, materialmen's, carriers' and other like liens arising in the ordinary course of business, securing obligations which are not overdue or which are being contested in good faith and by appropriate proceedings (so long as there have been set aside on the books of the Company with respect to any such obligation so contested reserves which are

adequate in the opinion of the officers of the Company); (vi) liens for property taxes not delinquent or for taxes which are being contested in good faith and by appropriate proceedings (so long as there shall have been set aside on the books of the Company with respect to any such taxes so contested reserves which are adequate in the opinion of the officers of the Company); (vii) attachments remaining undischarged for no longer than thirty (30) days after written or actual notice thereof has been received by the Company or in connection with litigation which is being defended in good faith and by appropriate proceedings; (viii) liens in respect of judgments or awards relative to claims which (A) are fully covered by insurance, or (B) have been in force for less than the applicable appeal period, provided execution is not levied thereunder, and/or (C) with respect to which an appeal or proceeding for review is being prosecuted in good faith and a stay of execution has been obtained pending such appeal or review; and (ix) utility, access, drainage and other easements and rights-of-way, mineral rights, covenants running with the land, zoning restrictions, environmental regulations and other restrictions and encumbrances affecting the use of real property, or minor irregularities in the title to real property, none of the foregoing of which, individually or in the aggregate, materially impair the title of the Board to any part of the Project or the use of the Project for the purpose for which it was acquired or is held by the Board.

"Person" means any natural person, corporation, partnership, trust, government or governmental body, political subdivision, or other legal entity as in the context may be possible or appropriate.

"Pledged Revenues" means all moneys constituting part of the Trust Estate and all moneys derived from the Trust Estate by or on behalf of the Board.

"premium", when used with reference to the redemption or purchase for retirement of any of the Bonds, means the amount (if any) by which the redemption or purchase price (in all cases exclusive of accrued interest) of such Bonds exceeds the principal of the Bonds so redeemed or purchased for retirement, as the case may be.

"Prime Rate" means at any time the rate of interest most recently established by the Series 1984 Original Purchaser, irrespective of whether it is then the Trustee, as the prime rate of such bank and evidenced by the recording thereof in such internal publication or record with respect to such rate as shall from time to time be maintained by such bank.

"Project" means (i) the easements, licenses, rights and other interests in the Project Site, the Project Building and the Existing Equipment granted to the Board in the Easement and License Agreement or otherwise acquired by the Board as a location for or to provide access to any of the New Equipment, (ii) the Project Improvements (subject to the disposition thereof pursuant to the provisions of Section 4.8 of the Lease) and (iii) the New Equipment, as they may at any time exist, and all other property and rights of every kind that are or become subject to the lien of the Indenture.

"Project Building" means the printing and distribution facility and related improvements which are located on the Project Site, as such building and related improvements may at any time exist.

"Project Equipment" means the Existing Equipment and the New Equipment, as the same may at any time exist.

"Project Improvement Costs" means the following: (i) all costs and expenses incurred in connection with the planning, development and design of the Project, including the costs of preliminary investigations, surveys, estimates and plans and specifications; (ii) all costs of acquiring, preparing and landscaping the Project Site in connection with the Project Improvements; (iii) all costs and expenses of improving the Project Building, including the cost to the Company of supervising construction, payments to contractors and materialmen and fees for professional or other specialized services; (iv) all costs and expenses of acquiring the New Equipment and of installing the same in or about the Project Building or elsewhere on the Project Site and all costs of repairing, upgrading and improving the Existing Equipment; (v) the costs of contract bonds and of insurance of all kinds which may be necessary or desirable in connection with the Project Improvement Work and which are not paid by any contractor or otherwise provided for; (vi) all expenses incurred in connection with the issuance and sale of the Series 1984 Bonds, including (without limitation) all legal, accounting, financial, underwriting, printing, recording and filing fees and expenses and the initial charge of the Trustee; (vii) the charges of the Trustee for the disbursement of moneys from the Construction Fund; (viii) all other costs which the Board shall be required to pay, under the terms of any contract or contracts, in connection with the Project Improvement Work; (ix) interest on the Series 1984 Bonds to the extent that the cumulative amount thereof paid out of the proceeds of the Series 1984 Bonds, together with the accrued interest received by the Board upon the sale of the Series 1984 Bonds, does not exceed the total interest that will accrue on the Series 1984 Bonds from their date until and including the last to occur of (i) the Completion Date or (ii) May 1, 1986; and (x) the reimbursement to the Company if all amounts paid directly by the Company in respect of any of the aforesaid costs and expenses and of all amounts advanced by the Company to the Board for the payment of such costs and expenses.

"Project Improvement Work" means (i) the improvement of the Project Site and the Project Building to the extent that the Company deems necessary or desirable and (ii) the planning, design and acquisition of the New Equipment and the installation thereof in or about the Project Building or elsewhere on the Project Site and the repair, upgrading and improvement of the Existing Equipment, all in accordance with the provisions hereof.

"Project Improvements" means the improvements to the Project Realty and the Existing Equipment that are required to be undertaken by the Lease Agreement, but shall not be deemed to include the New Equipment.

"Project Site" means (i) the parcel of land specifically described under the heading "I" in Section 2.1 hereof (to the extent that such parcel is at the time subject to the lien hereof) and (ii) any other land that, at the time and under the terms hereof, constitutes a part of the Project Site.

"Qualifying Project Improvement Costs" means Project Improvement Costs that are expended solely for the purpose of acquiring, constructing, reconstructing or improving land or property of a character subject to the allowance for depreciation within the meaning of Section 103(b)(6) of the Code and the applicable

regulations thereunder, including (without limitation) the following: (a) all Project Improvement Costs described in clauses (i), (ii), (iii), (iv) and (v) of the definition of Project Improvement Costs herein to the extent that such costs are properly chargeable by the Company to capital account or would be so chargeable either with a proper election by the Company or but for a proper election by the Company to deduct such costs in the computation of its federal income tax; (b) with respect to any portion of the Project constituting a "project" as such term is used in the definition of Component Completion Date,

(i) property taxes assessed against such "project" during the period from the commencement of acquisition or construction thereof until the Component Completion Date pertaining thereto,

(ii) interest on obligations of the Company for money borrowed to pay the costs of acquiring, constructing and installing such "project" to the extent that such interest accrued during the period from the commencement of acquisition or construction of such "project" until the earlier of the Component Completion Date with respect thereto or the issuance of the Series 1984 Bonds, and

(iii) with respect to that proportionate part of the Series 1984 Bonds the proceeds of which are used to pay the costs of acquiring, constructing and installing such "project", interest on such part of the Series 1984 Bonds during the period beginning with the issuance of the Series 1984 Bonds or the commencement of acquisition or construction of such "project", whichever date occurs later, and continuing until the Component Completion Date with respect thereto; and

(c) all amounts necessary to reimburse the Company (without duplication of any amounts paid by the Board out of the proceeds of the Series 1984 Bonds) for moneys paid or advanced by the Company for any of the aforesaid costs and expenses.

"Resolution" means a resolution duly adopted by the Directors.

"Series 1984 Bonds" means those of the Bonds bearing the designation Industrial Development Revenue Bonds (Cook Publications, Inc. Project), Series 1984, and authorized to be issued in Article VII hereof.

"Series 1984 Company Guaranty" means that certain Guaranty Agreement dated as of May 1, 1984, between the Company and the Trustee in and by which the Company has unconditionally guaranteed the payment by the Board of the principal of and the interest and premium (if any) on the Series 1984 Bonds and has agreed to pay or discharge certain other obligations relating to the Series 1984 Bonds, as such Guaranty Agreement may from time to time be amended in accordance with the provisions thereof.

"Series 1984 Determination of Taxability" means a determination that the interest income on the Series 1984 Bonds is subject to federal income taxation as a result of an Series 1984 Event of Taxability, which determination shall be deemed to have been made upon the first to occur of the following:

(a) the date on which the Company shall file a statement with the Trustee to the effect that the interest income on the Series 1984 Bonds is subject to federal income taxation, which statement shall be accompanied (i) by such documentation as shall be necessary to confirm the occurrence of an Series 1984 Event of Taxability and (ii) by an opinion of Independent Counsel acceptable to the Trustee that the interest income on the Series 1984 Bonds is subject to federal income taxation as a result of the occurrence of an Series 1984 Event of Taxability; or

(b) the date on which the Company or the Holder or any former Holder of any of the Series 1984 Bonds shall be advised by private ruling, technical advice or any other written communication from an authorized official of the Internal Revenue Service that, based upon any filings of the Company, or upon any review or audit of the Company, or upon any other grounds whatsoever, a Series 1984 Event of Taxability has occurred; or

(c) the date on which the Company shall receive notice from the Holder or any former Holder of any of the Series 1984 Bonds in writing that such Holder or former Holder has been advised (i) that the Internal Revenue Service has assessed as includable in the gross income of such Holder or former Holder the interest on the Series 1984 Bonds due to the occurrence of a Series 1984 Event of Taxability or (ii) by any authorized official of the Internal Revenue Service that the interest on the Bonds is includable in the gross income of such Holder or former Holder due to the occurrence of a Series 1984 Event of Taxability; or

(d) the date on which the Holder or any former Holder of any of the Series 1984 Bonds shall determine in good faith, evidenced by an opinion of Independent Counsel, that a Series 1984 Event of Taxability has occurred.

"Series 1984 Event of Taxability" means any event, occurrence, condition or circumstance which is the cause of, or which results in, the interest income on any of the Series 1984 Bonds being or becoming subject to federal income taxation, including, without limitation, any of the following events, occurrences, conditions or circumstances:

(a) the Series 1984 Bonds constitute "arbitrage bonds" within the meaning of Section 103(c) of the Code; or

(b) the taking of any action by the Board or the Company, or the failure of the Board or the Company to take any action, or any mistake in or untruthfulness of any representation of the Board or the Company contained in the Lease or in any certificate of the Board or the Company delivered pursuant to the Lease or the Indenture or in connection with the issuance of the Series 1984 Bonds, if such action or omission, or such mistake in or untruthfulness of such representation, has the effect of causing the interest on the Series 1984 Bonds to be or become subject to federal income taxation; or

(c) a change in federal tax law or the applicable regulations thereunder or any other change in law occurring after the issuance of the Series 1984 Bonds; or

(d) a final adjudication by a court of competent jurisdiction from which no further appeal exists, binding upon the Company or the Board or, if not binding upon the Company or the Board, applicable to the Series 1984 Bonds in the opinion of Independent Counsel acceptable to the Trustee, that the Board lacks the power to issue the Series 1984 Bonds or to enter into the Lease or the Indenture or that the Series 1984 Bonds are otherwise invalid for any reason whatsoever, including, without limitation, any invalidity or irregularity in any proceeding relating to the issuance thereof;

provided that no Series 1984 Event of Taxability shall be deemed to have occurred with respect to any Series 1984 Bond if the interest thereon shall be subject to federal income taxation for any period solely because during that period such Series 1984 Bond was held by a Person who is a Substantial User of the Project or by a Related Person.

"Series 1984 Guaranties" means the Series 1984 Company Guaranty and the Series 1984 Shareholder Guaranty.

"Series 1984 Investment Proceeds" means the net income derived from the investment and reinvestment of proceeds of the Series 1984 Bonds (including income derived from the investment and reinvestment of previously derived income), it being understood that such net income shall consist of the aggregate interest received from investments plus any profit actually realized from the purchase of investments at a discount, less any accrued interest and any premium paid as part of the purchase price of any investments. As used herein the term "Series 1984 Investment Proceeds" includes the net income derived from the investment of moneys transferred from the Construction Fund to the Bond Fund Escrow Account, as well as the net income derived from the investment of moneys held in the Construction Fund.

"Series 1984 Issuance Expenses" means the expenses of issuing the Series 1984 Bonds to the extent, and only to the extent, that, in determining the amounts of the "proceeds" of the Series 1984 Bonds for purposes of the "substantially all" test provided by Treasury Regulations §1.103-8(a)(1)(i) and §1.103-10(b)(1)(ii), such expenses are properly deductible from the aggregate amount (excluding accrued interest) received by the Board from the sale of the Series 1984 Bonds.

"Series 1984 Original Purchaser" means AmSouth Bank N.A., the original purchaser of the Series 1984 Bonds from the Board.

"Series 1984 Principal Proceeds" means the aggregate amount (excluding accrued interest, if any) received by the Board from the sale of the Series 1984 Bonds, less the Series 1984 Issuance Expenses.

"Series 1984 Shareholder Guaranty" means that certain Guaranty Agreement dated as of May 1, 1984, between the Board and the Trustee in and by which the Shareholder has unconditionally guaranteed the payment by the Board of the principal

of and the interest and premium (if any) on the Series 1984 Bonds and has agreed to pay or discharge certain other obligations relating to the Series 1984 Bonds and the Lease, as such Guaranty Agreement may from time to time be amended in accordance with the provisions thereof.

"Series 1984 Taxability Redemption Date" means the redemption date on which all then outstanding Series 1984 Bonds are required to be redeemed, pursuant to the provisions of subsection (b) of Section 7.5 hereof, as the result of a Series 1984 Determination of Taxability.

"Shareholder" means A. Philip Cook, Jr. and includes his heirs, legal representatives, successors and assigns.

"Supplemental Indenture" means an agreement supplemental hereto.

"Trust Estate" means all moneys, properties, rights, titles and interests described under the headings "I" through "VIII", inclusive, of Section 2.1 hereof.

"Trustee" means the party of the second part hereto and its successors and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party.

Section 1.2 Definitions Contained in the Lease. Unless the context clearly indicates a different meaning, any words, terms or phrases that are used in the Indenture as defined terms without being herein defined and that are defined in the Lease shall have the meanings respectively given them in the Lease.

Section 1.3 Use of Phrases. "Herein", "hereby", "hereunder", "hereof", "hereinafter", "hereinafter" and other equivalent words refer to the Indenture and not solely to the particular portion thereof in which any such word is used. The definitions set forth in Section 1.1 hereof include both singular and plural. Whenever used herein, any pronoun shall be deemed to include both singular and plural and to cover all genders. Any percentage of Bonds, specified herein for any purpose, is to be figured on the principal amount thereof then outstanding.

ARTICLE II

GRANTING CLAUSES

Section 2.1 Granting Clauses. In order to secure to the Holders thereof payment of the principal of and the interest and premium (if any) on the Bonds and the performance and observance of the covenants and conditions herein and therein contained, and in consideration of their purchase and acceptance of the Bonds and of the acceptance by the Trustee of the trusts herein provided, the Board does hereby grant, bargain, sell and convey, assign, transfer and pledge to and with the Trustee the following described moneys, rights, titles and interests of the Board, whether the same are now owned by it or may be hereafter acquired:

I

The easements and licenses created by the Easement and License Agreement and which are located in the following described parcel of land situated in the County:

Part of the SW 1/4 of SW 1/4 of Section 30, Township 18 South, Range 1 West, Shelby County, Alabama, being more particularly described as follows:

From the Northwest corner of said 1/4-1/4 section run in a Southerly direction along the West line of said 1/4-1/4 section for a distance of 400.55 feet, thence turn an angle to the left of 90 degrees and run in an Easterly direction for a distance of 825.23 feet to a point on the Southwest right of way line of Cahaba Beach Road which is the point of beginning, thence turn an angle to the right of 145 degrees 59' and run in a Southwesterly direction for a distance of 103.18 feet, thence turn an angle to the left of 28 degrees 57' and run in a Southwesterly direction for a distance of 101.89 feet, thence turn an angle to the right of 89 degrees 30' and run in a Northwesterly direction for a distance of 132.99 feet, thence turn an angle to the left of 39 degrees 55' and run in a Southwesterly direction for a distance of 73.57 feet, thence turn an angle to the right of 82 degrees 48' and run in a Northwesterly direction for a distance of 16.15 feet, thence turn an angle to the left of 37 degrees 42' and run in a Northwesterly direction for a distance of 68.37 feet, thence turn an angle to the left of 109 degrees 10' and run in a Southwesterly direction for a distance of 215.27 feet, thence turn an angle to the right of 10 degrees 57' and run in a Southwesterly direction for a distance of 100.41 feet, thence turn an angle to the left of 3 degrees 37' and run in a Southwesterly direction for a distance of 149.86 feet, thence turn an angle to the left of 32 degrees 21' and run in a Southwesterly direction for a distance of 29.89 feet, thence turn an angle to the left of 39 degrees 08' and run in a Southeasterly direction for a distance of 78.34 feet, thence turn an angle to the left of 72 degrees 56' and run in a Northeasterly direction for a distance of 37.62 feet, thence turn an angle to the left of 36 degrees 27' and run in a Northeasterly direction for a distance of 115.97 feet, thence turn an angle to the right of 79 degrees 07' and run in a Southeasterly direction for a distance of 165.78 feet, thence turn an angle to the left of 3 degrees 32' and run in a Southeasterly direction for a distance of 329.02 feet to a point on the West right of way line of said Cahaba Beach Road, thence turn an angle to the left and run along said West right of way line for a distance of 532 feet, more or less, to the point of beginning.

and all right, title and interest of the Board in and to any other easements, licenses, rights and interests in real property at any time acquired or held by the Board as part of the Project Site;

II

All permits, easements, licenses, rights-of-way, contracts, leases, privileges, immunities and hereditaments pertaining or applicable to the Project Site and all fixtures now or hereafter owned by the Board and installed on the Project Site or in the Project Building or in any of such other buildings, structures and improvements now or hereafter located on the Project Site, it being the intention hereof that all property, rights and privileges hereafter acquired for use as a part of or in connection with or as an improvement to the Project Site shall be as fully covered hereby as if such property, rights and privileges were now owned by the Board and were specifically described herein;

III

All items (whether or not fixtures) of furniture, furnishings, machinery, equipment and other personal property that at any time, under the provisions of the Lease or of the Indenture, constitute the New Equipment, including, without limitation, the items (whether or not fixtures) of furniture, furnishings, machinery, equipment and other personal property generally described in Exhibit B attached hereto and made a part hereof;

IV

The moneys required by the Lease or the Indenture to be deposited in the Construction Fund, together with any investments and reinvestments of such moneys and the proceeds thereof, subject, however, to the disbursement and use thereof for the payment of Project Improvement Costs in accordance with the provisions of the Lease and the Indenture;

V

The Basic Rent and all other revenues and receipts derived by the Board from the leasing or sale of the Project (excluding, however, moneys paid by the Company pursuant to Section 5.4 or 10.4 of the Lease to reimburse the Board for its expenses or to pay such expenses directly for its account), all other moneys required by the Lease or the Indenture to be deposited from time to time in the Bond Fund, and all other moneys from time to time held by the Trustee for the benefit of the Bondholders pursuant to the Indenture, together in each case with any investments and reinvestments of such moneys and the proceeds thereof;

VI

All of the Board's right, title and interest in and to the Cook Mortgage delivered by the mortgagors thereunder to secure the payment and performance by the Company of its rental and other obligations under the Lease;

VII

All right, title and interest of the Board in and to the Lease [except (i) the right to require the Company to pay certain expenses incurred by the Board as provided in Sections 5.4 and 10.4 of the Lease, (ii) the release and indemnification rights of the Board contained in Section 8.2 of the Lease and (iii) any other rights personal to the Board which are expressly provided in the Lease to be exercised by the Board], but not including, however, any of the obligations of the Board thereunder; and

VIII

Any and all moneys, rights and properties of every kind or description which may from time to time hereafter be sold, transferred, conveyed, assigned, hypothecated, endorsed, deposited, pledged, mortgaged, granted or delivered to, or deposited with, the Trustee by the Board or anyone on its part as additional security for the payment of all or any specified series of the Bonds, or which pursuant to any of the provisions hereof or of the Lease, may come into the possession or control of the Trustee as such additional security; and the Trustee is hereby authorized to receive any and all such moneys, rights and properties as and for additional security for the payment of all or any specified series of the Bonds and to hold and apply the same subject to the terms hereof;

TO HAVE AND TO HOLD the same unto the Trustee, its successor trustees and assigns forever, subject to Permitted Encumbrances; IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth, for the equal and pro rata protection and benefit of the Holders, present and future, of the Bonds equally and ratably, without preference, priority or distinction of any over others by reason of priority in issuance or acquisition or otherwise, as if all the Bonds at any time outstanding had been executed, sold, authenticated, delivered and negotiated simultaneously with the execution and delivery hereof; subject, however, to the right and duty of the Trustee to apply solely for the benefit of the Holders of any particular series of the Bonds all moneys, rights and properties that are pledged or otherwise contractually obligated for the sole and exclusive benefit of the Holders of such particular series of the Bonds, including, without limitation, all moneys received pursuant to, or as a result of the enforcement of, the Series 1984 Company Guaranty, the Series 1984 Shareholder Guaranty or the Cook Mortgage, which moneys shall be applied by the Trustee solely for the payment of any amounts due the Holders of the Series 1984 Bonds;

PROVIDED HOWEVER, that these presents are upon the condition that if the Board shall pay or cause to be paid the principal of and the interest and premium (if any) on all Bonds secured hereby at the times and in the manner mentioned in the Bonds, according to the true intent and meaning thereof, or shall provide for such payment as specified in Section 16.1 hereof, and shall pay or cause to be paid all other Indenture Indebtedness, then the Indenture and the estate and rights granted hereby shall cease, determine and be void; otherwise the Indenture shall be and remain in full force and effect.

ARTICLE III

ISSUANCE OF BONDS IN SERIES

Section 3.1 **Issuance of Bonds in Series.** The Bonds may be issued in different series, and each Bond shall have an appropriate series designation. All the Bonds shall be ratably secured by the Indenture and by the pledge herein contained, it being expressly understood and agreed that no Bonds issued hereunder shall be prior to any other Bonds thereafter issued hereunder, but shall be on a parity therewith with respect to the security afforded by the Indenture. It is expressly understood and agreed, however, that the Series 1984 Company Guaranty, the Series 1984 Shareholder Guaranty and the Cook Mortgage shall be for the exclusive benefit of the Holders of the Series 1984 Bonds and that all moneys received by the Trustee under the Series 1984 Company Guaranty and the Series 1984 Shareholder Guaranty shall be applied for the payment of any amounts due the Holders of the Series 1984 Bonds.

Section 3.2 **Dates and Places of Payment of Bonds.** Subject to any applicable provisions pertaining to the dating of Bonds issued pursuant to the provisions of either Section 5.1 or 5.2 hereof, the Bonds of each series shall bear such date or dates as shall be specified in the Indenture or Supplemental Indenture under which such series is issued. Subject to compliance with the Act, the Bonds of each series shall mature on such dates and in such amounts, shall be subject to redemption at such times and on such terms and conditions, and shall bear interest for such periods, at such rate or rates and payable on such dates, all as shall be specified in the Indenture or Supplemental Indenture under which such series is issued. The principal of and the interest and premium (if any) on the Bonds of all series issued under the Indenture shall be payable in lawful money of the United States of America.

The principal of and the premium (if any) on the Bonds shall be payable at the principal corporate trust office of the Trustee, upon presentation and surrender of the Bonds as the same become due. In case any Bond is called for partial redemption, the redemption price of the principal thereof so called for redemption shall be payable at the principal corporate trust office of the Trustee (a) upon presentation and surrender of such Bond in exchange for a new Bond or Bonds of the same series of authorized denominations in an aggregate principal amount equal to the unredeemed portion of the principal of the Bond so surrendered, or (b) upon presentation of such Bond for an appropriate endorsement by the Trustee of such partial redemption on such Bond or on any record of partial redemptions appertaining

thereto and constituting a part thereof. The preceding two sentences of this paragraph notwithstanding, (i) the redemption price of any partial redemption of the principal of any of the Series 1984 Bonds may be paid to the Holders thereof pursuant to a Home Office Payment Agreement and (ii) if the Supplemental Indenture under which any series of Additional Bonds is issued so provides, the redemption price of any partial redemption of the principal of any of such Additional Bonds may be paid to the Holders of such Additional Bonds pursuant to a Home Office Payment Agreement. Subject also to the right of the respective Holders of the Series 1984 Bonds and any Additional Bonds (if, in the case of Additional Bonds, the Supplemental Indenture under which they are issued so permits) to have the interest thereon paid pursuant to a Home Office Payment Agreement, the interest on the Bonds shall be paid by check or draft mailed or otherwise delivered by the Trustee to the respective Holders thereof at their addresses as they appear on the registry books of the Trustee pertaining to the registration of the Bonds; provided, however, that the final payment of such interest shall be made only upon surrender of the appropriate Bond to the Trustee.

Section 3.3 Home Office Payment Agreements. Any provision hereof to the contrary notwithstanding, the Trustee will, at the request of the Holder of any Bond or Bonds, enter into a Home Office Payment Agreement with such Holder providing for the payment of the interest on such Bond or Bonds and the redemption price of any partial redemption of the principal thereof at a place and in a manner other than as provided in Section 3.2 hereof or in such Bond or Bonds, but any such agreement shall be subject to the following conditions:

(a) The terms and conditions of such agreement shall be satisfactory to the Trustee;

(b) The final payment of the principal of and the interest and premium (if any) on such Bond or Bonds shall be made only upon the surrender thereof to the Trustee;

(c) If such agreement provides for the partial redemption of the principal of such Bond or Bonds without the surrender thereof in exchange for one or more new Bonds in an aggregate principal amount equal to the unredeemed portion of such Bond or Bonds, then such agreement

(i) shall provide that the Holder of such Bond or Bonds will not sell, pledge, transfer or otherwise dispose of the same unless prior to the delivery thereof it shall (A) surrender the same to the Trustee in exchange for a new Bond or Bonds in an aggregate principal amount equal to the aggregate unpaid principal of such Bond or Bonds or (B) notify the Trustee in writing of such sale, pledge, transfer or other disposition and deliver to the Trustee a certificate certifying to the Trustee that endorsement has been made on such Bond or Bonds, or on a record of partial redemption

appertaining thereto and constituting a part thereof, of all portions of the principal of each such Bond or Bonds which have been redeemed, and

(ii) shall provide (A) that, to the extent of the payment to the Holder of such Bond or Bonds of the redemption price of any portion thereof called for redemption, the Board and the Trustee shall be released from liability with respect to such Bond or Bonds and the Company shall be released from liability for any Basic Rent referable thereto, and (B) that such Holder will indemnify and hold harmless the Board and the Trustee against any liability arising from the failure of such Holder to make any endorsement on such Bond or Bonds required by the preceding clause (i) or from an error or omission in such endorsement; and

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(d) Such agreement shall provide that if moneys are on deposit in the Bond Fund, on or before any interest payment date or any date fixed for redemption, sufficient to pay the interest on the Bonds due on such interest payment date or the redemption price of any Bonds called for redemption on such date fixed for redemption, as the case may be, then the failure of the Holder of any such Bonds to receive in a timely manner any payment due such Holder on such interest payment date or date fixed for redemption, as the case may be, because of a mistake, delay or other failure in the implementation of the method of payment prescribed by such Holder in such agreement shall not constitute an Event of Default, provided such mistake, delay or other failure is not due to the negligence of the Board or the Company.

The Supplemental Indenture under which any Additional Bonds are issued may provide that the provisions of this Section 3.3 shall not apply to such Additional Bonds.

Section 3.4 Form of Bonds, Etc. The Series 1984 Bonds and the Trustee's authentication certificate and the forms of assignment and signature guaranty applicable thereto, as well as any record of partial redemptions provided therefor shall be in substantially the forms respectively provided therefor in Section 7.8 hereof. The Bonds of each series of Additional Bonds and the Trustee's authentication certificate, form of assignment and record of partial redemptions (if any) applicable thereto shall be in substantially the forms respectively provided therefor in the Supplemental Indenture under which each such series of Additional Bonds is issued, which forms shall in general be similar to the corresponding forms applicable to the Series 1984 Bonds, with such insertions, omissions and other variations as may be necessary to conform to the provisions hereof and such Supplemental Indenture.

ARTICLE IV

EXECUTION AND AUTHENTICATION OF THE BONDS

Section 4.1 Execution of Bonds. The Bonds shall be executed by the Chairman or Vice Chairman of the Directors, and the seal of the Board shall be affixed thereto and attested by the Secretary of the Board; provided that either the signature of said Chairman or Vice Chairman or the signature of said Secretary of the Board may be a facsimile of the signature of such officer if the other of such signatures is manually subscribed thereon, and both the signature of the Chairman or Vice Chairman of the Directors and the signature of the Secretary of the Board on the Bonds may be a facsimile of the signature of such officer if the signature of the officer of the Trustee authenticating the Bonds in accordance with the provisions of Section 4.2 hereof is manually subscribed thereon; and provided further that a facsimile of the seal of the Board may be imprinted thereon rather than manually affixed thereto. Signatures on the Bonds by persons who were officers of the Board at the time such signatures were written or printed shall continue effective although such persons cease to be such officers prior to the authentication of the Bonds or the delivery thereof.

Section 4.2 Authentication Certificate of Trustee. A duly executed authentication certificate by the Trustee in substantially the applicable form hereinafter recited shall be endorsed on each of the Bonds and shall be essential to its validity. Such certificate shall be conclusive of the due authentication, issuance and delivery of such Bond under the Indenture.

Section 4.3 Replacement of Mutilated, Lost, Stolen or Destroyed Bonds. In the event any Bond is mutilated, lost, stolen or destroyed, the Board may execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor as that mutilated, lost, stolen or destroyed; provided that (i) in the case of any such mutilated Bond, such Bond is first surrendered to the Trustee, and (ii) in the case of any such lost, stolen or destroyed Bond, there is first furnished to the Board, the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee (with such evidence to be also furnished to the Board if requested), together with indemnity satisfactory to each of them (provided that if the Holder of such lost, stolen or destroyed bond is an insurance company, its own agreement of indemnity shall be satisfactory). The Board may charge the Holder with the expense of issuing any such new Bond. In lieu of issuing a new Bond to replace any mutilated, lost, stolen or destroyed Bond which shall have already matured, the Trustee may pay such Bond at or after the maturity thereof if the owner of such Bond satisfies the same terms and conditions as those provided in the preceding provisions of this section for the replacement of such Bond.

ARTICLE V

REGISTRATION, TRANSFERS AND EXCHANGES OF THE BONDS

Section 5.1 Registration and Transfer of Bonds. The Trustee shall be the registrar and transfer agent of the Board and shall keep at its principal office proper registry and transfer books in which it will note the registration and transfer of such Bonds as are presented for those purposes, all in the manner and to the extent hereinafter specified.

The transfer of any Bond may be registered only upon the books kept by the Trustee, as registrar and transfer agent for the Board, for the registration and registration of transfer of Bonds upon surrender thereof at the office of the Trustee with written power to transfer signed by the Holder thereof in person or by duly authorized attorney, properly stamped if required, in form and with guaranty of signature satisfactory to the Trustee. Upon any such transfer the Board shall execute, and the Trustee shall authenticate and deliver to the transferee, a new Bond registered in the name of such transferee and of like tenor as that presented for transfer.

Any Bond authenticated and delivered pursuant to the provisions of this section shall be dated as of the interest payment date next preceding the date of its authentication by the Trustee, or if the date of such authentication be an interest payment date, as of such date; provided that if any Bond is to be authenticated and delivered pursuant to this section prior to the first interest payment date with respect to the Bond or Bonds presented for transfer for which it is to be issued in lieu of, such Bond shall be dated the date of the Bond or Bonds for which it is to be so issued in lieu of; and provided further that if at the time of such authentication, the Board is in default in payment of the interest on the Bonds, such Bond shall be dated as of the interest payment date to which interest on the Bonds has previously been paid. In any case, any Bond issued in lieu of other Bonds presented for transfer shall bear interest at the rate borne by the Bonds so surrendered for transfer and shall be dated so that no gain or loss of interest shall result from the transfer of any Bond for other Bonds.

The Trustee shall not be required to transfer any Bond during the period of fifteen days next preceding any interest payment date with respect thereto or, if such Bond is duly called for redemption (in whole or in part), during the period of fifteen days next preceding the date fixed for such redemption.

Section 5.2 Exchange of Bonds. The Bonds of each series shall be freely exchangeable within the limits provided in the Indenture or Supplemental Indenture under which such series is issued; provided, however, that under no circumstances shall a Bond be issuable in exchange for other Bonds unless all the Bonds being so exchanged are of the same series, bear interest at the same rate and have the same stated maturity. Upon the request of the Holder of any Bond in a principal

amount greater than the minimum authorized denomination applicable to the series to which such Bond belongs, the Board shall execute, and the Trustee shall thereupon authenticate and deliver, upon surrender to the Trustee of such Bond and in exchange therefor, two or more Bonds of like tenor as the Bond so surrendered and in authorized denominations aggregating the same principal amount as the Bond so surrendered. Upon the request of the Holder of two or more Bonds the Board shall execute, and the Trustee shall thereupon authenticate and deliver, upon surrender to the Trustee of such Bonds and in exchange therefor, a new Bond or Bonds of like tenor in different authorized denominations and aggregating the same principal amount as the then unpaid principal amount of the Bonds so surrendered. Any Bonds surrendered for exchange pursuant to the provisions of this section shall be accompanied by a written power to transfer signed by the Holder thereof in person or by duly authorized attorney, properly stamped if required, in form and with guaranty of signature satisfactory to the Trustee.

Any Bond authenticated and delivered pursuant to the provisions of this section shall be dated as of the interest payment date next preceding the date of its authentication by the Trustee or, if the date of such authentication be an interest payment date, as of such date; provided that if any Bond is to be authenticated and delivered pursuant to this section prior to the first interest payment date with respect to the Bond or Bonds for which it is to be issued in exchange, such Bond shall be dated the date of the Bond or Bonds for which it is to be so issued in exchange; and provided further that if at the time of such authentication, the Board is in default in payment of the interest on the Bonds, such Bond shall be dated as of the interest payment date to which interest on the Bonds has previously been paid. In any case, any Bond issued in exchange for other Bonds shall bear interest at the rate borne by the Bonds so surrendered for exchange and shall be dated so that no gain or loss of interest shall result from the exchange of any Bond for other Bonds.

The Trustee shall not be required to exchange any Bond pursuant to the provisions of this section during the period of fifteen days next preceding any interest payment date with respect thereto or, if such Bond shall be duly called for redemption (in whole or in part), during the period of fifteen days next preceding the date fixed for such redemption.

Section 5.3 Persons Deemed Owners of Bonds. The Person in whose name a Bond is registered on the books of the Trustee shall be the sole Person to whom or on whose order payments on account of the principal thereof and of the interest and premium (if any) thereon may be made. The Board and the Trustee may deem and treat the Person in whose name a Bond is registered as the absolute owner thereof for all purposes; they shall not be affected by notice to the contrary; and all payments by either of them to the Person in whose name a Bond is registered, shall to the extent thereof fully discharge and satisfy all liability for the same.

Section 5.4 Expenses of Transfer and Exchange. The Board and the Trustee may charge the Holder with their reasonable fees and expenses in connection with any transfer or exchange of any of the Bonds (including, without limitation, the

expenses of printing any new Bonds that may be necessitated by any transfer or exchange after the exhaustion of an initial supply of Bonds sufficient for a reasonable number of such transfers and exchanges); provided, however, that no charge shall be made for the issuance of a new Bond issued, pursuant to the provisions of Section 6.2 hereof, as a result of a call for partial redemption of any Bond. In every case involving any transfer or exchange of any of the Bonds that is requested by the Holder thereof, such Holder shall pay all taxes and other governmental charges required to be paid in connection with such transfer or exchange.

ARTICLE VI

GENERAL PROVISIONS RESPECTING REDEMPTION OF BONDS

Section 6.1 **Manner of Effecting Redemption of Bonds.** Any redemption of any Bonds of any series shall be effected in the following manner:

(a) **Call.** The Directors shall adopt a Resolution containing the following: (1) a call for redemption, on a specified date when they are by their terms subject to redemption, of Bonds bearing a stated series designation or designations and stated numbers (and, in the case of the partial redemption of any Bonds, the respective principal amounts thereof to be redeemed); (2) unless all the Bonds then outstanding are to be redeemed (or unless a portion of all such outstanding Bonds are to be redeemed and the remainder are, simultaneously with or prior to such redemption, to be otherwise retired), a statement that no Event of Default has occurred and is continuing; and (3) a summary of all applicable restrictions upon or conditions precedent to such redemption and the provisions made to comply therewith; provided, however, that it shall not be necessary for the Directors to adopt any such Resolution (i) in the case of Series 1984 Bonds that are to be redeemed pursuant to the provisions of Section 7.3 hereof, provided that the Company shall have requested such redemption by a written request furnished to the Board and the Trustee and shall have specified in such request the principal amount of such Series 1984 Bonds and the date on which the redemption thereof is to be effected, (ii) in the case of Series 1984 Bonds that are to be redeemed pursuant to any of the provisions of either of Sections 7.4 and 7.5 hereof, or (iii) in the case of any redemption of the Bonds of any series of Additional Bonds, if such redemption is required by the terms of the Supplemental Indenture under which such series of Additional Bonds is issued or if, in such Supplemental Indenture, the adoption of such Resolution is expressly stated to be unnecessary.

(b) **Notice by Registered or Certified Mail.** With respect to any Bonds called for redemption, in whole or in part, the Trustee (on behalf of the Board) shall cause to be forwarded by United States registered or certified mail to the Holder thereof, at the address of such Holder as such

address appears on the registry books of the Trustee pertaining to the registration of the Bonds, a notice stating the following: that Bonds bearing stated numbers and a stated series designation or designations (and, in the case of the partial redemption of any Bonds, the respective principal amounts thereof to be redeemed) have been called for redemption and will become due and payable at the applicable redemption price or redemption prices on a specified redemption date, and that all interest thereon will cease after such redemption date if prior to such date, or not later than 10:00 o'clock, A.M., on such date, the total redemption price of the Bonds (or portions thereof) so called for redemption, together with the accrued interest thereon to such date, has been deposited with the Trustee; provided however, that such notice shall not be given to the Holders of the Series 1984 Bonds in connection with the mandatory redemption of any principal thereof pursuant to the provisions of Section 7.4 hereof. Such notice shall be so mailed not more than thirty (30) nor less than ten (10) days prior to the date fixed for redemption, but Holders of any Bonds may waive the requirements of this subsection with respect to the Bonds held by them without affecting the validity of the call for redemption of any other Bonds.

(c) Deposit. Prior to the date fixed for redemption, or not later than 10:00 o'clock, A.M., on such date, the Board shall deposit, or cause to be deposited, with the Trustee the total redemption price of the Bonds (or portions thereof) so called for redemption (as such redemption price is specified herein or in the Supplemental Indenture under which such Bonds are issued) and shall furnish to the Trustee the following: (i) a certified copy of the Resolution required by subsection (a) of this section (if, under the circumstances, the adoption of any such Resolution is required); and (ii) in the case of the redemption of any Bonds on a date when such Bonds may be redeemed only with funds from a specified source or when such redemption is made subject, by the terms of the Indenture or any Supplemental Indenture, to any other restriction or requirement, evidence satisfactory to the Trustee showing compliance with such restriction or requirement.

Section 6.2 Presentation of Bonds for Redemption. Bonds Called for Redemption to Cease to Bear Interest. Upon compliance by the Board and the Trustee with the requirements of Section 6.1 hereof [and, unless all the Bonds then outstanding are to be redeemed (or unless a portion of such outstanding Bonds are to be redeemed and the remainder are, simultaneously with or prior to such redemption, to be otherwise retired), if the Board is not on the redemption date in default in payment of the principal of or the interest (or premium, if any) on any of the Bonds], the Bonds so called for redemption (or, in the case of any Bonds called for partial redemption, the portions thereof called for redemption) shall become due and payable at the place or places at which the same shall be payable at the redemption price or prices and on the redemption date specified in such notice, anything herein or in the Bonds to the contrary notwithstanding and the Holders thereof shall then and there surrender them for redemption; provided, however, that with respect to any Bond called for partial redemption, (i) the Holder thereof shall surrender such Bond to the

Trustee in exchange for one or more new Bonds of authorized denominations in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered or (ii) such Holder shall, in lieu of surrendering such Bond in exchange for a new Bond or Bonds, present the same to the Trustee for endorsement thereon (or on any record of partial redemptions appertaining thereto and constituting a part thereof) of the payment of the portion of the principal thereof so redeemed. The preceding sentence to the contrary notwithstanding, the partial redemption of the Series 1984 Bonds (and if the Supplemental Indenture under which any series of Additional Bonds is issued so provides, the partial redemption of the Additional Bonds of such series as well) shall be subject to such Home Office Payment Agreements as may from time to time be in effect with respect thereto pursuant to the provisions of Section 3.3 hereof. All future interest on the Bonds so called for redemption (or, in the case of any Bonds called for redemption in part, the portions thereof called for redemption) shall, subject to the deposit required by subsection (c) of Section 6.1 hereof having been made, cease to accrue after the date fixed for redemption. The Bonds so called (or, in the case of any Bonds called for redemption in part, the portions thereof called for redemption) shall, subject to such deposit having been made, no longer be entitled to the benefit of the lien hereof but shall look solely to the moneys deposited with the Trustee under the provisions of this article; and out of the moneys so deposited with it, the Trustee shall pay on the redemption date the applicable redemption price or prices of the Bonds so called for redemption (or, in the case of any Bonds called for redemption in part, the portions thereof called for redemption).

Section 6.3 Concerning the Redemption of Bonds of Different Series. No Additional Bonds shall be redeemed prior to maturity so long as any of the Series 1984 Bonds are outstanding, except in the case of (i) the mandatory redemption of any Additional Bonds in accordance with a sinking fund or other principal retirement schedule agreed to by the Board at the time of the issuance of such Additional Bonds and (ii) the simultaneous retirement of all outstanding Bonds in accordance with the provisions of the Indenture. Nothing contained in the Indenture shall be construed as requiring pro rata redemption of Bonds of different series, even though at the time that any redemption of Bonds is to be effected there are then outstanding Bonds of two or more series then subject to redemption.

Section 6.4 Application of Certain Moneys Upon Redemption of Bonds in Certain Events. In the event that the Lease terminates pursuant to Section 7.2(a) thereof, or in the event that the Company exercises the option to terminate the Lease granted in Section 11.1(a) thereof, or in the event that the Company exercises the option to purchase the Project granted in Section 11.2 of the Lease, then, and in any of such events, the Trustee (i) shall segregate and set aside in the Bond Fund [out of moneys therein, moneys in the Construction Fund, any insurance proceeds or condemnation awards then held by the Trustee that are referable to the Project and that are available for the retirement of Bonds, and any moneys payable by the Company pursuant to the provisions of any of Sections 7.2(a), 11.1(a) or 11.2 of the Lease, as the case may be, with such moneys to be marshalled in the order named] moneys sufficient to retire the Bonds and pay all other Indenture Indebtedness as provided in Sections 7.2(a), 11.1(a) or 11.2 of the Lease, as the case may be, and (ii) shall, in accordance with the applicable provisions of the Lease and the Indenture, dispose of

any balance of such moneys not needed for the retirement of the Bonds and the payment of all other Indenture Indebtedness.

ARTICLE VII

THE SERIES 1984 BONDS

Section 7.1 **Issuance of Series 1984 Bonds; Interest Rate and Other Terms of the Series 1984 Bonds.** There is hereby authorized to be issued under the Indenture an issue or series of Bonds designated Industrial Development Revenue Bonds (Cook Publications, Inc. Project), Series 1984, limited in aggregate principal amount to \$800,000. The Series 1984 Bonds shall (except as otherwise provided in Sections 5.1 and 5.2 hereof) be dated the date of their authentication and delivery by the Trustee, shall mature and become payable on May 20, 1994, and shall be initially issued as one fully registered bond in the principal amount of \$800,000, numbered R1, and payable to the Series 1984 Original Purchaser or its nominee. Subject to and in accordance with the provisions of Article V hereof and Section 7.2 hereof, the Series 1984 Bonds initially issued hereunder may be exchanged by the Holder thereof for other Series 1984 Bonds in the denomination of \$1,000 or any integral multiple thereof.

The outstanding principal of the Series 1984 Bonds shall bear interest from their date until their maturity (whether by acceleration, mandatory redemption or otherwise), payable on July 20, 1984, and on the first day of each calendar month thereafter at a per annum rate equal to the sum of seventy-five percent (75%) of the Prime Rate from time to time in effect. If the highest marginal rate of federal income taxation imposed on domestic corporations (the "Maximum Corporate Tax Rate") increases or decreases after the date of original issuance of the Series 1984 Bonds, the percentage of the Prime Rate (the "Applicable Percentage") used to determine the effective rate of interest on the Series 1984 Bonds shall be adjusted, effective on the first day of the calendar month next succeeding the effective date of such increase or decrease, to equal the product (rounded to the second decimal point; e.g., 75.00) of (i) the Applicable Percentage on the date of original issuance of the Series 1984 Bonds times (ii) a fraction the numerator of which is the number 1 minus the Maximum Corporate Tax Rate (expressed as a decimal) in effect following such increase or decrease and the denominator of which is the number 1 minus the Maximum Corporate Tax Rate (expressed as a decimal) in effect on the date of original issuance of the Series 1984 Bonds.

Anything contained in this section to the contrary notwithstanding, upon the occurrence of a Series 1984 Event of Taxability, however, the principal amount of Series 1984 Bonds that was outstanding and unpaid on the date of the occurrence of such Series 1984 Event of Taxability shall bear interest at a rate equal to two percent (2%) above the Prime Rate from time to time in effect from the date of the occurrence of such Series 1984 Event of Taxability until paid (whether by acceleration, mandatory redemption or otherwise). Not later than thirty (30) days following the Series 1984 Determination of Taxability with respect to such Series 1984 Event of

Taxability, the Board shall pay the additional interest due on such outstanding principal amount of the Series 1984 Bonds at the aforesaid rate equal to two percent (2%) above the Prime Rate coming due as a result of such Series 1984 Event of Taxability to such Series 1984 Determination of Taxability or until the date such principal amount of the Series 1984 Bonds matured or was redeemed or paid, whichever shall occur first, taking into account the interest which has or will become due on such principal amount of the Series 1984 Bonds during such period at the applicable rate or rates as provided in the second paragraph of this section.

Overdue installments of principal of and interest on the Series 1984 Bonds, including all such installments becoming due as a result of acceleration or mandatory redemption, shall bear interest from their respective due dates until paid at the per annum rate applicable to the Series 1984 Bonds. All interest on the Series 1984 Bonds (including, without limitation, interest on overdue installments of principal and interest) shall be computed on the basis of a 360-day year for the actual number of days elapsed.

The principal of and the interest on the Series 1984 Bonds shall be payable in accordance with the provisions of Section 3.2 hereof, except that the interest on the Series 1984 Bonds and the redemption price of any partial redemptions of the principal of the Series 1984 Bonds may be payable in accordance with Home Office Payment Agreements made in accordance with the provisions of Section 3.3 hereof.

Section 7.2 Irregular Denomination Series 1984 Bonds. In the event of any transfer of the Series 1984 Bonds pursuant to the provisions of Section 5.1 hereof, or in the event of any exchange of Series 1984 Bonds for other Series 1984 Bonds pursuant to the provisions of Section 5.2 hereof, new Series 1984 Bonds shall be issued only in denominations of \$1,000 or any integral multiple thereof, except as may be otherwise provided by the succeeding provisions of this section. If one or more Series 1984 Bonds are transferred to any Person who, prior to such transfer, did not own any Series 1984 Bonds, then, if necessary to evidence the transfer of such Series 1984 Bond or Bonds, not more than one Irregular Denomination Series 1984 Bond may be issued to such Person, along with such other Series 1984 Bonds (if any) in denominations of \$1,000 or any integral multiple thereof as shall be requested by such Person and as shall, together with such Irregular Denomination Series 1984 Bond, have an aggregate principal amount equal to that of the Series 1984 Bond or Bonds so transferred. If one or more Series 1984 Bonds are transferred to any Holder who, prior to such transfer, already owned one or more Series 1984 Bonds, or if any principal amount of Series 1984 Bonds is to be exchanged by any Holder for a like principal amount of Series 1984 Bonds in different denominations, then, if necessary to evidence such transfer or accomplish such exchange, as the case may be, not more than one Irregular Denomination Series 1984 Bond may be issued to any such Holder, along with such other Series 1984 Bonds (if any) in denominations of \$1,000 or any integral multiple thereof as shall be requested by such Holder and as shall, together with such Irregular Denomination Series 1984 Bond, have an aggregate principal amount equal to that of the Series 1984 Bond or Bonds so transferred or exchanged; provided, however, that if the Holder to whom such transfer is to be made or the Holder requesting such exchange, as the case may be, already owns one or more

Irregular Denomination Series 1984 Bonds, no new Irregular Denomination Series 1984 Bond shall be authenticated and delivered by the Trustee in connection with such transfer or exchange unless the Holder to whom such transfer is to be made or the Holder requesting such exchange, as the case may be, surrenders to the Trustee all outstanding Irregular Denomination Series 1984 Bonds then owned by such Holder and requests the issuance of new Series 1984 Bonds in an aggregate principal amount equal to the principal amount of the Series 1984 Bond or Bonds to be so transferred or exchanged, as the case may be, plus the principal amount of the outstanding Irregular Denomination Series 1984 Bonds so surrendered, which such aggregate principal amount of new Series 1984 Bonds shall consist of Series 1984 Bonds in the denomination of \$1,000 or any integral multiple thereof and not more than one Irregular Denomination Series 1984 Bond in such combination as may be requested by such Holder. The preceding provisions of this paragraph shall be construed to the end that no Holder of any Series 1984 Bonds shall, as a result of any transfer or exchange of Series 1984 Bonds initiated or requested by such Holder, become the Holder of more than one Irregular Denomination Series 1984 Bond.

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Section 7.3 **Optional Redemption of Series 1984 Bonds.** At the option of the Board (which option shall be exercisable only upon request by the Company if at the time no Lease Default shall have occurred and be continuing), the Series 1984 Bonds shall be subject to redemption and payment on any date, as a whole or in part, at and for a redemption price, with respect to each Series 1984 Bond (or portion of the principal thereof) called for redemption, equal to the principal amount thereof to be redeemed plus accrued interest thereon to the date fixed for redemption. The redemption of Series 1984 Bonds pursuant to this section shall comply with the applicable provisions of Article VI hereof, including the giving of such notice to the Holders of Series 1984 Bonds called for redemption as may be required by Section 6.1(b) hereof. Any redemption of less than all the outstanding Series 1984 Bonds pursuant to this section shall comply with the provisions of Section 7.6 hereof.

Section 7.4 **Mandatory Redemption of Series 1984 Bonds.** A portion of principal of the Series 1984 Bonds shall be subject to mandatory redemption and payment on July 20, 1984, and on the twentieth day of each calendar month thereafter until and including April 20, 1994, in the principal amount of \$6,667. In the absence of other prior redemption, Series 1984 Bonds in the approximate principal amount of \$13,334 will remain to be paid at their stated maturity on May 20, 1994. Such principal portion of the Series 1984 Bonds shall be redeemed pursuant to the provisions of this section at and for a redemption price, with respect to each Series 1984 Bond (or 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, and such redemption shall be effected in accordance with the applicable provisions of Article VI and Section 7.6 hereof. The Trustee will take such actions as are necessary under the provisions hereof to redeem the principal amount of Series 1984 Bonds required to be redeemed on each such Bond Payment Date.

If less than all the outstanding Series 1984 Bonds are redeemed pursuant to the provisions of Section 7.3 hereof, or if less than all the outstanding Series 1984 Bonds are purchased by the Company and surrendered to the Trustee for cancellation

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pursuant to the provisions of Section 7.7 hereof, the principal amount of Series 1984 Bonds so redeemed or surrendered for cancellation, as the case may be, shall be credited in inverse chronological order against the mandatory redemptions of Series 1984 Bonds required by this section, and unless and until all the Series 1984 Bonds shall have been paid in full, no such redemption or surrender of less than all the Series 1984 Bonds shall have the effect of extending or postponing the redemption date of any redemption of Series 1984 Bonds required by this section or of reducing the principal amount of Series 1984 Bonds required by this section to be redeemed on such date.

Section 7.5 Extraordinary Redemption of Series 1984 Bonds. The Series 1984 Bonds shall be subject to extraordinary mandatory redemption prior to their stated maturity as follows:

(a) In the event that (i) all or substantially all of the Project is taken through the exercise of the power of Eminent Domain (as defined in the Lease) with the consequences described in Section 7.2(a) of the Lease or (ii) the Company exercises the option granted in Section 11.2 of the Lease to purchase the Project, then, and in either of such events, the Series 1984 Bonds shall be subject to mandatory redemption as a whole, at and for a redemption price, with respect to each Series 1984 Bond, equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption. In case all the Series 1984 Bonds are required to be redeemed pursuant to clause (i) of the first sentence of this subsection (a), the date fixed for such redemption shall be the date on which the Lease terminates as provided in said Section 7.2 (a) thereof (or such later date as may be required by the provisions of Section 17.4 hereof). In case all the Series 1984 Bonds are required to be redeemed pursuant to clause (ii) of the first sentence of this subsection (a), the date fixed for such redemption shall be the date of purchase of the Project determined by the Company in accordance with the provisions of Section 11.2 of the Lease. The provisions of Section 6.4 hereof shall apply to the redemption of Series 1984 Bonds pursuant to this subsection (a).

(b) In the event of a Series 1984 Determination of Taxability, the Series 1984 Bonds shall be subject to mandatory redemption as a whole, at and for a redemption price, with respect to each Series 1984 Bond, equal to the principal amount thereof plus accrued interest thereon to the Series 1984 Taxability Redemption Date. In case all the Series 1984 Bonds are required to be redeemed pursuant to this subsection (b), the Series 1984 Taxability Redemption Date shall be the earliest practicable date, after the Series 1984 Determination of Taxability, on which the Series 1984 Bonds can be redeemed in accordance with their terms and the terms of the Indenture, but in no event later than sixty (60) days after the date of the Series 1984 Determination of Taxability. If, in accordance with the provisions of Section 5.5 of the Lease, any moneys held in the Construction Fund or the Bond Fund are credited against any amount payable by the Company pursuant to said Section 5.5 in respect of the

redemption of Series 1984 Bonds, the Trustee will not thereafter apply any of the moneys so held in any of such funds and so credited for any purpose other than the redemption of Series 1984 Bonds. On the Series 1984 Taxability Redemption Date, the Trustee shall (i) segregate and set aside in the Bond Fund (out of any moneys held therein for the redemption of the Series 1984 Bonds, any moneys held in the Construction Fund and any moneys payable by the Company pursuant to Section 5.5 of the Lease) moneys sufficient to provide for full redemption of the Series 1984 Bonds and (ii) shall apply such moneys for the redemption and payment of the Series 1984 Bonds in accordance with the applicable provisions of this subsection (b) as the same shall be presented for redemption and payment. The foregoing requirement of mandatory redemption shall be waived with respect to any Series 1984 Bond the Holder of which has elected not to require such redemption in a written notice delivered to the Trustee within sixty (60) days following the receipt by such Holder of the notice required by the provisions of Section 14.3 hereof to be delivered by the Trustee to the Holders of all the then outstanding Series 1984 Bonds.

The redemption of Series 1984 Bonds pursuant to this section shall comply with the applicable provisions of Article VI hereof, including the giving of such notice to the Holders of Series 1984 Bonds called for redemption as may be required by Section 6.1(b) hereof.

Section 7.6 Special Provisions Respecting Partial Redemption of Series 1984 Bonds. The principal of any Series 1984 Bonds shall be redeemed only in the amount of one dollar (\$1.00) or integral multiples thereof. When less than all the outstanding Series 1984 Bonds are to be redeemed prior to maturity at any one time, the Trustee shall allocate the principal amount to be redeemed at such time among all the Holders of the Series 1984 Bonds then outstanding in the following manner: there shall be allocated to each such Holder, as nearly as practicable, the same proportion of the principal amount of Series 1984 Bonds to be redeemed as the outstanding principal amount of all Series 1984 Bonds held by such Holder bears to the aggregate principal amount of all Series 1984 Bonds then outstanding. To the extent possible the individual amounts allocated to the Holders of the Series 1984 Bonds in accordance with the preceding sentence shall be rounded up or down to the nearest integral multiple of one dollar (\$1.00), but if the rounding of each such individual amount to the nearest integral multiple of one dollar should result in the sum of such individual amounts being less than or greater than the amount on deposit in the Bond Fund that is available to redeem Series 1984 Bonds, then in such case the Trustee shall adjust such individual amounts to such extent as will cause the aggregate principal amount of Series 1984 Bonds redeemed to equal as nearly as practicable the amount available to effect such redemption. The adjustment of such individual amounts shall be made by the Trustee in an equitable manner, taking into account similar adjustments made in connection with prior redemptions, but in no event shall such adjustment result in the amount allocable to any Holder of the Series 1984 Bonds being increased or decreased by more than one dollar above or below the amount that would have been allocable to such Holder if such amount had been rounded to the nearest dollar.

In the event that any Series 1984 Bond is called for partial redemption and the unredeemed principal of such Bond is not evenly divisible by \$1,000, an Irregular Denomination Series 1984 Bond shall, pursuant to the provisions of Sections 6.2 and 7.2 hereof, be issued by the Trustee to the Holder of the Series 1984 Bond so called for partial redemption in exchange for the surrender thereof, or, in lieu of surrendering such Series 1984 Bond in exchange for a new Series 1984 Bond or Bonds, the Holder thereof may present the same to the Trustee for endorsement thereon (or on any record of partial redemption appertaining and constituting a part thereof) of the payment of the portion of the principal thereof so redeemed.

Section 7.7 Delivery of Series 1984 Bonds by the Company for Cancellation. The Trustee shall cancel any Series 1984 Bonds from time to time purchased by the Company and surrendered to the Trustee for cancellation, provided that no Series 1984 Bonds so surrendered by the Company shall be cancelled by the Trustee unless there shall be delivered to the Trustee a certificate signed by the President of the Company stating in effect that such Series 1984 Bonds were purchased pursuant to an offer to purchase Series 1984 Bonds from all Holders thereof in a principal amount proportionate to the principal amount of Series 1984 Bonds then held by such Holders and that the same terms and conditions for the purchase of such Bonds were offered to each Holder.

Section 7.8 Bond Form of Series 1984 Bonds. The Series 1984 Bonds and the Trustee's authentication certificate and the forms of assignment and signature guaranty applicable thereto, as well as any record of partial redemptions provided therefor, shall be in substantially the following forms, respectively, with such insertions, omissions and other variations as may be necessary to conform to the provisions hereof:

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[Form of Series 1984 Bond]

No. R _____

\$ _____

UNITED STATES OF AMERICA

STATE OF ALABAMA

THE INDUSTRIAL DEVELOPMENT BOARD
OF SHELBY COUNTY

Industrial Development Revenue Bond
(Cook Publications, Inc. Project)
Series 1984

On the 20th day of May, 1994 (unless the principal of this bond shall have been duly called for previous redemption and payment duly provided for), for value received, THE INDUSTRIAL DEVELOPMENT BOARD OF SHELBY COUNTY, a public corporation and instrumentality under the laws of the State of Alabama (herein called the "Board"), will pay to _____, or registered assigns, solely out of the sources of payment hereinafter referred to, the sum of

D O L L A R S

(or such lesser portion thereof then unpaid). The unpaid principal balance of this bond shall bear interest from the date hereof at a per annum rate, subject to adjustment as hereinafter described, equal to the sum of seventy-five percent (75%) of the announced prime lending rate (herein called the "Prime Rate") of AmSouth Bank N.A., Birmingham, Alabama, from time to time in effect. The interest on this bond is payable on July 20, 1984, and on the twentieth day of each calendar month thereafter until and at the maturity hereof. If the highest marginal rate of federal income taxation imposed on domestic corporations (the "Maximum Corporate Tax Rate") increases or decreases after the date of original issuance of this bond, the percentage of the Prime Rate (the "Applicable Percentage") used to determine the effective rate of interest on this bond shall be adjusted, effective on the first day of the calendar month next succeeding the effective date of such increase or decrease, to equal the product (rounded to the second decimal point; e.g., 75.00) of (i) the Applicable Percentage on the date of original issuance of this bond times (ii) a fraction the numerator of which is the number 1 minus the Maximum Corporate Tax Rate (expressed as a decimal) in effect following such increase or decrease and the denominator of which is the number 1 minus the Maximum Corporate Tax Rate (expressed as a decimal) in effect on the date of original issuance of this bond. Upon a determination pursuant to the provisions of the Lease and the Indenture hereinafter referred to that the interest income on this bond is or has become subject to federal income taxation as a result of the application of certain provisions of Section 103 of the Internal Revenue Code of 1954, as amended, the outstanding principal of this bond shall bear interest at a rate equal to two percent (2%) above the Prime Rate

from time to time in effect on the unpaid principal amount of this bond from the date the interest income on this bond so becomes subject to federal income taxation until paid (whether by acceleration, mandatory redemption or otherwise). Overdue installments of principal of and interest on this bond, including all such installments becoming due as a result of acceleration or mandatory redemption, shall bear interest from their respective due dates until paid at the per annum rate applicable to the principal hereof prior to maturity, computed and subject to adjustment as aforesaid. All interest on this bond (including, without limitation, interest on overdue installments of principal and interest) shall be computed on the basis of a 360-day year for the actual number of days elapsed.

The principal of and the premium (if any) on this bond shall be payable in lawful money of the United States of America at the principal corporate trust office of AmSouth Bank N.A., Birmingham, Alabama, or its successor as Trustee under the Indenture hereinafter referred to, and the interest on this bond shall (except for the final payment of such interest which shall be made only upon the surrender of this bond) be remitted, by the Trustee hereinafter referred to, by check or draft mailed or otherwise delivered to the then registered holder hereof at the address shown on the registry books of the said Trustee; provided, however, that said Trustee will, at the request of the holder hereof, enter into a special payment agreement with such holder providing for the payment of the interest hereon and the redemption price of any partial redemption of the principal hereof at a place and in a manner other than as described above, but such special payment agreement shall be subject to the terms and conditions specified in the said Indenture.

This bond is one of a duly authorized issue or series of bonds authorized to be issued in the aggregate principal amount of \$800,000 and designated Industrial Development Revenue Bonds (Cook Publications, Inc. Project), Series 1984 (herein called the "Series 1984 Bonds"), which have been issued under a Mortgage and Trust Indenture dated as of May 1, 1984 (herein called the "Indenture"), from the Board to AmSouth Bank N.A., as Trustee (herein, together with its successors in trust, called the "Trustee"), for the purpose of financing the costs of improving and equipping a printing and distribution facility located in Shelby County, Alabama (said improvements and equipment and other property acquired by the Board in connection therewith, as they may at any time exist, being herein together called the "Project"). In connection with the issuance of the Series 1984 Bonds, the Board has leased the Project to Cook Publications, Inc., an Alabama corporation (herein, together with its successors and assigns, called the "Company"), under a Lease Agreement dated as of May 1, 1984 (herein called the "Lease"), which obligates the Company to pay rent directly to the Trustee, for the account of the Board, on such dates and in such amounts as will provide moneys sufficient to pay, when due, the principal of and the interest and premium (if any) on the Series 1984 Bonds. The Series 1984 Bonds are further secured by (i) a Guaranty Agreement dated as of May 1, 1984 (herein called the "Series 1984 Company Guaranty"), between the Trustee and the Company, (ii) a Guaranty Agreement dated as of May 1, 1984 (herein called the "Series 1984 Shareholder Guaranty"), between a principal shareholder of the Company and the Trustee, pursuant to which said guarantors have unconditionally guaranteed the payment of the Series 1984 Bonds and have agreed to pay or discharge certain other obligations relating to the Series 1984 Bonds and (iii) a subordinate mortgage on the

real property on which the Project will be located (herein called the "Cook Mortgage").

The Series 1984 Bonds are subject to redemption prior to their maturity as follows:

(1) At the option of the Board, the Series 1984 Bonds are subject to redemption on any date, as a whole or in part, at and for a redemption price, with respect to each Series 1984 Bond (or portion of the principal thereof) called for redemption, equal to the principal amount thereof to be redeemed plus accrued interest thereon to the date fixed for redemption.

(2) A portion of the principal of the Series 1984 Bonds shall be subject to mandatory redemption and payment on July 20, 1984, and on the twentieth day of each calendar month thereafter until and including April 20, 1994, in the principal amount of \$6,667, and shall be redeemed at and for a redemption price equal to the principal amount thereof to be redeemed plus accrued interest thereon to the date fixed for redemption.

(3) The Series 1984 Bonds are subject to mandatory redemption as a whole on any date, at and for a redemption price, with respect to each Series 1984 Bond, equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption, but only in the event of the taking through the exercise of the power of eminent domain of all or substantially all the Project or in the event of the exercise by the Company of an option to purchase the Project granted in the Lease.

(4) The Series 1984 Bonds are subject to mandatory redemption as a whole on any date, at and for a redemption price with respect to each Series 1984 Bonds, equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption, but only in the event there is a determination, as provided in Section 5.5 of the Lease, that the interest income on the Series 1984 Bonds is or has become subject to federal income taxation as a result of the application of certain provisions of Section 103 of the Internal Revenue Code of 1954, as amended. The foregoing requirement of mandatory redemption may be waived by a holder of any Series 1984 Bond in a written notice delivered to the Trustee within sixty (60) days after receipt of notice that the interest income on the Series 1984 Bonds has become so subject to federal income taxation.

If less than all the Series 1984 Bonds shall be redeemed at any one time, the principal amount of Series 1984 Bonds to be so redeemed shall be allocated among all the holders of Series 1984 Bonds in proportion to the aggregate principal amount of

outstanding Series 1984 Bonds owned by each such holder, and the principal amount so allocated to each such holder shall be called for redemption from among the Series 1984 Bonds owned by such holder.

The Indenture requires written notice of the redemption of this bond (or portion of the principal thereof) to be forwarded by United States registered or certified mail to the registered holder hereof not less than ten (10) nor more than thirty (30) days prior to the date fixed for redemption; provided, however, that such notice shall not be given in connection with any redemption of the principal of this bond described in subparagraph (2) of the preceding paragraph. In the event that less than all the principal of this bond is to be redeemed, (i) the registered holder thereof shall surrender this bond to the Trustee in exchange for a new bond of like tenor herewith except in a principal amount equal to the unredeemed portion of this bond or (ii) such holder shall, in lieu of surrendering this bond in exchange for a new bond, present the same to the Trustee for endorsement hereon, or on a record of partial redemptions appertaining hereto, of the payment of the portion of the principal hereof so redeemed. Further, the Indenture provides that the holder of this bond may enter into a special payment agreement with the Trustee which will permit the redemption price of any partial redemption of the principal hereof to be paid to the holder without the surrender or presentation of this bond to the Trustee, but such special payment agreement shall require in such case that the holder endorse hereon, or on a record of partial redemption appertaining hereto, the payment of the portion of the principal hereof so redeemed, all as more particularly specified in the Indenture.

The Board, with the consent of the Company, is authorized by the Indenture to issue thereunder, upon the terms and conditions therein specified, additional bonds that are secured on a parity with the Series 1984 Bonds as respects the security afforded by the Indenture. Such additional parity bonds may be issued, at any time and from time to time, for the purposes of (i) obtaining funds, if additional funds are needed, to pay the costs of completing the acquisition, construction and installation of the Project as initially planned, (ii) obtaining funds to pay the costs of making subsequent additions and improvements to the Project, (iii) refunding and retiring all or any portion of any one or more series of bonds then outstanding under the Indenture and (iv) any combination of the foregoing purposes (the Series 1984 Bonds and all such additional parity bonds being herein together called the "Bonds").

The principal of and the interest and premium (if any) on the Bonds are payable solely from (i) the revenues and receipts to be derived from the leasing or sale of the Project and certain other moneys pledged under the Indenture, and (ii) in the case of the Series 1984 Bonds only, moneys received by the Trustee pursuant to the Series 1984 Company Guaranty, the Series 1984 Shareholder Guaranty and the Cook Mortgage. The payment of the principal of and the interest and premium (if any) on the Bonds is secured, pro rata and without preference or priority of one Bond over another or of the Bonds of any one series over the Bonds of any other, by a valid pledge of the aforesaid revenues, receipts and moneys out of which the Bonds are solely payable (including specifically the "Basic Rent" payable to the Board by the

Company under the Lease), by the Indenture which constitutes a lien on the Project and by an assignment in the Indenture to the Trustee of all right, title and interest of the Board in and to the Lease (except certain expense reimbursement and indemnification rights of the Board and certain other rights which are expressly reserved to the Board); provided, however, that the Series 1984 Company Guaranty, the Series 1984 Shareholder Guaranty and the Cook Mortgage shall be for the exclusive benefit of the holders of the Series 1984 Bonds and all moneys received by the Trustee under the Series 1984 Company Guaranty, the Series 1984 Shareholder Guaranty and the Cook Mortgage shall be applied solely for the payment of any amounts due the holders of the Series 1984 Bonds. Reference is hereby made to the Lease, the Indenture, the Series 1984 Company Guaranty, the Series 1984 Shareholder Guaranty and the Cook Mortgage for complete information respecting the nature and extent of the security afforded by each of such instruments, the rights and duties of the Board and the Trustee with respect thereto, the rights of the holders of the Series 1984 Bonds and the terms and conditions on which additional series of Bonds may be issued.

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The Indenture provides, inter alia, (i) that upon certain events of default by the Board in the manner and for the time therein provided, the Trustee may declare the principal of and the interest accrued on this bond immediately due and payable, whereupon the same shall thereupon become immediately due and payable and the Trustee shall be entitled to pursue the remedies provided in the Indenture, (ii) that the holder of this bond shall have no right to enforce the provisions of the Indenture except as provided therein and then only for the equal and ratable benefit of the holders of all the Bonds, and (iii) that if this bond shall not be presented for payment when due (whether by maturity or otherwise) and if funds sufficient for such payment shall have been made available to the Trustee therefor, all liability of the Board to the holder of such bond and all rights of such holder against the Board under such bond or under the Indenture shall cease and terminate and that the sole right of such holder shall thereafter be against the said funds so made available, which the Trustee is required to set aside and hold, subject to any applicable escheat or other similar law, for the benefit of such holder.

It is hereby expressly declared, and the holder hereof by acceptance of this bond hereby consents, that the Series 1984 Bonds shall not have or be entitled to any priority of payment or security over the Bonds of any other series hereafter issued under the Indenture, and that any series of Bonds hereafter issued under the Indenture shall be on a parity with the Bonds of all series theretofore issued under the Indenture; provided, however, that the Series 1984 Company Guaranty, the Series 1984 Shareholder Guaranty and the Cook Mortgage shall be for the exclusive benefit of the holders of the Series 1984 Bonds and all moneys received by the Trustee under the Series 1984 Company Guaranty, the Series 1984 Shareholder Guaranty and the Cook Mortgage shall be applied solely for the payment of any amounts due the holders of the Series 1984 Bonds.

The Board is a public corporation organized under the provisions of Code of Alabama 1975, Title 11, Chapter 20, Article 2, and the Series 1984 Bonds are authorized to be issued for the purposes for which bonds are authorized to be issued under the specified provisions of said act. The Series 1984 Bonds and the covenants

and representations contained in the Indenture do not and shall never constitute a general liability or charge against the general credit of the Board. Neither the State of Alabama nor Shelby County or any other political subdivision of said state shall in any manner be liable for payment of the principal of or the interest or premium (if any) on the Series 1984 Bonds or for the performance of the undertakings of the Board contained herein or in the Indenture.

It is hereby certified that all conditions, actions and things required by the Constitution and laws of the State of Alabama to exist, be performed and happen precedent to or in the issuance of this bond do exist, have been performed and have happened in due and legal form.

The Series 1984 Bonds are issuable only as fully registered bonds without coupons in the denomination of \$1,000 or any integral multiple thereof, except to the extent that the issuance of a bond in a principal amount not evenly divisible by \$1,000 may be required (i) to effect the issuance, transfer or exchange of Series 1984 Bonds in a principal amount not evenly divisible by \$1,000 or (ii) to provide the holder of a Series 1984 Bond called for partial redemption a new Series 1984 Bond in a principal amount equal to the unredeemed portion of the bond so called for partial redemption. Provision is made in the Indenture for the exchange of Series 1984 Bonds for a like aggregate principal amount of other Series 1984 Bonds in authorized denominations, all as may be requested by the holder surrendering the Series 1984 Bond or Bonds to be so exchanged and upon the terms and conditions specified in the Indenture.

The transfer of this bond may be registered by the registered holder hereof in person, or by duly authorized attorney or legal representative, at the principal corporate trust office of the Trustee, but only upon surrender of this bond to the Trustee for cancellation, and upon any such transfer a new fully registered bond of like tenor hereof will be issued to the transferee in exchange therefor, all as more particularly provided in the Indenture. ANY ASSIGNEE OR TRANSFEREE OF THIS BOND TAKES IT SUBJECT TO ALL PAYMENTS OF PRINCIPAL AND INTEREST IN FACT MADE WITH RESPECT HERETO, WHETHER OR NOT SUCH PAYMENTS ARE REFLECTED BY ENDORSEMENT ON THIS BOND OR ANY PAYMENT RECORD PERTAINING HERETO.

The Trustee shall not be required to transfer or exchange this bond during the period of fifteen days next preceding any interest payment date with respect thereto or, if this bond (or any portion of the principal thereof) is duly called for redemption, during the period of fifteen days next preceding the date fixed for such redemption.

Execution by the Trustee of its authentication certificate hereon is essential to the validity hereof and is conclusive of the due issue hereof under the Indenture.

IN WITNESS WHEREOF, the Board has caused this bond to be executed in its name and behalf by the Chairman of its Board of Directors, has caused its corporate seal to be hereunto affixed, has caused this bond to be attested by its Secretary, and has caused this bond to be dated _____.

THE INDUSTRIAL DEVELOPMENT BOARD OF
SHELBY COUNTY

By _____
Chairman of the Board of Directors

ATTEST:

Secretary

[S E A L]

[Form of Trustee's Authentication Certificate]

The within bond is one of those described in the within-mentioned Mortgage and Trust Indenture.

AMSOUTH BANK N.A.,
Trustee

By _____
Authorized Officer

[Form of Assignment]

For value received, _____
hereby sell(s), assign(s) and transfer(s) unto _____
the within bond and hereby irrevocably constitute(s) and appoint(s) _____
attorney, with full power of substitution in the premises, to transfer such bond on the
books of the within-mentioned Trustee.

DATED this _____ day of _____.

NOTE: The name signed to this assignment must correspond with the name of the payee written on the face of the within bond in every particular, without alteration, enlargement or change whatsoever.

[Form of Signature Guaranty]

Signature Guaranteed:

(Bank, Trust Company or Firm)

By _____
(Authorized Officer)

[Form of Record of Partial Redemptions
That May Be Attached to Series 1984 Bond]

RECORD OF PARTIAL REDEMPTIONS

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Upon each partial redemption of the principal of the within bond, such bond shall be surrendered to the Trustee for the appropriate endorsement by it of such redemption on the record below, unless there shall be in effect, as provided in the within mentioned Mortgage and Trust Indenture, a Home Office Payment Agreement, as defined therein. THE WITHIN BOND MAY BE SUBJECT TO A HOME OFFICE PAYMENT AGREEMENT AND ANY PURCHASER OF SUCH BOND SHOULD VERIFY WITH THE TRUSTEE THE OUTSTANDING PRINCIPAL BALANCE OF SUCH BOND PRIOR TO THE PURCHASE THEREOF.

Date of Redemption	Principal Amount Redeemed	Remaining Unpaid Balance	Signature

Section 7.9 Execution and Delivery of the Series 1984 Bonds. The Series 1984 Bonds shall be forthwith executed and delivered to the Trustee and shall be authenticated and delivered by the Trustee to the Series 1984 Original Purchaser upon receipt by the Trustee of an order, signed on behalf of the Board by the Chairman or Vice Chairman of the Directors, requesting such authentication and delivery.

Section 7.10 Application of Proceeds from Sale of Series 1984 Bonds. The entire proceeds derived by the Board from the sale of the Series 1984 Bonds shall be paid to the Trustee and promptly thereafter deposited in the Construction Fund.

ARTICLE VIII

ADDITIONAL BONDS

Section 8.1 Additional Bonds - In General. If no Event of Default shall have occurred and be continuing, the Board may at any time and from time to time, if requested by the Company, issue Additional Bonds, within the limitations of and upon compliance with the provisions of this Article VIII, for any one or more of the following purposes:

(a) in the event the available proceeds from the sale of the Series 1984 Bonds are insufficient to pay all the Project Improvement Costs, for the purpose of obtaining funds with which to pay such costs;

(b) for the purpose of acquiring and/or constructing any additions, improvements or modifications (including, without limitation, any additional land, buildings and/or machinery, equipment or other personal property) to the facilities at the time forming part of the Project;

(c) for the purpose of refunding or otherwise retiring all or any portion of any one or more series of Bonds then outstanding under the Indenture; and

(d) for any combination of the foregoing purposes.

Additional Bonds may be in such denomination or denominations, shall bear interest at such rate or rates, shall bear such date or dates, shall mature in such amounts and on such dates, shall be in such form and may contain such provisions for redemption prior to maturity, all as may be provided in the Supplemental Indenture under which they are issued and as shall not be inconsistent with the provisions of the Indenture; provided that all such Additional Bonds shall be subject to redemption on any date, at such redemption price or prices as shall be fixed prior to their issuance,

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if (i) the Company shall exercise the option to purchase the Project granted in Section 11.2 of the Lease, or (ii) all or substantially all of the Project shall be taken under the exercise of the power of Eminent Domain (as defined in the Lease). All Additional Bonds so issued shall bear an appropriate series designation.

Section 8.2 Conditions Precedent to Issuance of Additional Bonds. Prior to the issuance of any Additional Bonds, the Board shall deliver to the Trustee those of the Additional Bonds proposed to be issued, duly executed and sealed, accompanied by the following:

(a) Consents. Except in the case of the issuance of Additional Bonds for the purpose of refunding or otherwise retiring all of the Bonds then outstanding under the Indenture, the written consent to the issuance of such Additional Bonds by the Holders of all the Bonds outstanding immediately prior to such issuance;

(b) Supplemental Indenture. A Supplemental Indenture duly executed, sealed and acknowledged on behalf of the Board and containing the following [to the extent applicable in the case of clause (ii) below]: (i) a description of such Additional Bonds, including the aggregate principal amount, the numbers and series designation, the denomination or denominations, the date, the interest rate or rates and the maturity or maturities thereof, the provisions for redemption thereof prior to maturity and the forms of such Additional Bonds and the various certificates applicable thereto; (ii) provisions subjecting to the lien of the Indenture all properties acquired and to be acquired in connection with any additions, improvements and modifications to the Project to be financed by such Additional Bonds; (iii) a confirmation of the lien of the Indenture on all properties then constituting a part of the Project, including specifically, without limiting the generality of the foregoing, all such properties acquired since the execution of the Indenture or Supplemental Indenture most recently executed; and (iv) any other provisions that do not conflict with the provisions hereof;

(c) Proceedings. A certified copy of the proceedings taken by the Directors authorizing the issuance of such Additional Bonds and the execution and deliver of the Supplemental Indenture providing therefor, which said proceedings shall include a Resolution requesting the Trustee to authenticate and deliver such Additional Bonds and reciting the following: (i) that no Event of Default has occurred and is continuing and that no event which, with the giving of notice or the passage of time or both, would constitute an Event of Default has occurred and is continuing; (ii) the Person or Persons to whom such Additional Bonds have been sold and awarded and shall be delivered; (iii) the purchase price of such Additional Bonds; (iv) a list of all Additional Bonds previously issued by the Board hereunder and at the time outstanding and of the Supplemental Indentures under which they were issued; (v) if any of such

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Additional Bonds are to be issued for the purpose of refunding or otherwise retiring any Bonds then outstanding, a brief description of such Bonds to be so refunded or otherwise retired; and (vi) if any of such Additional Bonds are to be issued for the purpose of financing the acquisition or construction of additions, improvements or modifications to the Project, a brief description of such additions, improvements or modifications;

(d) Supplemental Lease. A fully executed and acknowledged counterpart of an agreement between the Board and the Company supplemental to the Lease containing the following [to the extent applicable in the case of clauses (ii) and (iii) below]: (i) an agreement by the Company to pay additional, supplemental or changed Basic Rent in amounts that will result in there being on deposit in the Bond Fund sums at least sufficient to pay, on or prior to the respective due dates thereof, the principal of and the interest and premium (if any) on all Bonds that will be outstanding hereunder immediately following the issuance of such Additional Bonds; (ii) in the event the last maturity of such Additional Bonds is subsequent to the date of expiration of the then current term (whether primary or renewal) of the Lease, an extension of such term until or beyond the last maturity of such Additional Bonds; (iii) provisions subjecting to the demise of the Lease all properties acquired and to be acquired in connection with any additions, improvements and modifications to the Project to be financed by such Additional Bonds; and (iv) any other provisions not in conflict with the Indenture or the Lease;

(e) Confirmation of Title to Real Property. An opinion, acceptable to the Trustee and dated as of the date of the issuance of such Additional Bonds, of Independent Counsel acceptable to the Trustee stating that the Board has good and marketable title to any land subjected to the lien of the Indenture pursuant to the provisions of clause (ii) of subsection (b) of this section, subject only to Permitted Encumbrances, or, in lieu of such opinion, a policy or binder of title insurance written by an insurer acceptable to the Trustee and insuring the mortgage interest of the Trustee in such land, except with respect to Permitted Encumbrances, in an amount not less than the principal amount of such of the Additional Bonds as are being issued to pay the costs of acquiring or improving real property (including such land) which constitutes, or is to constitute, part of the Project;

(f) Opinions of Counsel for the Company. One or more opinions, in each case acceptable to the Trustee and dated as of the date of the issuance of such Additional Bonds, of Counsel for the Company acceptable to the Trustee stating in substance that the Lease, as supplemented by the agreement required by subsection (d) of this section, has been duly authorized, executed and delivered on behalf of the Company and constitutes a valid and binding agreement thereof.

(g) Opinion of Independent Counsel. An opinion, acceptable to the Trustee and dated as of the date of the issuance of such Additional Bonds, of Independent Counsel acceptable to the Trustee [which Independent Counsel may, but need not be, the Bond Counsel rendering the opinion required by subsection (h) of this section] approving the forms of all documents required by this Article VIII to be delivered to the Trustee and stating that they comply with the applicable requirements of such article; and

(h) Opinion of Bond Counsel. An opinion, dated as of the date of the issuance of such Additional Bonds, of Bond Counsel approving the validity of such Additional Bonds.

Upon receipt of the documents required by the provisions of this section to be furnished to it, the Trustee shall, unless it has cause to believe any of the statements set out in said documents to be incorrect, thereupon execute the Supplemental Indenture so presented and cause the same to be filed for record at the expense of the Board in the public office or offices in the State of Alabama in which such document is then required by law to be filed in order to constitute constructive notice thereof, and it shall further authenticate the Additional Bonds with respect to which the said documents shall have been provided and shall, upon receipt of evidence satisfactory to it that the Board has received the purchase price or other consideration therefor, deliver such Additional Bonds to the Person or Persons to whom the Resolution provided for in subsection (c) of this section directed that they be delivered.

ARTICLE IX

CONCERNING THE PROJECT IMPROVEMENT WORK AND PAYMENT OF PROJECT IMPROVEMENT COSTS

Section 9.1 Agreement Respecting Completion of Project Improvement Work. The Board will undertake and complete the Project Improvement Work, or will cause the same to be undertaken and completed, as and to the extent provided in Article IV of the Lease. The Board will complete the Project Improvement Work, or cause the same to be completed, as soon as may be practicable, delays incident to any condition or event beyond the reasonable control of the Board only excepted, including, without limitation, strikes, riots, acts of God and the public enemy. The Board will promptly pay or cause to be paid, as and when due, all Project Improvement Costs, but the Board's obligation to pay such costs shall be limited to moneys on deposit in the Construction Fund and such other funds for the payment of such costs as may be made available by the Company under the provisions of the Lease.

The Board will not suffer or permit any mechanics' or materialmen's liens that might be filed or otherwise claimed or established upon or against the Project or

any part thereof, and which might be or become a lien superior to the lien hereof, to remain unsatisfied and undischarged for a period exceeding thirty (30) days after the filing or establishment thereof; provided, however, that the Board may in good faith contest or permit the contest of any such mechanics' or materialmen's liens so filed or established and, in the event that such liens are so contested, may, if it gives notice of such contest to the Trustee or causes such notice to be so given, permit the mechanics' or materialmen's liens so contested to remain unsatisfied and undischarged during the period of such contest and any appeal therefrom, irrespective of whether such period extends beyond the thirty (30) day period after the filing or establishment of such liens, unless the Trustee notifies the Board that, in the opinion of the Trustee, such action by the Board will materially endanger the lien of the Indenture to any part of the Project or will cause the Project or any part thereof to be subject to a material risk of loss or forfeiture, in which case such mechanics' or materialmen's liens shall (unless they are bonded or superseded in a manner satisfactory to the Trustee) be satisfied prior to the expiration of said thirty (30) day period.

Section 9.2 Construction Fund. There is hereby created a special trust fund, the name of which shall be the "Cook Publications, Inc. Construction Fund," for the purpose of providing funds for payment of Project Improvement Costs. The Trustee shall be and remain the depository, custodian and disbursing agent for the Construction Fund.

Subject to the provisions of Section 9.3 hereof and the succeeding provisions of this section, the moneys in the Construction Fund shall be disbursed by the Trustee from time to time for the purpose of paying Project Improvement Costs, but only upon receipt of a requisition signed by an Authorized Company Representative and containing, with respect to each such payment, the following:

(a) a statement of the amount requested to be paid, the name and address of the Person (which may be the Trustee, the Company or an Affiliate of the Company) to whom such payment is due and the particular Project Improvement Cost which is to be paid pursuant to such requisition;

(b) a certification that no Event of Default has occurred and is continuing;

(c) a certification that, except for such matters as have been specifically disclosed in any information submitted with such requisition, (i) there are no mechanics' or materialmen's liens, chattel mortgages, conditional sales or title retention agreements now in existence or pending which relate to the acquisition, construction and installation of the Project Improvements and the New Equipment, except inchoate liens for labor or material payment for which is either not yet due and payable or is to be made pursuant to such requisition, and (ii) there are no out-

standing notices of any requirements of any governmental authorities in any way concerning the Project (including, without limitation, the acquisition, construction and installation of any part thereof) which have not been satisfied;

(d) a certification that Construction Fund moneys expended pursuant to such requisition will be expended for a purpose authorized in the Indenture;

(e) a certification that the payment requested in such requisition has not formed the basis for any previous requisition for the disbursement of moneys from the Construction Fund or any previous payment out of the proceeds derived by the Board from the sale of any of the Bonds;

(f) in the case of a requisition for payment of any part of the costs of constructing improvements to the Project Building or the Existing Equipment or other permanent improvements (whether pursuant to bills or contractors' estimates), a certification that the labor, services or materials represented thereby are located on, or are referable to, the Project Site;

(g) in the case of any requisition for payment of any part of the purchase price, other acquisition cost or installation cost of any of the New Equipment, a certification either (i) that such equipment is physically located on the Project Site and is in good condition, or (ii) that the amount so requested to be paid on account of such equipment, together with any amounts theretofore paid out of the Construction Fund on account thereof, represents no more than progress payments for such equipment which have been substantiated to the Company's satisfaction;

(h) a certification as to what portion (if any) of the amount to be paid pursuant to such requisition will be used for the payment of Project Improvement Costs not constituting Qualifying Project Improvement Costs or Series 1984 Issuance Expenses; and

(i) a certification that the payment requested in such requisition will not result, as of the making of such payment, in either

(1) the use for any purpose other than the payment of Qualifying Project Improvement Costs of more than ten percent (10%) of the cumulative amount of Series 1984 Principal Proceeds theretofore disbursed from the Construction Fund, or

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(2) the use for any purpose other than the payment of Qualifying Project Improvement Costs of more than ten percent (10%) of the cumulative amount of Series 1984 Principal Proceeds and Series 1984 Investment Proceeds theretofore disbursed from the Construction Fund; provided, however, that if the Board and the Trustee are furnished with an opinion of Bond Counsel stating that the requirement set forth in this clause (2) may be disregarded to any extent without adversely affecting the exemption of the interest on the Series 1984 Bond from federal income taxation under Section 103(b)(6) of the Code, then the requirement of this clause (2) may be disregarded to the extent stated in said opinion.

The requirements of this paragraph shall apply to all disbursements from the Construction Fund, including those made to reimburse the Company for Project Improvement Costs theretofore paid by it.

The Trustee will keep and maintain adequate records pertaining to the Construction Fund and all moneys received therein and disbursed therefrom, and when all moneys in the Construction Fund have been exhausted, whether on the Completion Date or thereafter in accordance with the provisions of Section 9.3 hereof, the Trustee will file with the Board and the Company an accounting of all moneys received into and disbursed from the Construction Fund.

Section 9.3 Transfer of Moneys from Construction Fund After Completion Date. The completion of the acquisition, construction and installation of the Project and the payment of all Project Improvement Costs (except for amounts to be retained by the Trustee at the Company's direction, as hereinafter provided, for any such costs not then due and payable or the liability for payment of which is being contested) shall be established to the Trustee by a certificate signed by an Authorized Company Representative as provided in Section 4.6 of the Lease. On the Completion Date, or as promptly thereafter as practicable, the Trustee shall set aside in the Construction Fund such amount as the Company, by written order signed in its behalf by an Authorized Company Representative and furnished to the Trustee simultaneously with the aforesaid certificate establishing the Completion Date, may direct for the payment of any Project Improvement Costs not then due and payable or the liability for payment of which is then being contested by the Company, or by the Board at the direction of the Company. After setting aside the amount (if any) required by the preceding sentence so to be set aside, the Trustee shall promptly apply the remaining balance of the Construction Fund in accordance with the succeeding provisions of this section and shall from time to time thereafter apply the moneys so set aside in the Construction Fund for the payment of Project Improvement Costs in accordance with the provisions of Section 9.2 hereof, but only to the extent of paying Project Improvement Costs that were incurred prior to the Completion Date; provided, however, that any moneys so set aside shall, at the direction of the Company, be applied by the Trustee in accordance with the succeeding provisions of this section, irrespective of whether all the Project Improvement Costs with respect to which such moneys were so set aside shall have been paid; and provided further that, in the event of a Lease Default, the entire

amount then held in the Construction Fund shall, notwithstanding any other provisions of this section and without request or direction from the Company, be promptly paid by the Trustee into the Bond Fund Escrow Account.

The Company may direct the payment to it of any moneys held in the Construction Fund (including any moneys set aside for the payment of Project Improvement Costs pursuant to the provisions of the first paragraph of this section) if at the time of such payment (i) the aggregate sum of Project Improvement Costs theretofore paid out of the Construction Fund exceeds (ii) the aggregate sum of the proceeds of the Bonds (including the Series 1984 Bonds and any Additional Bonds issued to pay Project Improvement Costs) plus the net amount realized from the investment and reinvestment of such proceeds theretofore deposited in the Construction Fund. If at any time the sum referred to in clause (ii) of the preceding sentence is greater than the sum referred to in clause (i) thereof, any moneys held in the Construction Fund shall not be paid to the Company but shall be applied in accordance with the succeeding provisions of this section.

If it shall be determined that any moneys held in the Construction Fund at any time after the Completion Date cannot be applied for any purpose in accordance with any of the preceding provisions of this section, then such moneys shall be paid into the Bond Fund Escrow Account as promptly as practicable after such determination.

Section 9.4 Trustee Protected in Construction Fund Payments. Additional Evidence May Be Required. The Trustee shall be fully protected in making payments from the Construction Fund upon presentation to it of requisitions complying with the requirements of Section 9.2 hereof. The Trustee may rely as to the completeness and accuracy of all statements and certifications contained in such requisitions, and the Trustee shall incur no liability in acting or proceeding in good faith upon such requisitions and shall be under no duty to make any investigation or inquiry as to any statements or certifications contained in any of such requisitions, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements and certifications. Notwithstanding the foregoing provisions of this section, the Trustee shall, when requested in writing so to do by any Bondholder, require, as a condition precedent to any payment from the Construction Fund (other than a payment into the Bond Fund Escrow Account pursuant to the last paragraph of Section 9.3 hereof), such additional evidence as it may reasonably deem appropriate respecting the application of any moneys previously disbursed from the Construction Fund or as to the correctness of any estimate or bill presented to it for payment pursuant to the provisions of said Section 9.2.

Section 9.5 Investment of Construction Fund Moneys. Following the issuance of the Series 1984 Bonds, the Company may thereafter at any time and from time to time request the Trustee to invest the moneys held in the Construction Fund by furnishing to the Trustee a written certificate signed by an Authorized Company Representative (or, at the election of the Company, by giving an oral request by an Authorized Company Representative to the Trustee, with such request to be

confirmed by such a written certificate) and stating (i) what portions (if any) of the moneys held in either of such accounts are not then needed for payment of Project Improvement Costs and (ii) the approximate dates that such presently unneeded moneys will be needed for the payment of Project Improvement Costs. Promptly after receipt of each such certificate, the Trustee will, to the extent practicable, cause the moneys certified in said certificate as not then needed for the payment of Project Improvement Costs to be invested in any Eligible Investments having stated maturities in such amounts and on such dates, prior to or corresponding with the dates and amounts specified in said certificate, as to make available from the Construction Fund cash sufficient to meet the needs of the Construction Fund as specified in said certificate. Such certificate may contain either specific or general instructions from the Company as to the kind of Eligible Investments in which the presently unneeded moneys in the Construction Fund are to be invested, and the Trustee will comply with such instructions to the extent that they are not inconsistent with the applicable provisions hereof; provided that the Trustee shall make no investment of moneys in the Construction Fund that would result in any of the Bonds being considered "arbitrage bonds" within the meaning of Section 103(c) of the Code and the applicable regulations thereunder.

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In the event that moneys in the Construction Fund are invested pursuant to the provisions hereof, the Eligible Investments in which such moneys are so invested shall become a part of the Construction Fund to the same extent as if they were moneys originally deposited therein. The Trustee shall convert any such investments into cash at their respective maturities, may sell or otherwise convert any of such investments into cash if such sale or conversion is necessary to provide for payment of a requisition presented to it pursuant to the provisions of Section 9.2 hereof, and shall, upon written request signed by an Authorized Company Representative (or, at the election of the Company, upon giving an oral request by an Authorized Company Representative to the Trustee, with such request to be confirmed by such a written request), sell or otherwise convert any of such investments into cash. The net proceeds from such sale or conversion shall become a part of the Construction Fund. The Trustee shall be fully protected in making any such investment, sale or conversion in accordance with the provisions of this section. In any determination of the amount of moneys at any time forming a part of the Construction Fund, all Eligible Investments in which any portion of the Construction Fund is at the time so invested shall be included therein at their then market value.

ARTICLE X

APPLICATION OF REVENUES AND CREATION OF BOND FUND

Section 10.1 **Bond Fund.** There is hereby created a special trust fund, the name of which shall be the "Cook Publications, Inc. Bond Principal and Interest Fund," for the purpose of providing for payment of the principal of and the interest and premium (if any) on the Bonds and which shall be maintained until such principal, interest and premium (if any) have been paid in full. The Bond Fund shall consist of two separate accounts, namely, the Primary Account and the Escrow Account. The

Trustee shall be and remain the depository, custodian and disbursing agent for the Bond Fund and for each account forming a part thereof. In any case where moneys are herein required to be paid or transferred into the Bond Fund without direction as into which account such moneys are to be paid or transferred, they shall be paid or transferred into the Bond Fund Primary Account.

So long as any part of the principal of or the interest or premium (if any) on any of the Bonds remains outstanding and unpaid, the Board will pay the following moneys into the Bond Fund:

(a) so long as the Lease shall be in full force and effect, no Lease Default shall have occurred and be continuing, and the Board shall not be in default in the payment of any Indenture Indebtedness, the Board will pay into the Bond Fund, or will cause to be paid therein, promptly as received by it, the Basic Rent and any other moneys that are specifically required by the provisions of the Lease or the Indenture to be paid into the Bond Fund; and

(b) at all times during which the Lease shall not be in full force and effect or during which a Lease Default shall have occurred and be continuing or during which the Board shall be in default in the payment of any Indenture Indebtedness, the Board will pay into the Bond Fund, or will cause to be paid therein, promptly as received by it, all Pledged Revenues and any other moneys that are specifically required by the provisions of the Lease or the Indenture to be paid into the Bond Fund.

Out of the moneys on deposit in the Bond Fund, the Trustee shall make provision for payment of the principal of and the interest on the Bonds as said principal and interest respectively become due, as well as for the redemption of any Bonds required by the provisions hereof or of any Supplemental Indenture to be redeemed prior to their respective maturities. Moneys on deposit in the Bond Fund shall, subject to the provisions of Section 10.3 hereof, be used only for the payment of the principal of and the interest on the Bonds upon or after their respective maturities, for the redemption of Bonds prior to their respective maturities, and for the purchase of Bonds for retirement.

In the event that any moneys are transferred to the Bond Fund Escrow Account from the Construction Fund in accordance with the provisions of Section 9.3 hereof, such moneys shall be exhausted as soon as practicable by the application thereof for one or more of the following purposes:

(a) for the payment of the principal of the Bonds at or after their respective maturities;

(b) for the redemption of Bonds on the earliest practicable date on which under their terms and the terms of the Indenture such redemption may be effected, subject to the condition that moneys in the Bond Fund Escrow Account shall not be used for the payment of any portion of the redemption price of the Bonds so redeemed that is in excess of the principal amount thereof;

(c) for the purchase of Bonds for retirement, subject to the condition that moneys in the Bond Fund Escrow Account shall not be used for the payment of any portion of the purchase price of the Bonds so purchased that is in excess of the principal amount thereof; or

(d) payment of interest on the Bonds at or after the respective due dates of such interest, or payment of any premium in connection with the redemption or purchase for retirement of any of the Bonds, subject to the condition set forth in the next succeeding sentence.

Anything herein contained to the contrary notwithstanding, no moneys at any time held in the Bond Fund Escrow Account shall be disbursed for the payment of any interest on any of the Bonds, or for the payment of any premium in connection with the redemption or purchase for retirement of any of the Bonds, unless the Trustee is furnished a certificate signed by an Authorized Company Representative that such disbursement will not result, as of the making of such disbursement, in either

(1) the use for any purpose other than the payment of Qualifying Project Improvement Costs of more than ten percent (10%) of the cumulative amount of Series 1984 Principal Proceeds theretofore disbursed from the Construction Fund and the Bond Fund Escrow Account, or

(2) the use for any purpose other than the payment of Qualifying Project Improvement Costs of more than ten percent (10%) of the cumulative amount of Series 1984 Principal Proceeds and Series 1984 Investment Proceeds theretofore disbursed from the Construction Fund and the Bond Fund Escrow Account; provided, however, that if the Board and the Trustee are furnished with an opinion of Bond Counsel stating that the requirement set forth in this clause (2) may be disregarded to any extent without adversely affecting the exemption of the interest on the Series 1984 Bonds from federal income taxation under Section 103(b)(6) of the Code, then the requirement of this clause (2) may be disregarded to the extent stated in said opinion.

To the extent that moneys in the Bond Fund Escrow Account can be applied to the payment of the principal of and the interest and premium (if any) on the Bonds in accordance with the preceding conditions of this paragraph, such moneys shall be so applied in preference to any moneys at the time on deposit in the Bond Fund Primary

Account, all to the end that moneys at any time held in the Bond Fund Escrow Account shall be exhausted as soon as practicable. If at any time moneys in the Bond Fund Escrow Account cannot be used for the purposes and in accordance with the conditions specified in the preceding provisions of this paragraph, then such moneys shall be held in the Bond Fund Escrow Account until they can be so used for such purposes and in accordance with such conditions. Moneys held in the Bond Fund Escrow Account shall, to the extent practicable, be invested in accordance with the applicable provisions of Section 10.3 hereof.

Section 10.2 Retirement of Bonds Under Certain Conditions. General Provisions Respecting Bond Fund. In the event that at any time the total sum of moneys held in the Bond Fund is sufficient to provide for retirement of all the Bonds (including premium, if any, and the interest that will mature thereon until and on the date or dates they are retired), either by redemption prior to their respective maturities in accordance with the applicable provisions of the Indenture or by payment of a portion thereof at their respective maturities and redemption of the remainder prior to their respective maturities, the Trustee will so notify the Board in writing, and the Board and the Trustee will thereupon take such action as may be necessary under the provisions of Article VI hereof to call for redemption, on the earliest practicable redemption date thereafter on which under the terms of the Indenture such redemption may be effected, all the Bonds subject to redemption that will come due after such redemption date. Any redemption of Bonds effected pursuant to the requirements of this section shall be subject to the provisions of, and shall be effected in the manner provided by, Article VI hereof.

In the event that at any time the moneys held in the Bond Fund are sufficient so to effect retirement of all the Bonds or in the event that at any time the total of the moneys held in the Bond Fund equals or exceeds the aggregate principal of the Bonds then outstanding plus the aggregate interest thereon then due and to become due until the maturity thereof, then and in either of such events no further payments need thereafter be made into the Bond Fund unless (i) further payments are needed to make good moneys paid therein that may have been lost for any reason whatsoever, or (ii) any of the Bonds thereafter become subject to mandatory redemption under any of the provisions hereof and further payments into the Bond Fund are needed to effect such redemption.

Section 10.3 Investment of Moneys in Bond Fund. The Trustee shall, to the extent practicable, cause all the moneys held in the Bond Fund (exclusive of any amount held therein for payment of matured but unpaid Bonds, Bonds called for redemption but not yet redeemed and matured but unpaid interest) that will not be needed, during the then next ensuing three days, for payment of any maturing installment of principal of or interest on the Bonds or for payment of the redemption price of any Bond called for redemption, to be kept continuously invested in Federal Securities or Eligible Certificates having such stated maturities as will assure the availability of cash moneys necessary to provide for payment and redemption of the principal of and the interest on the Bonds, as such principal and interest respectively become due and payable (whether at maturity, upon earlier call for redemption or otherwise). Moneys held in the Bond Fund Escrow Account shall not be invested to

produce a yield (as the term "yield" is used in Revenue Procedure 79-5, 1979-1 CUMULATIVE BULLETIN, p. 485, as supplemented and amended by Revenue Procedure 81-22, 1981-1 CUMULATIVE BULLETIN, p. 692, or any successor rule or regulation) greater than the yield on the Series 1984 Bonds. All securities and certificates in which any portion of the moneys in the Bond Fund are invested, together with all income therefrom, shall become a part of the particular Bond Fund account from which moneys were used to make such investment.

In order to comply with the requirements of the Indenture, the Trustee may, at any time and from time to time, cause any Federal Securities or Eligible Certificates forming a part of either account of the Bond Fund to be sold or otherwise converted into cash, shall, upon written request of an Authorized Company Representative, cause any such securities, certificates or investments to be sold or otherwise converted into cash (but if and only if such sale or other conversion into cash will not jeopardize the payment, when due, of the principal of and the interest on any of the Bonds or of the redemption price of any Bond required, by the provisions hereof or of any Supplemental Indenture, to be redeemed prior to its maturity), and shall cause any such securities, certificates or investments to be sold or otherwise converted into cash if and to the extent that such sale or conversion is necessary to obtain moneys to prevent a default in the payment, when due, of the principal of or the interest on the Bonds or of the redemption price of any Bond required, by the provisions hereof or of any Supplemental Indenture, to be redeemed prior to its maturity. The net proceeds from the sale or other conversion into cash of any securities, certificates or investments forming a part of either account of the Bond Fund shall be paid into and become a part of the account of which such securities, certificates or investments formed a part. In making any investment of moneys forming a part of the Bond Fund, the Trustee will follow such written instructions as may be given to it by an Authorized Company Representative, but if and only to the extent that such instructions are not inconsistent with any applicable provisions of the Indenture; provided, however, that the Trustee shall make no investment of any such moneys that would result in any of the Bonds being considered "arbitrage bonds" within the meaning of Section 103(c) of the Code and the applicable regulations thereunder. The Trustee shall be fully protected in making any such investment, sale or conversion in accordance with the provisions of this section. In any determination of the amount of moneys at any time forming a part either account of the Bond Fund, all securities, certificates or other investments in which any portion of such account is at the time so invested shall be included therein at their then market value.

Section 10.4 Security for Bond Fund Moneys. The moneys at any time held in the Bond Fund shall be and at all times remain impressed with a trust for the purposes for which said fund was created. The Trustee shall at all times keep the moneys held in such fund continuously secured, for the benefit of the Board and the Holders of the Bonds, either

(a) by holding on deposit, as collateral security, Federal Securities, or other marketable securities eligible as security for the deposit of trust funds under regulations of the Comptroller of the Currency, having a

market value (exclusive of accrued interest) not less than the amount of moneys held in the fund being secured, or

(b) if the furnishing of security in the manner provided in the foregoing clause (a) of this section is not permitted by the then applicable laws and regulations, then in such other manner as may be required or permitted by the then applicable state and federal laws and regulations respecting the security for, or granting a preference in the case of, the deposit of trust funds;

provided, however, that it shall not be necessary for the Trustee so to secure any portion of the moneys on deposit in either account of the Bond Fund that is invested in Federal Securities or that is insured by the Federal Deposit Insurance Corporation or by any agency of the United States of America that may succeed to its functions; provided further that it shall not be necessary for the Trustee to so secure any portion of the moneys on deposit in either account of the Bond Fund for so long as all the Bonds are held by the Series 1984 Original Purchaser, an affiliate of any bank holding company of which the Series 1984 Original Purchaser is an affiliate or any Holder that has waived the requirements of this section in writing.

Section 10.5 Commingling of Moneys in Separate Trust Funds. Any provision hereof to the contrary notwithstanding, moneys on deposit in the Construction Fund or the accounts of the Bond Fund may be commingled and combined for the purpose of making investments under the provisions of Section 9.5 and 10.3 hereof, subject to the following conditions:

(a) all interest, income or profit realized from any such commingled investment shall be credited, and all losses resulting therefrom shall be charged, to each such account or fund in the same respective proportions as the amount invested from each such account or fund bears to the total amount so invested; and

(b) no moneys forming a part of any such account or fund shall be invested in any investments other than such as are expressly authorized herein.

ARTICLE XI

PARTICULAR COVENANTS OF THE BOARD

Section 11.1 Payment of the Bonds. The Board will pay or will cause to be paid, but solely out of the Pledged Revenues, the principal of and the interest and premium (if any) on the Bonds as specified therein, and it will otherwise perform

all obligations that, either expressly or by reasonable implication, are imposed on it in the Indenture, and it will not default hereunder.

Section 11.2 Priority of Pledge. The pledge herein made of the Pledged Revenues shall be prior and superior to any pledge thereof hereafter made for the benefit of any other securities hereafter issued (other than Additional Bonds) or any contract hereafter made by the Board. In the event the Board should hereafter issue any other securities (other than Additional Bonds) payable, in whole or in part, out of the Pledged Revenues or for which any part of said revenues may be pledged or any part of the Project may be mortgaged, or in the event the Board should hereafter make any contract payable, in whole or in part, out of said revenues or for which any part of said revenues may be pledged or any part of the Project may be mortgaged, the Board will, in the proceedings under which any such securities or contract are hereafter authorized, recognize the priority of the pledge of said revenues made herein for the benefit of the Bonds. The Board recognizes that in the Lease it has agreed

(a) not to issue any securities, other than the Series 1984 Bonds, that are payable out of or secured by a pledge of any of the Pledged Revenues, and

(b) not to place any mortgage or other encumbrance (other than the Indenture or any Supplemental Indentures contemplated thereby) on the Project or any part thereof,

without, in either case, the prior written request or consent of the Company.

Section 11.3 Concerning the Lease. The Indenture and the rights and privileges of the Trustee and the Bondholders are specifically made subject to the rights, options and privileges of the Company under the Lease, and nothing herein contained shall be construed to impair the rights, options and privileges granted to the Company by the Lease. The Board will perform and observe, or cause to be performed and observed, all agreements, covenants, terms and conditions required to be observed and performed by it in the Lease. Without relieving the Board from the consequences hereunder of any default in connection therewith, the Trustee (on behalf of the Board) may perform and observe, or cause to be performed and observed, any such agreement, covenant, term or condition, all to the end that the Board's rights under the Lease may be unimpaired and free from default.

The Board will promptly notify the Trustee in writing of (i) the occurrence of any Lease Default, provided that the Board has knowledge of such default, and (ii) the giving of any notice of default under the Lease. The Board will also promptly notify the Trustee in writing if, to the knowledge of the Board, the Company fails to perform or observe any of the agreements or covenants on its part contained in the Lease. In the event of the occurrence of a Lease Default, any such giving of notice

of default or any such failure, whether notice thereof is given to the Trustee by the Board, as aforesaid, or whether the Trustee independently has knowledge thereof, the Trustee will promptly give written notice thereof to the Company, with a copy to the Board, and shall in such notice expressly require the Company to perform or observe the agreement or covenant with respect to which the Company is delinquent, all to the end that if the Company does not perform or observe such agreement or covenant (or cause such agreement or covenant to be performed or observed) in the manner and within the time provided by the Lease, a Lease Default may be declared without delay.

So long as the Lease shall remain in effect the Board will cause the Basic Rent to be paid directly to the Trustee as provided in the Lease. The Board will not cancel, terminate or modify, or consent to the cancellation, termination or modification of, the Lease (except as is specifically provided, authorized or contemplated herein) unless and until the entire Indenture Indebtedness shall have been paid in full; provided, however, that with the written consent of the Trustee, the Board may terminate the Lease under those provisions thereof authorizing such termination upon the occurrence of a Lease Default. In the event of a Lease Default, or in the event of a default on the part of the lessee under any subsequent lease entered into by the Board with respect to the Project or any part thereof, the Board will exhaust or cause to be exhausted, as promptly as may be practicable, all legal remedies that it may have against the Company or other defaulting lessee, as the case may be, to obtain compliance with the provisions of the Lease or of any subsequent lease, including payment of the rentals therein provided and performance and observance of all agreements and covenants on the part of the Company or other lessee therein contained. In the event it should become necessary for the Board to terminate the Lease, or any subsequent lease entered into by the Board with respect to the Project or any part thereof, to cure an Event of Default, the Board and the Trustee will, following any such termination (with the consent of the Trustee, as aforesaid, for termination of the Lease) as a consequence of any Lease Default or any default by the lessee under any subsequent lease, as the case may be, use their best efforts to lease the Project in such manner and on such terms as shall produce net revenues sufficient to provide for payment of the principal of and the interest and premium (if any) on the Bonds when due (whether at maturity, by redemption or otherwise) and to that end will use their best efforts to provide in any such lease that the lessee thereunder will pay the costs of all repairs, maintenance, alterations and insurance, all utility charges, all taxes and other governmental charges, all fees and expenses of the Trustee and any other paying agents for the Bonds and all other operating and incidental costs and expenses, all to the end that all cash rent payable to the Board under such lease may be used for payment of the principal of and the interest and premium (if any) on the Bonds. Any such subsequent lease so made shall be subject to the Indenture.

Section 11.4 Maintenance, Repairs, Changes, Alterations, Taxes and Other Charges. Subject to the provisions of Section 17.1 hereof, the Board will continuously maintain the Project in good repair and operating condition (reasonable wear and tear excepted), making from time to time all necessary and proper repairs thereto (including, without limitation, exterior and structural repairs), or it will cause the Project to be so maintained and such repairs to be so made. Without the prior

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written consent of the Trustee, the Board will not itself make, or permit to be made, any change or alteration in the Project other than those permitted or contemplated by the Lease.

Subject to the provisions of Section 17.1 hereof, the Board will pay, or will cause to be paid, as the same respectively become due and payable,

(a) all taxes and governmental charges of any kind whatsoever that may be lawfully assessed or levied against or with respect to the Project or any part thereof, including, without limiting the generality of the foregoing, any taxes levied upon or with respect to any part of the receipts or income of the Board from the Project and other taxes levied upon or with respect to the Project which, if not paid, would become a lien on the Project or any part thereof prior to or on a parity with the lien of the Indenture or a charge on the revenues and receipts from the Project prior to or on a parity with the charge thereon and the pledge and assignment thereof made in the Indenture, and

(b) all assessments and charges lawfully made by any governmental body for public improvements that may be secured by a lien on the Project, provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Board shall be obligated to pay, or cause to be paid, only such installments as come due while any part of the Indenture Indebtedness remains outstanding and unpaid.

The Board may in good faith contest or permit the contest of any such taxes, charges or assessments, and in the event of any such contest, may, if it gives notice of such contest to the Trustee or causes such notice to be so given, defer or permit to be deferred the payment of the taxes, charges or assessments so contested during the period of such contest and any appeal therefrom, unless the Trustee notifies the Board that, in the opinion of the Trustee, such actions by the Board will materially endanger the lien of the Indenture as to any part of the Project, or will cause the Project or any part thereof to become subject to a material risk of loss or forfeiture, or will cause the revenues of the Board from the Project to become subject to a lien or charge thereon prior to or on a parity with the pledge and assignment thereof made in the Indenture, in which case such taxes, charges or assessments shall (unless they are bonded or superseded in a manner satisfactory to the Trustee) be paid prior to their becoming delinquent.

Nothing contained in this section shall be construed to create or give rise to a general obligation of the Board, and the performance by the Board of the agreements contained in this section shall be limited to the extent that Pledged Revenues are available to pay the costs of performing such obligations.

Section 11.5 Warranty of Title. The Board warrants as follows: it has good and marketable title to the property described and mortgaged in Section 2.1 hereof free and clear of every lien, encumbrance, trust or charge prior to the lien of the Indenture, other than Permitted Encumbrances; it has power and authority to subject said property to the lien of the Indenture and has duly done so; and it will forever warrant and defend the title to such mortgaged property unto the Trustee, for the benefit of the Bondholders, against the claims of all persons whomsoever, except those claiming under Permitted Encumbrances.

Section 11.6 Agreement of Board to Maintain Corporate Existence and Not to Dispose of Project. Except to the extent specifically permitted otherwise by the provisions of the second paragraph of this section, the Board will maintain its corporate existence, will not dissolve or sell, transfer or otherwise dispose of the Project or any part thereof and will not consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it. Further, the Board will use its best efforts to maintain, preserve and renew all the rights and powers provided to it by the Act and any other applicable laws of the State of Alabama or the United States of America.

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If the laws of the State of Alabama at the time shall permit such action to be taken, nothing contained in this section shall prevent (a) the consolidation of the Board with, or the merger of the Board into, any municipal or public corporation which has corporate authority to undertake and perform the obligations and agreements of the Board under the Lease and the Indenture or (b) the transfer by the Board of the Project as an entirety to the County or another public instrumentality which has corporate authority to undertake and perform the obligations and agreements of the Board under the Lease and the Indenture; provided that upon any such consolidation, merger or transfer the following conditions shall be satisfied: (i) the due and punctual payment of the principal of and the interest and premium (if any) on the Bonds according to their tenor and the due and punctual performance and observance of all the agreements and conditions contained in the Lease and the Indenture to be kept and performed by the Board shall be expressly assumed in writing by the corporation resulting from such consolidation or surviving such merger or the instrumentality to which the Project shall be transferred as an entirety; (ii) such consolidation, merger or transfer shall not cause or result in any mortgage or other lien being imposed on the Project or the revenues therefrom that will be prior to the lien of the Indenture covering the Project or prior to the pledge of the revenues from the Project made in the Indenture for the benefit of the Bonds; and (iii) such consolidation, merger or transfer shall not cause or result in the Project or the revenues of the Board therefrom becoming subject to any taxation to which the same was not theretofore subject, or in the interest income on any of the Bonds becoming subject to income taxation by the United States of America, the State of Alabama or any political subdivision of either thereof. Nothing contained herein shall, however, be construed to prevent the Board from disposing of any of the Project Equipment pursuant to the provisions of Section 12.2 hereof.

Section 11.7 Freedom of Project from Prior Liens. Subject to the provisions of Section 17.1 hereof, the Board will not knowingly permit the Project or

any part thereof to be or remain subject to any liens and encumbrances prior to the lien hereof (other than Permitted Encumbrances), but it may defer payment pending the bona fide contest of any claim unless the Trustee shall be of the opinion that by such action the lien of the Indenture as to the Project or any part thereof shall be subject to loss or forfeiture, in which event any such payment then due shall not be deferred.

Section 11.8 Payment of Trustee's Charges; Lien Therefor. The Board will discharge, pay or satisfactorily provide to the Trustee, or cause to be discharged, paid or provided, all liabilities, expenses and advances reasonably incurred, disbursed or made by the Trustee in the execution of the trusts hereby created (including the reasonable compensation and expenses and disbursements of its Counsel and of all other persons not regularly in its employ), and it will from time to time pay to the Trustee, or cause to be paid, reasonable compensation for its services hereunder, including extra compensation for unusual or extraordinary services. As security for the payment of such liabilities, expenses, advances and compensation, the Trustee shall have a first lien on the Trust Estate, the Pledged Revenues and all funds held or collected by the Trustee as such (except funds held in trust for the benefit of the Holders of particular Bonds), with right of payment therefrom prior to the rights of the Holders of the Bonds. All such liabilities, expenses, advances and compensation shall bear interest until paid, from and after thirty (30) days after the respective dates on which the Trustee makes demand for the payment thereof, at a per annum rate equal to two percent (2%) above the Prime Rate from time to time in effect during the period for which such interest shall be payable. The Trustee will not make demand for such payment earlier than the date on which such liabilities, expenses and advances shall be incurred, disbursed or made or the date on which such compensation shall be earned, as the case may be.

Section 11.9 Inspection by Trustee. The Board will permit the Trustee and its duly authorized agents to inspect, at any reasonable time, any and every part of the Project Realty and the Project Equipment and will permit the Trustee and any Bondholder to inspect, at any reasonable time, the books and records of the Board pertaining to the Project Realty and the Project Equipment. The Board will assist in furnishing facilities for any such inspection.

Section 11.10 Recordation. Further Assurances. The Board will cause the Indenture, and all Supplemental Indentures hereafter executed, to be filed for record in such public office or offices in which said documents are required by law to be filed in order to constitute constructive notice thereof and to preserve and protect fully the rights and security afforded thereby to the Trustee and the Bondholders. In addition, the Board

(a) will, upon reasonable request, execute and deliver such further instruments and do such further acts as may be necessary or proper to carry out more effectually the purposes of the Indenture, and in particular (without in any way limiting the generality of the foregoing) to make subject to the lien of the Indenture any property hereafter acquired as a

part of the Project and to transfer to any successor trustee or trustees the assets, powers, instruments and funds held in trust hereunder, and

(b) will take all actions that at any time and from time to time may be necessary (or, in the opinion of the Trustee, may be necessary) to perfect, preserve, protect and secure the interests of the Board and the Trustee, or either, in and to the Trust Estate or any part thereof.

No failure to request such further instruments or further acts shall be deemed a waiver of any right to the execution and delivery of such instruments or the doing of such acts or to be deemed to affect the interpretation of any provisions of the Indenture.

The obligations of the Board under this section are limited to cooperation with, and the taking of actions requested by, the Trustee or other interested parties, and nothing contained in this section shall be construed as imposing upon the Board an affirmative duty to determine whether the filing or recording or the re-filing or re-recording of any instruments (including, without limitation, Uniform Commercial Code financing statements) is at the time necessary to preserve or protect any interest of the Board or the Trustee in the Trust Estate or any part thereof.

ARTICLE XII

CERTAIN PROVISIONS RELATING TO THE POSSESSION, USE AND RELEASE OF THE PROJECT AND TO THE DISPOSITION OF INSURANCE PROCEEDS AND CONDEMNATION AWARDS

Section 12.1 Retention of Possession of Project by Board. Subject to the disposition of the Project Improvements pursuant to the provisions of Section 4.8 of the Lease, unless an Event of Default shall have occurred and be continuing, or except as otherwise provided herein, the Board may retain actual possession of the Project and may manage and lease the same, and may collect, use and enjoy the rents, revenues, income and profits thereof to such extent as does not violate any of the Board's covenants herein contained or contained in the Lease.

Section 12.2 Release of New Equipment. Reference is hereby made to Section 6.2 of the Lease which permits the Company, upon compliance with the conditions therein contained, to remove items of the New Equipment from the Project Site and to sell or otherwise dispose of the same free and clear of the demise of the Lease and of the lien of the Indenture. Any item of the New Equipment released from the demise of the Lease in accordance with the provisions thereof shall also be released from the lien of the Indenture, and the Trustee shall at the request

of the Board or the Company execute and deliver all instruments that may be necessary to confirm such release.

Section 12.3 Release Upon Payment of Condemnation Award to Trustee. If the Project or any part thereof shall be taken through the exercise of the power of Eminent Domain (as defined in the Lease), the entire condemnation award referable thereto shall be paid directly to the Trustee. Upon payment to the Trustee of such award, the Trustee shall, at the expense of the Board, execute and deliver to the Board or to the Person successfully exercising such power of Eminent Domain any and all instruments that may be necessary (i) to release from the demise of the Lease all property forming part of the Project that shall be so taken and (ii) to release from the lien of the Indenture all property forming part of the Project that shall be so taken.

Section 12.4 Disposition of Condemnation Award. Reference is hereby made to Section 7.2 of the Lease wherein it is provided that if title to all or any part of the Project shall be taken through the exercise of the power of Eminent Domain (as defined in the Lease), the entire condemnation award referable thereto shall be paid to and held by the Trustee and shall thereafter be applied by the Trustee in the manner and for the purposes specified in said Section 7.2. The Trustee hereby accepts the duties and obligations on its part specified in the Lease with respect to any such condemnation award and agrees that such condemnation award shall be applied in accordance with the applicable provisions of the Lease.

Section 12.5 Disposition of Casualty Insurance Proceeds. Reference is hereby made to Section 7.1 of the Lease wherein it is provided that if the Project is destroyed, in whole or in part, or is damaged, by fire or other casualty, to such extent that the loss to the Project resulting therefrom is greater than \$70,000, then all Net Insurance Proceeds (as defined in the Lease) recovered by the Board, the Company and the Trustee shall be paid to and held by the Trustee and shall thereafter be applied by the Trustee in the manner and for the purposes specified in said Section 7.1. The Trustee hereby accepts the duties and obligations on its part specified in the Lease with respect to such proceeds and agrees that such proceeds shall be applied in accordance with the applicable provisions of the Lease.

Section 12.6 Disposition of Title Insurance Proceeds. All damages or losses recovered by the Board pursuant to any policy or policies of title insurance insuring the respective interests of the Board and the Trustee in the Project Realty shall be paid into the Bond Fund promptly following receipt thereof by the Board or the Trustee, as the case may be.

ARTICLE XIII

EVENT OF DEFAULT AND REMEDIES OF TRUSTEE AND BONDHOLDERS

Section 13.1 **Events of Default Defined.** Any of the following shall be "Events of Default" under the Indenture, and the term "Event of Default" shall mean, whenever it is used in the Indenture, any one or more of the following conditions or events:

(a) failure by the Board to pay the principal of or the interest or premium (if any) on any Bond as and when the same become due as therein and herein provided (whether such shall become due at maturity, upon mandatory redemption prior to maturity, by acceleration or otherwise);

(b) a Lease Default;

(c) failure by the Board to perform or observe any agreement, covenant or condition required by the Indenture to be performed or observed by it [other than (i) its agreement to pay the principal of and the interest and premium (if any) on the Bonds, and (ii) any other agreement, covenant or condition with respect to which its failure to perform or observe is the result of a Lease Default] after sixty (60) days' written notice to it of such failure given by the Trustee or by any Bondholder, unless during such period or any extension thereof the Board has commenced and is diligently pursuing appropriate corrective action;

(d) any material warranty, representation or other statement by or on behalf of the Board in the Lease or the Indenture, or in any certificate furnished in compliance with or in reference to the Lease or the Indenture, being false or misleading in any material respect at the time made;

(e) the occurrence of any default under the Jefferson Federal Mortgage and the continuance thereof beyond any applicable grace period;

(f) the occurrence of any default under the Cook Mortgage and the continuance thereof beyond any applicable grace period; or

(g) appointment of a court having jurisdiction of a receiver for the Project or for substantial part thereof, or approval by a court of competent jurisdiction of any petition for rearrangement or readjustment

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of the obligations of the Board under any provisions of the bankruptcy laws of the United States of America.

Section 13.2 Remedies on Default. Upon the occurrence and continuation of any Event of Default, the Trustee shall have the following rights and remedies, subject to the provisions of Section 13.8 hereof:

(a) **Acceleration.** The Trustee may, by written notice to the Board, declare the principal of and the interest accrued on all the Bonds forthwith due and payable, and thereupon they shall so be, anything herein or therein to the contrary notwithstanding; provided, however, that the Trustee may not have or exercise the right or remedy granted by this subsection (a) unless the Event of Default that has occurred is one of those specified in subsection (a), (b), (e) or (f) of Section 13.1 hereof.

(b) **Possession of Project.** The Trustee shall have the power to require the Board to surrender possession of the Project to it, and the Board shall, upon demand so to do by the Trustee, forthwith surrender to the Trustee actual possession of the Project or such part or parts thereof as the Trustee may designate, and the Trustee shall take possession thereof and may wholly exclude the Board and its agents therefrom. The Trustee shall thereafter have the power to operate, lease or otherwise control, use and dispose of the Project in the manner it deems most beneficial to the Bondholders. The Trustee shall further have the power to make, at the expense of the Trust Estate, such repairs, replacements, alterations, additions or improvements to the Project as it may consider advisable, to collect the income therefrom and to pay all proper charges and maintenance expenses thereof, including all proper disbursements by the Trustee.

(c) **Sale of Project.** The Trustee shall have the power to sell, at public auction, as a whole or in parcels, at such time and on such terms as it deems best, to the highest bidder, all or any part of the Project and the entire interest and equity of redemption of the Board therein, subject, however, to succeeding provisions of this section and to the provisions of Sections 13.3 and 13.4 hereof.

(d) **Other Remedies.** The Trustee shall have the power to proceed with any other right or remedy independent of or in aid of the foregoing powers, as it may deem best, including the right to foreclose the Indenture by bill in equity or by proceedings at law, the right to enforce any obligation of the Board or the Company contained in the Lease or the Indenture, and the right to the appointment, as a matter of right and without regard to the sufficiency of the security afforded by the Project, of a receiver for all or any part of the Project and the revenues therefrom. In the case of an Event of Default resulting from the failure

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of the Board to pay any Indenture Indebtedness relating to the Series 1984 Bonds, the Trustee shall have the right (without prejudice to the exercise of any of its rights under the Indenture) to enforce the performance of the Series 1984 Company Guaranty, the 1984 Shareholder Guaranty or the Cook Mortgage and to institute any action, suit or proceeding for that purpose. The rights here specified are to be cumulative to all other available rights, remedies or powers and shall not exclude any such.

If, upon the occurrence of an Event of Default, the Board makes good the default which is the reason for such Event of Default and every other default hereunder (except any principal and interest declared payable that would, absent such declaration, not then be payable), with interest on all overdue payments of principal, interest and premium (if any), and makes reimbursement of all the reasonable expenses of the Trustee, then the Trustee may in its discretion, and shall upon the written request of the Holders of a majority in principal amount of the then outstanding Bonds, waive such default and its consequences, but no such waiver shall affect any subsequent default or right relative thereto. Further, upon the occurrence of any Event of Default, except a default in the payment of the principal of or the interest or premium (if any) on any of the Bonds, the Trustee may in its discretion, and shall upon the written request of the Holders of a majority in principal amount of the then outstanding Bonds, waive such default and its consequences without the Board having theretofore made good such default, but no such waiver shall affect any subsequent default or right relative thereto. In case any proceeding taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every case the Board, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

Section 13.3 Manner of Sale of the Project. Notice of any sale by the Trustee of any part of the Project pursuant hereto shall state the time and place of such sale (which time shall be between the legal hours of sale and which place shall be before the main entrance of the Courthouse of Shelby County, Alabama), describing briefly the property to be sold, and shall be sufficiently given if published once a week for four successive weeks preceding the date of sale in a Newspaper published in Shelby County, Alabama. The Trustee may from time to time adjourn any such sale by announcing at the time and place appointed therefor an adjournment to a future time and place specified, at which it may effectively make the sale without further notice.

If, on any auction or offer for sale of the whole of the Project pursuant to the provisions of this Article XIII, no cash bid be received in an amount sufficient to pay all amounts then owing to the Trustee and the Bondholders, the Trustee may, after first re-advertising such sale in the manner provided in the first paragraph of this section, sell amounts then owing to the Trustee and the Bondholders or for a consideration consisting of part cash and part purchase money mortgage, or both; provided (i) that such sale and the terms and amounts of any purchase money mortgage are approved in writing by the Holders of a majority in principal amount of

each series of the then outstanding Bonds, and (ii) that in the opinion of the Trustee the price obtained at such sale represents the fair market value of the property sold, as demonstrated by at least two bids therefor (each of which shall have been submitted or made by a bidder duly qualified to bid) or by appraisal by an Independent Appraiser acceptable to the Trustee.

Section 13.4 Sale of the Project. The following conditions shall apply to any sale of the Project or any part thereof by the Trustee pursuant to any power granted by the Indenture or pursuant to judicial authority:

(a) The principal of and the interest accrued on all the Bonds not yet matured or declared due shall forthwith become due, anything therein or herein to the contrary notwithstanding.

(b) Any Bondholder or Bondholders or the Trustee, or any of them, may bid for and purchase the Project, or any part thereof to be sold, at such sale.

(c) The purchaser of any property sold may make payment, in whole or in part, of the amount by which his bid exceeds the sum necessary to discharge any prior liens and to pay costs, charges, fees and expenses by receipting for the share of the proceeds of the sale to which a Bondholder will be entitled.

(d) The Trustee is hereby appointed, empowered and directed by the Board as its irrevocable attorney to convey, assign, transfer and deliver to the purchaser the property sold and make all necessary conveyances and transfers thereof, all of which the Board hereby ratifies. The entire right, title, interest, claim and demand, legal and equitable, of the Board in the property sold shall be completely divested by such sale and the same shall be a perpetual legal and equitable bar to any claim by the Board thereto. The Board, however, if and when requested, will execute and deliver to the purchaser such proper instruments as may be requested in further assurance of the title so acquired.

(e) The purchaser upon paying the purchase money to the Trustee and receiving his receipt therefor need not inquire into the authorization, necessity, expediency or regularity of the sale and need not to see to or in any way be responsible for the application by the Trustee of any part of the purchase money.

To the full extent that it may lawfully so agree, the Board will not at any time insist upon, plead, claim or take the benefit or advantage of, any appraisal, valuation, stay, exemption or redemption law now or hereafter in force, in order to

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prevent or hinder the enforcement of the Indenture or the absolute sale of the Project or any part thereof, or the possession thereof by any purchaser at any sale under the Indenture, and the Board, for itself and all who may claim under it, so far as it or they now or hereafter lawfully may do so, hereby waives the benefit of all such laws. The Board, for itself and all who may claim under it, waives, to the extent that it lawfully may do so, all right to have the property constituting the Project marshalled upon any foreclosure of the Indenture, and agrees that any court having jurisdiction to foreclose the Indenture may order the sale of the Project as an entirety. If there is now in force any law referred to in this paragraph of which the Board could take advantage despite its agreement and waiver to the contrary, and if such law should hereafter be repealed or cease to be in force, then in such case such law shall not thereafter be deemed to constitute any part of the contract herein contained or to preclude the application of the provisions of this paragraph.

Section 13.5 Application of Moneys Received From Enforcement of Rights Under the Indenture. Upon the occurrence and continuation of an Event of Default, any moneys derived by the Trustee from the Project or from the enforcement of the Board's rights under the Lease or from the exercise of any other right or remedy granted to the Trustee under the Indenture, as distinguished from any right or remedy granted to the Trustee under the Series 1984 Company Guaranty, the Series 1984 Shareholder Guaranty or the Cook Mortgage, together with all other funds then held by it hereunder, shall, after payment of all proper costs, expenses and liabilities incurred and disbursements made by the Trustee hereunder, and all liens and charges on the Trust Estate prior to the rights of the Trustee which in the opinion of the Trustee it is advisable to pay, be applied as follows:

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

FIRST - to the payment to the Persons entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of the installments of such interest, with interest on overdue installments of interest, and, if the amount available shall not be sufficient to pay in full any particular installment plus said interest thereon, then to the payment ratably, according to the amounts due on such installments and with respect to said interest, to the Persons entitled thereto, without any discrimination or privilege;

SECOND - to the payment to the Persons entitled thereto of the unpaid principal of and premium (if any) on any of the Bonds which shall have become due (other than Bonds matured or called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of the maturity of such principal and premium, with interest on overdue installments of principal and premium (if any), and, if the amount available shall not be sufficient to pay in full all principal and premium (if any)

due on any particular date, together with the aforesaid interest thereon, then to the payment of such principal and premium (if any) due on such date, together with such interest, ratably, without any discrimination or privilege; and

THIRD - the surplus, if any there be, into the Bond Fund, or in the event the Indenture Indebtedness has been fully paid, to the Board or to whosoever may be entitled thereto.

(b) If the principal of all the Bonds shall have become or been declared due and payable, all such moneys shall be applied as follows:

FIRST - to the payment of the principal and interest then due and unpaid upon the Bonds (with interest on overdue principal and interest), without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or privilege; provided, however, that if the principal of all the bonds shall have been declared due and payable and if such declaration shall thereafter have been rescinded under the provisions of Section 13.2 hereof, then, subject to the provisions of this subsection (b) in the event that the principal of all the Bonds shall later become or be declared due and payable, such moneys shall be applied in accordance with the provisions of subsection (a) of this section; and

SECOND - the surplus, if any there be, into the Bond Fund, or in the event the Indenture Indebtedness has been fully paid, to the Board or to whosoever may be entitled thereto.

Whenever moneys are to be applied pursuant to the provisions of this section, such moneys shall be applied at such time or times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be a Bond Payment Date unless it shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts of principal and interest to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date and shall not be required to make payment to the Holder of any unpaid Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid; provided, however, that the payment of any Bonds shall be subject to the provisions of any Home Office Payment Agreement in effect with respect to such Bonds.

Section 13.6 Application of Moneys Received Pursuant to the Series 1984 Guaranties and the Cook Mortgage. Any moneys received by the Trustee under, or as a result of its enforcement of, the Series 1984 Company Guaranty, the Series 1984 Shareholder Guaranty or the Cook Mortgage shall, after payment of all proper costs, expenses and liabilities incurred and disbursements made by the Trustee, be applied as follows:

FIRST - to the payment to the Holders of the Series 1984 Bonds outstanding of all installments of interest then due on the Series 1984 Bonds, in the order of the maturity of the installments of such interest, with interest on overdue installments of interest, and, if the amount available shall not be sufficient to pay in full any particular installment plus said interest thereon, then to the payment ratably, according to the amounts due on such installments and with respect to said interest, to the persons entitled thereto, without any discrimination or privilege;

SECOND - to the payment to the Holders of the Series 1984 Bonds outstanding of the unpaid principal of any of the Series 1984 Bonds which shall have become due (other than Series 1984 Bonds matured or called for redemption for the payment of which moneys are held pursuant to the provisions of the Indenture) in the order of the maturity of such principal, with interest on overdue installments of principal, and, if the amount available shall not be sufficient to pay in full all principal due on any particular date, together with the aforesaid interest thereon, then to the payment of such principal due on such date, together with such interest, ratably, without any discrimination or privilege;

THIRD - to the payment to the Holders or former Holders of the Series 1984 Bonds of any other amounts (in addition to the principal of and interest on the Series 1984 Bonds) which the Series 1984 Company Guaranty or the Series 1984 Shareholder Guaranty requires to be paid to such Holders or former Holders; and

FOURTH - the surplus, if any there be, to the Company or to whosoever else may be entitled thereto.

Whenever moneys are to be applied pursuant to the provisions of this section, such moneys shall be applied at such time or times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for payment of the obligations required to be paid pursuant to the Series 1984 Company Guaranty, the Series 1984 Shareholder Guaranty or the Cook Mortgage and the likelihood of additional moneys becoming available for such payment in the future. Whenever the Trustee shall apply such funds to the payment of obligations under the Series 1984 Company Guaranty, the Series 1984 Shareholder Guaranty or the Cook Mortgage, it shall fix the date upon which such application is to be made, and upon such date interest on the amounts of principal of and interest on the Series 1984

Bonds to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date.

Section 13.7 Remedies Vested in Trustee. All remedies hereunder (as distinguished from remedies under the Series 1984 Company Guaranty, the Series 1984 Shareholder Guaranty or the Cook Mortgage) are vested exclusively in the Trustee for the equal and ratable benefit of all the Holders of the Bonds, unless the Trustee refuses or neglects to act within a reasonable time after written request so to act addressed to the Trustee by the Holders of twenty-five percent (25%) in principal amount of any series of the then outstanding Bonds, accompanied by indemnity satisfactory to the Trustee, in which event the Holder of any of the Bonds may thereupon so act in the name and behalf of the Trustee or may so act in his own name in lieu of action by or in the name and behalf of the Trustee. Except as above provided, no Holder of any of the Bonds shall have the right to enforce any remedy hereunder, and then only for the equal and ratable benefit of the Holders of all the Bonds.

Notwithstanding any other provisions hereof, the right of the Holder of any Bond, which is absolute and unconditional, to receive payment of the principal of and the interest and premium (if any) on such Bond on or after the due date thereof, but solely from the Pledged Revenues, as therein and herein expressed (and in the case of the Holder of any Series 1984 Bond, from moneys received under the Series 1984 Company Guaranty, the Series 1984 Shareholder Guaranty or the Cook Mortgage), or to institute suit for the enforcement of such payment on or after such due date, or the obligation of the Board, which is also absolute and unconditional, to pay, but solely from the Pledged Revenues, the principal of and the interest and premium (if any) on the Bonds to the respective Holders thereof at the time and place in said Bonds expressed, shall not be impaired or affected without the consent of such Holder; provided, however, that no Bondholder shall be entitled to take any action or institute any such suit to enforce the payment of his Bonds, whether for principal or interest, if and to the extent that the taking of such action or the institution or prosecution of any such suit or the entry of judgment therein would under applicable law result in a surrender, impairment, waiver or loss of the lien of the Indenture upon the Project, or any part thereof, as security for the Bonds held by any other Bondholder.

Section 13.8 Rights of the Company Upon Occurrence of an Event of Default. If an Event of Default should occur solely by reason of some action or failure to act on the part of the Board, and if at the time there shall have not occurred and be continuing a Lease Default, the Trustee shall notify the Company in writing of the occurrence of such Event of Default and the Company shall have the right to cure such Event of Default hereunder within sixty (60) days after such written notice, provided that the Company shall pay all expenses of curing such Event of Default. The Company is hereby authorized, to the extent permitted by law, to take such actions as may be necessary for and on behalf of the Board to cure such Event of Default, and the Trustee shall accept performance of such actions by the Company as performance by the Board in such event. The exercise of the remedies

set forth in Section 13.2 hereof are subject to the right of the Company to cure such Event of Default as provided in this section.

Section 13.9 Delay No Waiver. No delay or omission by the Trustee or by any Bondholder to exercise any available right, power or remedy hereunder shall impair or be construed a waiver thereof or an acquiescence in the circumstances giving rise thereto; every right, power or remedy given herein to the Trustee or to the Bondholders may be exercised from time to time and as often as deemed expedient.

Section 13.10 Notice to Bondholders Upon Occurrence of Event of Default. If an Event of Default occurs that is known to the Trustee, or if any event or condition occurs that is known to the Trustee and that with the giving of notice or the passage of time or both would constitute an Event of Default, and if such Event of Default or such event or condition, as the case may be, continues for a period of at least five (5) business days after the Trustee first learns thereof, then the Trustee will, at or before the end of such period of five (5) business days, give written notice thereof by United States regular mail, postage prepaid, to the Board and to all Bondholders at their respective addresses appearing in the records of the Trustee pertaining to the registration of the Bonds. Nothing contained in this section shall be deemed to require the Trustee to undertake independent inquiries into or investigations of the condition of the Project, the business or condition of the Company or any Affiliate thereof, or any other circumstances, conditions or information (whether or not publicly available) which would disclose to it the occurrence of an Event of Default or any event or condition that with the giving of notice or the passage of time or both would constitute an Event of Default, unless the Trustee shall have first received, without effort on its part, information which would warrant the undertaking of such independent inquiries or investigations.

ARTICLE XIV

CONCERNING THE TRUSTEE

Section 14.1 Acceptance of Trusts. The Trustee accepts the trusts hereby created and agrees to perform the duties herein required of it, either expressly or by reasonable implication, subject, however, to the following conditions:

(a) Except during the continuance of an Event of Default,

(1) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in the Indenture and no implied covenants or obligations shall be read into the Indenture against the Trustee; and

(2) in the absence of bad faith or negligence on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of the Indenture; provided, however, that in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(b) If an Event of Default shall have occurred and be continuing, the Trustee shall exercise such of the rights and powers vested in it by the Indenture and use the same degree of care and skill in the exercise of such rights and powers as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(c) No provision of the Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act or its willful misconduct, except that

(1) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of a majority in aggregate principal amount of the outstanding Bonds relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred upon the Trustee under the Indenture;

(2) no provision of the Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it; and

(3) the Trustee shall be entitled, in taking, failing to take or permitting any actions under the provisions of the Indenture, to assume that no Event of Default (other than failure of the Board to pay principal of or interest on any Bond) has occurred and is continuing unless (i) the Trustee shall have actual knowledge that such an Event of Default has occurred and is continuing or (ii) the Holders of twenty-five percent (25%) in aggregate principal amount of any series of the Bonds then outstanding shall have notified the Trustee in writing that such an Event of Default has occurred and is continuing.

(d) The Trustee may execute any of the trusts and powers conferred on it hereunder or perform any duty hereunder either directly or through agents and attorneys in fact who are not regularly in its employ and who are selected by it with reasonable care, but it shall be responsible for the observance by such agents and attorneys in fact of the terms and conditions hereof.

(e) The Trustee may consult Counsel on any matters connected herewith and shall not be answerable for any action taken or failure to take any action in good faith on the advice of Counsel, provided that its action or inaction is not contrary to any express provision hereof.

(f) The Trustee need not recognize a Holder of a Bond as such without the satisfactory establishment of his title to such Bond.

(g) Upon the occurrence of an Event of Default, the Trustee need not exercise any of its rights or powers specified in Section 13.2 hereof or take any action under said Section 13.2, unless requested in writing so to do by the Holders of twenty-five percent (25%) in aggregate principal amount of any series of the Bonds then outstanding; without any such request, it may exercise any such rights or powers or take any such action if it believes the exercise of such rights or powers or the taking of such action is advisable to protect the interests of the Bondholders; it shall exercise any such rights or powers to take any such action when so requested, provided that the furnishing of indemnity, satisfactory to the Trustee, against its prospective liabilities and expenses by the Bondholders requesting any action by the Trustee under said Section 13.2 shall be a condition precedent to the duty of the Trustee to take or continue any such action which, in the opinion of the Trustee, would subject it to any such liabilities or expenses.

(h) The Holders of a majority in aggregate principal amount of the outstanding Bonds shall have the right to direct the time, method and place of enforcing any remedy available to the Trustee, provided that (i) such direction shall not be in conflict with any rule of law or the Indenture, (ii) the Trustee shall not determine that the action so directed would be unjustly prejudicial to the Bondholders not taking part in such direction, and (iii) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

(i) Any action taken by the Trustee at the request of and with the consent of the Holder of a Bond will bind all subsequent Holders of the same Bond and any Bond issued hereunder in lieu thereof.

(j) The Trustee may be the Holder of Bonds as if not Trustee hereunder.

(k) The Trustee shall not be liable for the proper application of any moneys other than those that may be paid to or deposited with it.

(l) The Trustee shall not unreasonably withhold or delay any consent or approval required of it by the Lease or the Indenture.

(m) All moneys received by the Trustee to be held by it hereunder shall be held as trust funds until disbursed in the manner herein provided therefor. The Trustee shall not be liable to pay or allow interest thereon or otherwise to invest any such moneys except as specifically required herein.

(n) The Trustee may make any investments permitted hereby through its own Bond Department, and any Eligible Certificates issued or held by it hereunder shall be deemed investments and not deposits.

(o) The Trustee shall, upon reasonable request, advise the Board or the Company of the amount at the time on deposit in any of the special funds herein created.

(p) The Trustee shall, upon reasonable request, issue to the Board or the Company a certificate indicating whether, to the knowledge of the Trustee, the Board or the Company is in default under the provisions of the Lease or the Indenture, and, in the event there is such a default, briefly describing the nature thereof.

(q) The recitals of fact herein and in the Bonds are statements by the Board and not by the Trustee, and the Trustee is in no way responsible for the validity or security of the Bonds, the validity of the Lease or the Indenture, or the existence of any part of the Project, the value thereof, the title of the Board thereto, the security afforded hereby or the validity or priority of the lien hereof. The Trustee does, however, assume responsibility for its eligibility to accept and administer the trusts created hereby, and it warrants and represents that it is duly authorized to accept and administer such trusts and that the acceptance and administration by it of such trusts do not violate or contravene, and are not void or voidable under, any applicable state or federal law now existing.

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Section 14.2 **Trustee to Maintain Registration Book.** The Trustee will keep on file at its principal corporate trust office a registration book, listing the names and addresses of the Bondholders. At reasonable times and under reasonable regulations established by the Trustee, said registration book may be inspected and copied by the Company, any Bondholder or the duly authorized agents and representatives of any thereof.

Section 14.3 **Notice to Bondholders of Series 1984 Determination of Taxability.** Within seven (7) days after the Trustee first learns of a Series 1984 Determination of Taxability, the Trustee shall deliver to the Holders of the then outstanding Series 1984 Bonds written notice of such Series 1984 Determination of Taxability by United States registered or certified mail, postage prepaid, at the respective addresses of such Holders appearing in the records of the Trustee pertaining to the registration of the Series 1984 Bonds. Such written notice shall contain a statement of such Series 1984 Determination of Taxability and a description of the rights and options of the Bondholders with respect to the redemption of the Series 1984 Bonds as set forth in Section 7.5(b) of the Indenture.

Section 14.4 **Trustee Authorized to Perform Certain Acts on Failure of Board.** Without relieving the Board from the consequences of any default in connection therewith, the Trustee may pay any charge, including, without limitation, any tax, assessment, charge or claim which the failure of the Board to pay, or to cause to be paid, has made or will make an encumbrance or lien on the Trust Estate prior to any rights of the Trustee under the Indenture, and in the event the Board fails to take out, or to cause to be taken out, insurance on the Project to the extent required by Section 6.4 of the Lease, or in the event the Board fails to maintain the Project in good repair and in reasonably safe condition, or to cause the Project to be so maintained, the Trustee may take out any such insurance on the Project that the Board has failed to furnish or cause to be furnished and may pay the premiums thereon, or it may pay the expenses of keeping the Project in good repair and in reasonably safe condition, as the case may be. The Trustee shall not be obligated to perform any acts or make any payments pursuant to the preceding provisions of this section, unless it shall have been requested to do so by the Holders of a majority in aggregate principal amount of the Bonds then outstanding and shall have been provided with adequate funds for the purpose of performing such acts or making such payments. All moneys expended under the provisions of this section (whether advanced by the Trustee or by any of the Bondholders) shall be secured by the Indenture, shall be repayable by the Board upon demand (subject to the provisions of Section 17.1 hereof), shall bear interest from the date on which they are so expended until they are repaid at a per annum rate equal to two percent (2%) above the prime lending rate of the Trustee from time to time in effect until such moneys are repaid and shall (together with the interest thereon) be entitled to priority of payment over the principal of and the interest and premium (if any) on the Bonds.

Section 14.5 **Trustee May Institute Suit, etc.** The Trustee may, in its own name and at any time, institute or intervene in any suit or proceeding for the enforcement of all rights of action (including the right to file proof of claims in connection with any reorganization, bankruptcy, receivership or like proceeding)

under any of the Bonds or under the Lease or the Indenture without the necessity of joining as parties to such suit or proceeding any Holders of the Bonds and without the necessity of possessing any of such Bonds or producing same in any trial or other proceedings related to such rights of action. The Holders of the Bonds do hereby appoint the Trustee as their irrevocable agent and attorney in fact for the purpose of enforcing all such rights of action, but such appointment shall not include the power to agree to accept new securities of any nature in lieu of the Bonds or to alter or amend the terms of the Lease or the Indenture except as herein provided.

Section 14.6 Resignation by Trustee. The Trustee and any successor Trustee may at any time resign from the trusts created hereunder by giving thirty (30) days' written notice to the Board, the Company and each Bondholder. Such resignation shall take effect at the end of such period of thirty days, or upon the earlier appointment of a successor Trustee by the Bondholders or the Board.

Section 14.7 Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Trustee and to the Board and signed by the Holders of a majority in aggregate principal amount of the Bonds then outstanding.

Section 14.8 Appointment of Successor Trustee by Bondholders; Temporary Trustee. In case the Trustee shall resign, be removed, be dissolved, be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor may be appointed by the Holders of a majority in aggregate principal amount of Bonds then outstanding through an instrument or concurrent instruments in writing signed by such Holders. In case of any such resignation or event which causes the Trustee to be incapable of acting, the Board, by an instrument signed by the Chairman or Vice Chairman of the Directors and attested by the Secretary of the Board under its seal, shall appoint a temporary Trustee to serve until a successor Trustee shall be appointed by the Bondholders in the manner provided above. Whenever necessary to avoid or fill a vacancy in the office of Trustee, the Board will so appoint a temporary Trustee in order that there shall at all times be a Trustee hereunder. Any temporary Trustee so appointed by the Board shall immediately and without further act be superseded by the Trustee appointed by the Bondholders. Every successor Trustee appointed pursuant to this section shall be a trust company or bank authorized to administer trusts and having, at the time of its acceptance of such appointment, capital, surplus and undivided profits of not less than \$10,000,000.

Section 14.9 Concerning any Successor Trustee. Every successor Trustee shall execute, acknowledge and deliver to its predecessor and also to the Board an instrument in writing accepting its appointment as Trustee hereunder, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all the estate and title of its predecessor to the Trust Estate and with all the rights, powers, trusts, duties and obligations of its predecessor. Such predecessor shall, nevertheless, on the written request of the Board or such successor

Trustee, execute and deliver an instrument transferring to such successor Trustee all the estate and title of such predecessor to the Trust Estate and all rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Board be required by any successor Trustee for more fully and certainly vesting in it the properties, rights, powers and duties hereby vested or intended to be vested in the Trustee, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Board. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this article, shall be filed for record by the Board in each recording office where the Indenture shall have been filed and recorded.

Section 14.10 Merger or Consolidation of Trustee. Any corporation into which the Trustee may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Bonds shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger or consolidation to such authenticating Trustee may adopt such authentication and deliver the Bonds so authenticated with the same effect as if such successor Trustee had itself authenticated such Bonds.

ARTICLE XV

AUTHORIZATION OF SUPPLEMENTAL INDENTURES AND MODIFICATION OF THE LEASE AND THE COOK MORTGAGE

Section 15.1 Supplemental Indentures Without Bondholder Consent. Without the consent of or notice to any Bondholders, the Board and the Trustee may, at any time and from time to time, enter into such Supplemental Indentures as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

(a) to add to the covenants and agreements of the Board herein contained other covenants and agreements thereafter to be observed and performed by the Board, provided that such other covenants and agreements shall not either expressly or impliedly limit or restrict any of the obligations of the Board contained in the Indenture;

(b) to provide for the surrender by the Board of any right or power conferred in the Indenture on the Board, or to grant to or confer upon the Bondholders or to the Trustee for the benefit of the Bondholders any

right, power or authority that may lawfully be granted to or conferred upon the Bondholders or the Trustee;

(c) to cure or correct any ambiguity, defect or inconsistent provision contained in the Indenture or in any Supplemental Indenture or to make any provisions with respect to matters arising under the Indenture or any Supplemental Indenture for any other purpose if such provisions are necessary or desirable and are not inconsistent with the provisions of the Indenture or any Supplemental Indenture and do not adversely affect the interests of the Holders of the Bonds; or

(d) to subject to the lien of the Indenture and the pledge herein contained additional property and the revenues therefrom or to identify more precisely any of the property subject to the lien hereof.

Section 15.2 Supplemental Indentures Requiring Bondholder Consent. In addition to those Supplemental Indentures permitted by Section 15.1 hereof, the Board and the Trustee may, at any time and from time to time, with the written consent of the Holders of all the Bonds then outstanding, enter into such Supplemental Indentures as shall be deemed necessary or desirable by the Board and the Trustee for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any Supplemental Indenture.

Section 15.3 Execution of Supplemental Indentures. The Board and the Trustee recognize that under the terms of Section 9.2 of the Lease, they may not make any amendment of the Indenture or any Supplemental Indenture without the prior written consent of the Company. Subject to such consent (if required by the terms of said Section 9.2), the Trustee is authorized to join with the Board in the execution of any Supplemental Indenture authorized under the provisions of this article and to make the further agreements and stipulations which may be contained therein, but the Trustee shall not be obligated to enter into any such Supplemental Indenture which affects its rights, duties or immunities under the Indenture. Upon the execution of any Supplemental Indenture under and pursuant to the provisions of this Article XV, the Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under the Indenture of the Board, the Trustee and all Holders of the Bonds then outstanding shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

Section 15.4 Amendments to the Lease and the Cook Mortgage. With the prior written consent of the Trustee, but without the consent of or notice to any Bondholders, the Board and the Company may

(a) amend, change or modify the Cook Mortgage so as to identify more precisely the items of property constituting the Project Realty and the Existing Equipment, or to substitute or add additional items of the Existing Equipment, or to make additional land or interest therein subject to the lien of the Cook Mortgage, provided that all such substitutions or additions are made in accordance with the provisions of the Lease, the Indenture and the Cook Mortgage,

(b) amend, change or modify the Lease so as to identify more precisely the Project or to substitute or add additional machinery, equipment or other property or additional rights and interests in property acquired in accordance with the provisions of the Lease, and

(c) amend, change or modify the Lease or the Cook Mortgage to cure or correct any ambiguity, defect or inconsistent provision contained in either thereof, or to make provision with respect to matters arising under the Lease or the Cook Mortgage for any other purpose, if such provisions are necessary or desirable, are not inconsistent with the provisions of the Lease, the Indenture or the Cook Mortgage and do not, in the judgment of the Trustee, adversely affect the interests of the Bondholders.

The Board and the Company may, at any time and from time to time, with the written consent of the Trustee and the written consent of the Holders of all the Bonds then outstanding, amend, change or modify the Lease or the Cook Mortgage to such extent as shall be deemed necessary or desirable by the Board and the Company.

Section 15.5 Discretion of the Trustee. In the case of (i) any Supplemental Indenture authorized by either Section 15.1 or 15.2 hereof or (ii) any amendment, change or modification to the Lease authorized by Section 15.4 hereof, the Trustee shall be entitled to exercise its discretion in determining whether or not any proposed Supplemental Indenture, or any amendment, change or modification to the Lease or the Cook Mortgage, or any term or provision contained in any thereof, complies with the applicable provisions of the Indenture, and the Trustee shall not be under any responsibility or liability to the Board or to any Bondholder or to anyone whomsoever for any act or thing which it may in good faith do or decline to do under the provisions of this article. The Trustee shall be entitled to receive, and shall be fully protected in relying upon, an opinion of Independent Counsel acceptable to it as conclusive evidence that any such Supplemental Indenture, or any such amendment, change or modification to the Lease or the Cook Mortgage, complies with the applicable provisions of the Indenture and that it is proper for the Trustee acting under the provisions of this article to join in the execution of such Supplemental Indenture or to consent to such amendment, change or modification to the Lease or the Cook Mortgage.

ARTICLE XVI

PAYMENT AND CANCELLATION OF THE BONDS AND SATISFACTION OF THE INDENTURE

Section 16.1 Satisfaction of Indenture. Whenever the entire Indenture Indebtedness shall have been fully paid and the Board shall have performed and observed all the covenants and promises expressed in the Bonds and in the Indenture to be performed and observed by it or on its part, the Trustee shall, at the expense of the Board, cancel, satisfy and discharge the lien of the Indenture and the Cook Mortgage and shall execute and deliver to the Board and the Company such deeds and instruments as shall be requisite to satisfy of record the lien hereof and the lien of the Cook Mortgage and to reconvey and transfer the property mortgaged hereunder and under the Cook Mortgage to the Board and to the mortgagors under the Cook Mortgage, as the Board and said mortgagors may respectively be entitled. For purposes of the Indenture (except as may herein or in the Lease be expressly provided otherwise), any of the Bonds shall be deemed to have been fully paid when there shall have been irrevocably deposited with the Trustee for payment thereof the entire amount (principal, interest and premium, if any) due or to be due thereon until and at maturity, and, further, any Bonds subject to redemption shall also be deemed to have been fully paid when the Board shall have deposited with the Trustee the following:

- (a) the applicable redemption price in cash of such Bonds, including the interest that will mature thereon to the earliest date on which they may, under the terms of the Indenture, be redeemed, and
- (b) a certified copy of a Resolution calling such Bonds for redemption (if, under the terms of Section 6.1 hereof, the adoption of such a Resolution is required).

In addition, any of the Bonds shall, for all purposes of the Indenture (except as may herein or in the Lease be expressly provided otherwise), be considered as fully paid if the Trustee shall be provided with each of the following:

- (1) a trust agreement between the Board and the Trustee making provision for the retirement of such Bonds by creating for that purpose an irrevocable trust fund sufficient to provide for payment and retirement of such Bonds (including payment of the interest that will mature thereon until and on the dates they are retired, as such interest becomes due and payable), either by redemption prior to their respective maturities, by payment at their respective maturities or by payment of part thereof at their respective maturities and redemption of the remainder prior to their respective maturities, which said trust fund shall consist of (i) Federal Securities which are not subject to redemption prior to their respective maturities at the option of the issuer and which, if the principal thereof and the interest thereon are paid at their respective maturities, will

produce funds sufficient so to provide for payment and retirement of all such Bonds, or (ii) both cash and such Federal Securities which together will produce funds sufficient for such purpose, or (iii) cash sufficient for such purpose; provided, however, that said trust agreement shall require all cash held on deposit in such trust fund to be kept continuously secured in the manner provided in Section 10.4 hereof, but with the further condition that only Federal Securities shall qualify as collateral security for such cash so held on deposit;

(2) a certified copy of a Resolution calling for redemption those of such Bonds that, according to said trust agreement, are to be redeemed prior to their respective maturities (if, under the terms of Section 6.1 hereof, the adoption of such a resolution is required);

(3) a certificate of a firm of certified public accountants stating that, if the principal of and the interest on the investments (if any) forming part of the trust fund provided for in the preceding subparagraph (1) are paid on the respective due dates of such principal and interest, said trust fund will produce funds sufficient to provide for the full payment and retirement of such Bonds; and

(4) an opinion of Bond Counsel to the effect that the execution and effectuation of the trust agreement referred to in the preceding subparagraph (1) will not result in subjecting the interest income on such Bonds to federal income taxation.

The Trustee is hereby irrevocably authorized to give notice, in accordance with the requirements of Article VI hereof, of the redemption of any Bonds to be effected in connection with arrangements made pursuant to the provisions of this section.

Section 16.2 Destruction of Surrendered Bonds. Upon the surrender to the Trustee of any mutilated Bonds, Bonds transferred or exchanged for other Bonds, or Bonds redeemed or paid at maturity by the Board, such Bonds shall forthwith be cancelled and destroyed by the Trustee, which shall deliver its certificate confirming such destruction to the Board and the Company.

Section 16.3 Payment to Company of Remaining Trust Fund Moneys. At such time as the entire Indenture Indebtedness shall have been fully paid in accordance with the provisions of Section 16.1 hereof, the Trustee shall, if the Lease has not theretofore been terminated as a result of a Lease Default, pay to the Company any surplus moneys then remaining in any of the special trust funds created in the Indenture, but not including any amounts held by the Trustee for the payment of the principal of and the interest and premium (if any) on the Bonds.

ARTICLE XVII

MISCELLANEOUS PROVISIONS

Section 17.1 **Disclaimer of General Liability.** It is hereby expressly recognized and made a condition of this Indenture that

(a) the liability of the Board for the payment of the principal of and the interest and premium (if any) on the Bonds and the performance and observance of all agreements and covenants, warranties and representations of the Board contained in the Indenture or the Bonds shall be limited to the proper application of the Pledged Revenues, and

(b) the agreements, covenants, warranties or representations contained in the Indenture or in any of the Bonds do not and shall never constitute or give rise to a pecuniary charge against the general credit of the Board, and

(c) in the event of a breach of any such agreement, covenant, warranty or representation, no pecuniary liability or charge payable directly or indirectly from the general revenues of the Board shall arise therefrom.

Neither the State of Alabama nor the County or any other political subdivision of said state shall in any manner be liable for the payment of the principal of or the interest or premium (if any) on any of the Bonds or for the performance or observance of any of the agreements, covenants, warranties or representations of the Board contained in the Indenture or in any of the Bonds. Further, none of the directors, officers, employees or agents (except the Company) of the Board shall have any personal liability whatever hereunder or any liability for the breach by the Board of any of the agreements, covenants, warranties or representations on its part herein contained. Nothing contained in this section, however, shall relieve the Board from the observance and performance of the several covenants and agreements on its part herein contained or relieve the directors, officers, employees or agents of the Board from performing all duties of their respective offices that may be necessary to enable the Board to perform the covenants and agreements on its part herein contained.

Section 17.2 **Concerning Certain Payments.** As promptly as practicable after the receipt by the Trustee of any payment of additional interest on the Series 1984 Bonds made to it pursuant to the provisions of Section 5.5 of the Lease and of the third paragraph of Section 7.1 of the Indenture, it will pay to each Person who was a Holder of any Series 1984 Bond at any time subsequent to the date of the Series 1984 Event of Taxability an amount equal to the additional interest which

accrued on such Series 1984 Bond during any period subsequent to the date of the Series 1984 Event of Taxability in which it was held by such Person.

Anything contained herein to the contrary notwithstanding, if the moneys provided to the Trustee for the purpose of making the payments provided for in this Section 17.2 are not sufficient to enable the Trustee to make all of such payments in full, then the Persons to whom such payments are owed shall be entitled to share the moneys provided to the Trustee for the purpose of making such payments ratably and in proportion to the amounts respectively due to each of such Persons.

In making any determination, for the purpose of this section, as to the Person who was the Holder of any Series 1984 Bond at any time subsequent to the date of the Series 1984 Event of Taxability, the Trustee shall be fully protected in relying upon an opinion of Independent Counsel acceptable to it, the information contained in the registration and transfer book and list of Bondholders maintained by the Trustee, any confirmation of a transfer of any of the Series 1984 Bonds prepared by a dealer or broker participating in such transfer and any other evidence with respect to the ownership of a Series 1984 Bond which the Trustee may deem to be persuasive.

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Section 17.3 **Retention of Moneys for Payment of Bonds.** Should any of the Bonds not be presented for payment when due, whether by maturity or otherwise, the Trustee shall, subject to the provisions of any applicable escheat or other similar law, retain from any moneys transferred to it for the purpose of paying said Bonds, for the benefit of the Holders thereof, a sum of money sufficient to pay such Bonds when the same are presented by the Holders thereof for payment (upon which sum the Trustee shall not be required to pay interest); provided, however, that the partial redemption of any Bonds shall be subject to the provisions of any Home Office Payment Agreement in effect with respect thereto. All liability of the Board to the Holders of such Bonds and all rights of such Holders against the Board under the Bonds or under the Indenture shall thereupon cease and terminate, and the sole right of such Holders shall thereafter be against such deposit. If any Bond shall not be presented for payment within a period of five (5) years following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall, subject to the provisions of any applicable escheat or other similar law, return to the Board any moneys theretofore held by it for payment of such Bond, and such Bond shall (subject to the defense of any applicable statute of limitation) thereafter be an unsecured obligation of the Board.

Section 17.4 **Payments Due on Saturdays, Sundays and Holidays.** In any case where the date of maturity of the principal of or the interest or premium (if any) on the Bonds, or the redemption date of any Bonds, shall be, at the locale of payment, a Saturday, Sunday or legal holiday or a day on which banking institutions are authorized or obligated by law to close, then payment of such principal, interest and premium (if any) need not be made on such date, but may be made on the next succeeding business day not a Saturday, Sunday or a legal holiday or a day upon which banking institutions are authorized or obligated by law to close, with the same force

and effect as if made on such date of maturity or such redemption date, and no interest shall accrue for the period after such date of maturity or such redemption date, as the case may be.

Section 17.5 Form of Requests, etc., by Bondholders. Any request, direction or other instrument required to be signed or executed by Bondholders may be in any number of concurrent instruments of similar tenor, signed, or executed in person or by agent appointed in writing. Such signature or execution may be proved by the certificate of a notary public or other officer at the time authorized to take acknowledgments to deeds to be recorded in the State of Alabama, stating that the signer was known to him and acknowledged to him the execution thereof.

Section 17.6 Limitation of Rights. Nothing contained herein or in the Bonds shall confer any right on anyone other than the Board, the Trustee, the Company and the Bondholders; provided, however, that anything contained herein or in the Lease to the contrary notwithstanding, the Company shall have no rights hereunder at any time during which a Lease Default shall have occurred and be continuing.

Section 17.7 Manner of Proving Ownership of Bonds. The ownership at any given time of any Bond may be proved by a certificate of the Trustee stating that on the date stated the Bond described was registered on its books in the name of the stated party.

Section 17.8 Granting of Utility and Access Easements. Any other provisions hereof to the contrary notwithstanding, the Board may grant such utility, access and other similar easements, permits and rights-of-way over, across or under the Project Site as shall be requested in writing by the Company and as shall be permitted by the Easement and License Agreement, provided that in connection with the grant of each such easement, permit or right-of-way the Trustee is furnished a certificate of the Company signed by an Authorized Company Representative stating that such easement, permit or right-of-way is, or will be, useful or necessary in the operation of the Project and will not materially interfere with or impair the use of the Project for the purpose for which it was acquired or is held by the Board.

Section 17.9 Indenture Governed by Alabama Law. The Indenture and the rights and obligations of the parties hereto (including third party beneficiaries) shall be governed, construed and interpreted according to the laws of the State of Alabama.

Section 17.10 Notices. All notices, demands, requests and other communications hereunder shall be deemed sufficient and properly given if in writing and delivered in person to the following addresses or received by certified or registered mail, postage prepaid with return receipt requested, at such addresses:

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(a) If to the Board:

The Industrial Improvement Board of
Shelby County
Shelby County Courthouse
Columbiana, Alabama 35051
Attention: Chairman of the Board of Directors

(b) If to the Company:

Cook Publications, Inc.
Post Office Box 10567
Birmingham, Alabama 35202
Attention: President

(c) If to the Shareholder:

A. Philip Cook, Jr.
Post Office Box 10567
Birmingham, Alabama 35202

(d) If to the Trustee:

AmSouth Bank N.A.
Post Office Box 11426
Birmingham, Alabama 35202
Attention: Corporate Trust Administration

Notices or other communications to Bondholders shall be mailed or otherwise delivered to their respective addresses as shown on the registry books of the Trustee pertaining to the Bonds.

Any of the above-mentioned parties may, by like notice, designate any further or different addresses to which subsequent notices shall be sent. The Trustee and the Board will send a copy of each notice that either thereof gives to the other pursuant to the provisions hereof to the Company so long as no Lease Default shall have occurred and be continuing; provided, however, that the failure of either the Board or the Trustee to send a copy of any such notice to the Company shall not invalidate such notice or render it ineffective unless notice to either of such parties is otherwise expressly required herein. Any notice hereunder signed on behalf of the notifying party by a duly authorized attorney at law shall be valid and effective to the same extent as if signed on behalf of such party by a duly authorized officer or employee.

Section 17.11 Severability. In the event that any provision hereof shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 17.12 Article and Section Captions. The article and section headings and captions contained herein are included for convenience only and shall not be considered a part hereof or affect in any manner the construction or interpretation hereof.

IN WITNESS WHEREOF, the Board has caused this Indenture to be executed in its corporate name and behalf by the Chairman of the Directors, has caused its corporate seal to be hereunto affixed and has caused this Indenture to be attested by its Secretary, and the Trustee, to evidence its acceptance of the trusts hereby created, has caused this Indenture to be executed in its name and behalf, has caused its seal to be hereunto affixed and has caused this Indenture to be attested, by its duly authorized officers, all in seven (7) counterparts, each of which shall be deemed an original, and the Board and the Trustee have caused this Indenture to be dated as of May 1, 1984, although actually executed and delivered on May 19, 1984.

THE INDUSTRIAL DEVELOPMENT BOARD
OF SHELBY COUNTY

By [Signature]
Chairman of its Board of Directors

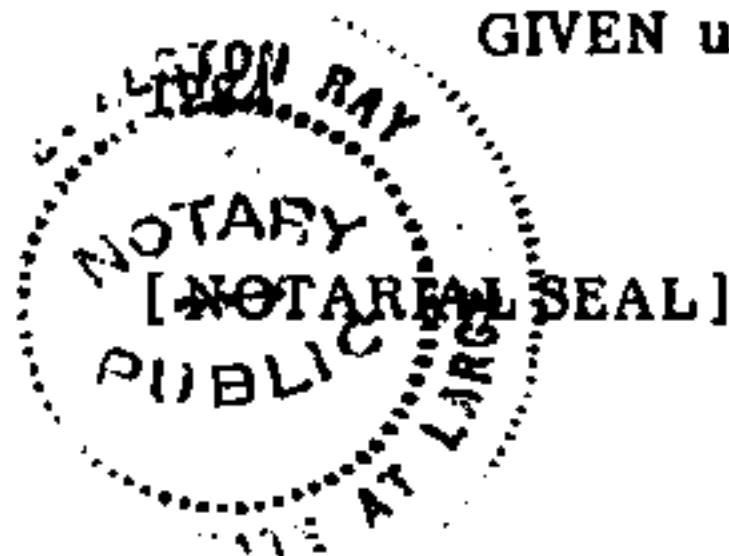
AMSOUTH BANK N.A.
By [Signature]
Its VICE PRESIDENT AND
CORPORATE TRUST OFFICER

ATTEST:
[Signature]
ASSISTANT VICE PRESIDENT
AND CORPORATE TRUST OFFICER

STATE OF ALABAMA)
Shelby COUNTY)

I, the undersigned, a Notary Public in and for said county in said state, hereby certify that M. M. ARGO, JR., whose name as Chairman of the Board of Directors of THE INDUSTRIAL DEVELOPMENT BOARD OF SHELBY COUNTY, a public corporation and instrumentality under the laws of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said public corporation.

GIVEN under my hand and official seal of office this 17th day of May,



E. Lester Ray
Notary Public

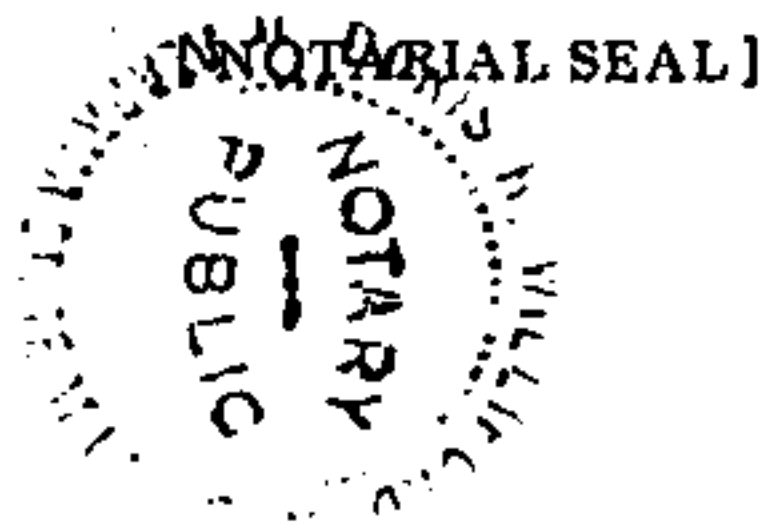
My Commission Expires: 9/9/85

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STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said county in said state, hereby certify that JOHN T. BROWN, whose name as VICE PRESIDENT AND CORPORATE TRUST OFFICER of AMSOUTH BANK N.A., a national banking association, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said association.

GIVEN under my hand and official seal of office this 18th day of May, 1984.



Doris A. Willard
Notary Public

My Commission Expires: My Commission Expires April 9, 1985

EXHIBIT A

to
MORTGAGE AND TRUST INDENTURE
between
THE INDUSTRIAL DEVELOPMENT BOARD
OF SHELBY COUNTY
and
AMSOUTH BANK N.A.
dated as of May 1, 1984

The Existing Equipment referred to in the Mortgage and Trust Indenture of which this Exhibit A forms a part initially consists of the following:

One Goss Eight-Unit, Two Folder Signature HV Press, Serial Nos. S-2510 and S-2517, and all related equipment, including parts, accessories and attachments, together with all additions, attachments, accessories and improvements thereto

EXHIBIT B

to
MORTGAGE AND TRUST INDENTURE
between
THE INDUSTRIAL DEVELOPMENT BOARD
OF SHELBY COUNTY
and
AMSOUTH BANK N.A.
dated as of May 1, 1984

The New Equipment referred to in the Mortgage and Trust Indenture of which this Exhibit B forms a part initially consists of the following:

One Cary Ribbon Deck
One 60 Horsepower Fincor Motor
One Diplomat Horizontal Camera and Related Computer System
One Royal Zenith Two-Color 19x25 Press
One Model 108 Counterveyor

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

1984 MAY 25 PM 12:55

Thomas H. [Signature]
JUDGE OF PROBATE

Rec 141.00
Ind 1.00
142.00