

Counterpart No. 1

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MORTGAGE AND INDENTURE OF TRUST

between

THE INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF MONTEVALLO, ALABAMA

and

CENTRAL BANK OF THE SOUTH,  
as Trustee

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Dated as of November 1, 1984

\$650,000  
The Industrial Development Board of the City of Montevallo, Alabama  
Industrial Development Revenue Bond  
(Metrock Steel and Wire Company Project), Series 1984

## MORTGAGE AND INDENTURE OF TRUST

THIS MORTGAGE AND INDENTURE OF TRUST, made and entered into as of the 1st day of November, 1984, by and between THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF MONTEVALLO, ALABAMA, a public corporation duly organized and existing under the laws of the State of Alabama (the "Board"), and CENTRAL BANK OF THE SOUTH, a banking association duly organized and existing under and by virtue of the laws of the State of Alabama having power and authority to accept and execute trusts, and having its principal office in the City of Birmingham, Alabama, as Trustee (the "Trustee");

### W I T N E S S E T H:

WHEREAS, the Board has been heretofore organized under and is authorized by Act No. 648 adopted at the 1949 Regular Session of the Legislature of the State of Alabama, as amended (such statute, as heretofore or hereafter amended or supplemented, is hereinafter sometimes referred to as the "Act"), to acquire, construct, enlarge, improve, equip, maintain, lease, and dispose of one or more "Projects" as defined in the Act; and

WHEREAS, the Board has made the necessary arrangements with the Lessee, hereinafter defined, for acquiring real property and the buildings, facilities and improvements located thereon, hereinafter defined and referred to as the "Project", which will be of the character and accomplish the purposes provided by the Act and will promote industry, develop trade, and further the use of the agricultural products and the natural and human resources of the State of Alabama, and the Board concurrently herewith further entered into a Lease Agreement with the Lessee specifying the terms and conditions of the acquisition, installation and equipping of the Project and the leasing of the same to the Lessee, which Lease Agreement was authorized by a resolution duly adopted and approved by the Board, which Lease Agreement will be duly recorded in the office of the Judge of Probate of the County in which the Project is situated, contemporaneously with placing this Mortgage and Indenture of Trust on record with said Judge of Probate, and to which Lease Agreement reference may be made by any interested person for the rental, terms, conditions and obligations of the parties thereto (hereinafter sometimes referred to as the "Lease"); and

WHEREAS, it has been determined that the estimated amount necessary to finance the cost of the acquisition, construction, installation and equipping of the Project, including necessary expenses incidental thereto, will require the issuance, sale and delivery of its Industrial Development Revenue Bond Metrock Properties Project) in the principal amount of \$650,000 (the "Series 1984 Bond") as hereinafter provided; and

WHEREAS, the execution and delivery of this Mortgage and Indenture of Trust (hereinafter sometimes referred to as the "Indenture"), and the issuance of the Bonds under the Act have been in all respects duly and validly authorized by resolution duly passed and approved by the Board; and

WHEREAS, it is anticipated that additional moneys may be necessary to finance the cost of the completion of the Project or to acquire, construct and install additional facilities to serve the Project or to refund bonds issued hereunder, and provision should be and has been made herein for the issuance from time to time of additional bonds ranking on a parity with the Series 1984 Bond; and

WHEREAS, the Board has determined that the Series 1984 Bond to be issued hereunder and the certificate of authentication by the Trustee to be endorsed on such Bond shall be substantially in the following form, with such variations, omissions and insertions as are required or permitted by this Mortgage and Indenture of Trust:

[FORM OF BOND]

No. R-1

\$650,000

UNITED STATES OF AMERICA

STATE OF ALABAMA

THE INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF MONTEVALLO, ALABAMA  
INDUSTRIAL DEVELOPMENT REVENUE BOND  
(METROCK STEEL AND WIRE COMPANY PROJECT)  
SERIES 1984

KNOW ALL MEN BY THESE PRESENTS that The Industrial Development Board of the City of Montevallo, Alabama (the "Board"), a public corporation duly organized and existing under the laws of the State of Alabama, for value received, hereby promises to pay, solely from the special fund hereinafter described, to

CENTRAL BANK OF THE SOUTH,

or registered assigns or legal representative, the principal sum of

SIX HUNDRED AND FIFTY THOUSAND DOLLARS (\$650,000)

said principal sum being due and payable (subject to prior redemption as hereinafter provided) in eighty-four (84) consecutive monthly principal installments commencing December 1, 1984 and to and including November 1, 1991 in accordance with Schedule A attached to this bond, except that in any event all outstanding and unpaid principal of this bond shall be due and payable on November 1, 1991 unless earlier paid in accordance herewith.

Interest on the unpaid principal balance hereof shall be payable monthly from the date hereof on the first day of each month, commencing December 1, 1984, at a rate of seventy-five percent (75%) of Prime (as hereafter defined) to be adjusted daily with each corresponding change in Central Bank Prime. "Central Bank Prime" means the reference rate established and denominated as such by Central Bank of the South, and quoted as such by Central Bank of the South to the public upon the request or inquiry, which such reference rate is subject to change (increase or decrease) at the discretion of Central Bank of the South, and is only one of the reference rates or indices used by Central Bank of the South for such purposes, as said reference rate shall be in effect from time to time. By acceptance of this Bond, the holder hereof acknowledges that Central Bank of the South may from time to time make loans or otherwise extend credit at rates of interest greater than or less than Prime as hereinabove defined: Interest shall accrue on all past due principal, premium and interest on this Bond, at Central Bank Prime plus 2%, or the highest rate allowed by applicable law, whichever is the lesser, and be payable on demand from the Trustee or the holder hereof. The interest rate applicable to this bond shall be adjusted daily with each corresponding change in Prime, and interest shall be calculated by multiplying the product of the principal amount outstanding and the applicable rate by the actual number of days elapsed, and dividing by 360.

All payments of principal and interest hereon shall be made to the registered owner hereof by check mailed to such registered owner at his address as it appears on the registration books maintained by Central Bank of the South, as Trustee (the "Trustee") under the hereinafter mentioned Mortgage and Indenture of Trust; provided, however, that payment of the final installment of principal hereon shall be made only upon the surrender hereof at the principal office of the Trustee.

By acceptance hereof, the registered owner hereof covenants and agrees to note all payments of principal and interest hereon prior to any transfer or attempted transfer hereof. 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 HEREON OR ON ANY PAYMENT RECORD PERTAINING HERETO.

The Board is a public corporation organized under the provisions of Act No. 648 enacted at the 1949 Regular Session of the Legislature of Alabama, as amended and supplemented (the "Act"), and the Bonds (hereinafter mentioned) are authorized to be issued for purposes for which bonds are authorized to be issued under the provisions of the Act. The principal, premium, if any, and interest on the Bonds are payable solely from the revenues and receipts derived by the Board from the ownership and leasing and any sale of the Project (hereinafter mentioned), which revenues and receipts are specifically pledged to the payment thereof in the manner and to the extent specified in the Mortgage and Indenture of Trust (hereinafter mentioned). The Bonds are further secured by a mortgage upon and security interest in the Project (hereinafter defined) and by an assignment by the Board to the Trustee of its rights, title and interests in and to the Lease (other than certain rights of indemnification). The Series 1984 Bond is further secured by a mortgage upon the real estate, structures and

improvements into which the Project will be incorporated and the acquisition of which are to be financed with the proceeds of the Board's Industrial Development Revenue Bond (Metrock Properties Project), Series 1984 in the principal amount of \$350,000 (the "Plant Bond") for and on behalf of Metrock Properties, an Alabama general partnership (the "Partnership"), which lien is subordinate to the lien thereon granted on behalf of the holder or holders of the Plant Bond. In addition, the Series 1984 Bond is secured by a guaranty of payment, jointly and severally, from each of the general partners of the Partnership (collectively the "Individual Guarantors") to the Trustee and by a guaranty of payment from the Lessee (hereinafter defined) to the Trustee. Pursuant to a Mortgage and Security Agreement dated as of November 1, 1984 (the "Security Agreement"), the Lessee has granted a lien on and assignment of certain of its properties and interests to the Trustee to secure, pro rata with its guaranty of the Plant Bond, its obligations under its guaranty of payment of the Series 1984 Bond. The Bonds and the interest thereon shall not be deemed to constitute a debt, liability or obligation of or a pledge of the faith and credit of Shelby County, Alabama, the City of Montevallo, Alabama, the State of Alabama or any political subdivision thereof and neither the faith and credit nor the taxing power of Shelby County, the City of Montevallo, Alabama, or the State of Alabama or any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds.

This bond constitutes the entire duly authorized first series of bonds of the Board issued under the hereinafter mentioned Mortgage and Indenture of Trust in the principal amount of \$650,000 and known as the "Industrial Development Revenue Bond (Metrock Steel and Wire Company Project), Series 1984" (the "Series 1984 Bond"), issued for the purpose of paying all or a portion of the cost of acquiring and installing machinery, equipment and other tangible personal property (the "Project") for use and operation in connection with the approximately 52 acres of real estate in Shelby County, Alabama and the approximate 81,000-square foot manufacturing and distribution facility located thereon to be acquired with the proceeds of the Plant Bond (said real estate, buildings and other facilities financed with the proceeds of the Plant Bond are herein referred to as the "Plant"), all of which is located in Shelby County, Alabama, and within the geographical area of operation of the Board. The Mortgage and Indenture of Trust also provides for the issuance, under the conditions, limitations and restrictions therein set forth, of additional series of bonds on a parity with all other bonds issued under the Mortgage and Indenture of Trust, for the purpose of paying all or any part of the cost of acquiring and installing the Project, and for the purpose of providing funds for refunding bonds of any series issued under the provisions of the Mortgage and Indenture of Trust. The Plant is leased to the Partnership pursuant to a Lease Agreement with the Board dated as of November 1, 1984 (the "Plant Lease"), and subleased by the Partnership to Metrock Steel and Wire Company, Inc. (the "Lessee") pursuant to a Sublease Agreement dated as of November 1, 1984 (the "Sublease").



The Series 1984 Bond and all such additional bonds (herein called collectively the "Bonds") are issued or are to be issued under and are equally and ratably secured by the Mortgage and Indenture of Trust (together with all indentures supplemental thereto as therein permitted, being hereinafter called the "Indenture"), dated as of the 1st day of November, 1984, by and between the Board and the Trustee. Executed counterparts of the Indenture are on file at the principal office of the Trustee. Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of Bonds issued under the Indenture, the collection and disposition of revenues, a description of the funds charged with and pledged to the payment of the principal of, premium, if any, and interest on the Bonds, the nature and extent of the security for the Bonds, the terms and conditions under which the Bonds are or may be issued, the rights, duties and obligations of the Board and of the Trustee and the rights of the holders of the Bonds. By the acceptance of this Bond, the holder hereof assents to all of the provisions of the Indenture.

This Bond is issued and the Indenture was made and entered into under and pursuant to the Constitution and laws of the State of Alabama, and particularly the Act and under and pursuant to a resolution duly adopted by the Board.

The Board has entered into a Lease Agreement, dated as of November 1, 1984 (herein called the "Lease") with the Lessee, pursuant to which the Board has leased the Project to the Lessee and the Lessee has leased the Project from the Board. Under the terms of the Lease, the Lessee must pay to the Board rental payments fully sufficient to pay the principal of, premium, if any, and interest on the Bonds as the same shall become due and payable. The Lease provides that the rental payments shall be paid directly to the Trustee for the account of the Board and shall be deposited to the credit of a special fund created by the Indenture and designated "The Industrial Development Board of the City of Montevallo Industrial Development Series 1984 Bond Fund -- Metrock Steel and Wire Company Project" (herein called the "Bond Fund") which special fund is pledged to and charged with the payment of the principal of, premium, if any, and interest on all Bonds issued under the Indenture, and such rental payments have been duly pledged and assigned for that purpose. In addition, all other rights of the Board under the Lease have been assigned to the Trustee and the Project has been mortgaged to the Trustee under the Indenture as security for the payment of the principal of, premium, if any, and interest on the Bonds. The Bonds are further secured by a Mortgage on the Plant, which such lien is subordinate to the lien granted for the benefit of the holders from time to time of the Plant Bond, and by an assignment from the Lessee to the Trustee, pursuant to an Assignment Agreement dated as of November 1, 1984, of the rights, titles and interests of the Lessee under the Sublease, and by the lien on and assignment of certain properties and interests of the Lessee to the Trustee pursuant to the Security Agreement.

The Series 1984 Bond is issuable only as a single registered Bond without coupons in the denomination of \$650,000. Additional Bonds are issuable only as fully registered Bonds in denominations of

\$5,000 or any integral multiple thereof. At the principal office of the Trustee, in the manner and subject to the limitations, conditions and charges provided in the Indenture, Bonds may be exchanged for an equal aggregate principal amount of other Bonds of the same series and maturity, of authorized denominations and bearing interest at the same rate.

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The Series 1984 Bond is callable for redemption prior to maturity in the event (1) of damage to or destruction of the Project or any part thereof or condemnation of the Project or any part thereof in whole or in part to the extent provided in Sections 7.1(d) or 7.2(c) of the Lease or in whole in the circumstances described in Sections 7.1(c) or 7.2(a)(2) of the Lease, or (2) the Lessee shall exercise its option to purchase the Project as provided in Section 11.2 of the Lease or (3) the occurrence of an Adjudication of Invalidity (as hereinafter defined) or (4) the occurrence of a Determination of Taxability (as defined in the Indenture) under the circumstances set forth in Section 8.8 of the Lease. If called for redemption as provided in (1) or (2) of the foregoing, the Series 1984 Bond shall be redeemed at any time, in whole or (in case of redemption pursuant to Sections 7.1(d) or 7.2(c) of the Lease) in part, at a redemption price equal to the unpaid principal amount of the Series 1984 Bond to be redeemed, plus accrued interest thereon to the date of redemption. If called for redemption as provided in (3) of the foregoing, the Series 1984 Bond must be redeemed as a whole within fifteen (15) days after the occurrence of an Adjudication of Invalidity, at a redemption price equal to the total unpaid principal amount of the Series 1984 Bond plus accrued interest to the date of redemption. If called for redemption as provided in (4) of the foregoing, the Series 1984 Bond must be redeemed within sixty (60) days after the occurrence of a Determination of Taxability (as defined in the Indenture), in whole at a redemption price equal to the total unpaid principal amount of such Bond, plus accrued interest thereon to the date of redemption. In addition, in the event of the occurrence of a Determination of Taxability under the circumstances described in Section 8.8 of the Lease, the Board shall pay to each holder or former holder of the Series 1984 Bond as to which the Determination of Taxability is applicable:

(i) Additional interest on the Series 1984 Bond (hereinafter defined) in the amount of the interest which would have accrued on the Series 1984 Bond from and after the Taxability Date (hereinafter defined) until the date of redemption as described above had the Series 1984 Bond borne interest during such period at a per annum rate equal to Central Bank Prime plus 2%, less the amount of interest which was actually paid on the Series 1984 Bond during such period; plus

(ii) the amount of any interest, penalties, or additions to federal income tax which have been paid or are payable by such holder or former holder of such Series 1984 Bond, as a result of the failure to include interest on such Bond in the federal gross income of such holder or former holder; plus

(iii) the reasonable costs and expenses (including fees and expenses of attorneys, accountants and other professional advisors) incurred by each such holder or former holder of the Series 1984 Bond in connection with such Determination of Taxability.

"Taxability Date" shall mean the earliest date from which interest paid in respect of the Series 1984 Bond as to which a Determination of Taxability has occurred is determined to be or has been includable for federal income tax purposes in the gross income of a holder or former holder, as the case may be, of the Series 1984 Bond. The sums payable by the Board to a holder or former holder of a Series 1984 Bond shall be payable, in the case of additional interest payable under (i) above, within 10 days after the occurrence of a Determination of Taxability, and in the case of payments under (ii) or (iii) above, within 10 days after the receipt by the Board and the Lessee of an invoice therefor from the holder or a former holder of the Series 1984 Bond reflecting in reasonable detail its payment of such amounts or the obligation therefor.

As used herein the term "Adjudication of Invalidity" shall mean an adjudication by a court of competent jurisdiction that the Board lacks or lacked the power to issue the Series 1984 Bond or to enter into the Lease or the Indenture or to perform or fulfill any material obligation or responsibility thereunder, or that the Series 1984 Bond is otherwise invalid for any reason whatsoever, including, without limitation, any invalidity or irregularity in any proceedings relating to the issuance thereof.

The Series 1984 Bond is also subject to mandatory redemption, in whole or in part, without premium or penalty, on the next succeeding interest payment date in amount equal to the moneys, if any, remaining in the Construction Fund (as defined in the Indenture) after completion of the Project.

The Series 1984 Bond also is subject to optional redemption by the Board (at the direction of the Lessee) prior to maturity in whole at any time or in part (in multiples of \$1,000) on any interest payment date, at a redemption price equal to the principal amount of the Series 1984 Bond so redeemed, plus accrued interest thereon to the redemption date.

Upon the call of the Series 1984 Bond or any part thereof for redemption as aforesaid, notice thereof identifying the portion of such Bond to be redeemed, the date fixed for redemption, and the redemption price, will be mailed to each owner of the Series 1984 Bond at the address thereof as it appears on the registration books maintained by the Trustee, at least 10 days before the date of redemption of such Bond.

On the date designated for redemption, notice having been mailed as provided in the Indenture, the Series 1984 Bond or the portion thereof so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bond or such portion thereof on such date, and if sufficient moneys or



Government Obligations (as defined in the Indenture) which will provide sufficient moneys for payment of the redemption price (including any applicable premium) and accrued interest shall be held by the Trustee, interest on such Bond or such portion thereof so called for redemption shall cease to accrue, such Bond, or such portion thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture, and the holder or registered owner thereof shall have no rights in respect of such Bond or such portion thereof so called for redemption, except to receive payment of the redemption price and accrued interest thereon so held by the Trustee. If a portion of this Bond shall be called for redemption, a new registered Bond without coupons, of the same series and maturity and bearing interest at the same rate, in principal amount equal to the unredeemed portion hereof, will be issued to the registered owner upon the surrender hereof or, at the option of the registered owner, an appropriate notation of such partial redemption will be made by the Trustee on the Table of Partial Redemptions appearing hereinbelow.

The transfer of this Bond may be registered by the registered owner hereof in person or by his attorney or legal representative at the principal office of the Trustee, but only in the manner and subject to the limitations and conditions provided in the Indenture and upon surrender and cancellation of this Bond. Upon any such registration of transfer the Board shall execute and the Trustee shall authenticate and deliver in exchange for this Bond a new registered Bond registered in the name of the transferee, in a principal amount equal to the unpaid principal amount of this Bond, of the same series and maturity and bearing interest at the same rate.

The holder of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds issued under the Indenture and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with accrued interest thereon. Modifications or alterations of the Indenture, or of any supplements thereto, may be made only to the extent and in the circumstances permitted by the Indenture.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of the State of Alabama to happen, exist and be performed precedent to and in the issuance of this Bond, and the execution and delivery of the Indenture, have happened, do exist and have been performed as so required.

This Bond shall not be entitled to any benefit under the Indenture nor shall it become valid or obligatory for any purpose until it shall have been authenticated by execution by the Trustee of the certificate endorsed hereon.

IN WITNESS WHEREOF, The Industrial Development Board of the City of Montevallo, Alabama has caused this Bond to be executed in its name by the manual signature of the Interim Chairman of its Board of Directors and has caused its official corporate seal to be impressed hereon and attested by the manual signature of its Interim Secretary, all as of the \_\_\_\_\_ day of November, 1984.

THE INDUSTRIAL DEVELOPMENT BOARD OF  
THE CITY OF MONTEVALLO, ALABAMA

By \_\_\_\_\_ (manual)  
Interim Chairman of the Board of  
Directors

[Seal]

Attest: \_\_\_\_\_ (manual)  
Interim Secretary

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[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

CERTIFICATE OF AUTHENTICATION

The above Bond is the Series 1984 Bond described in the above-mentioned Mortgage and Indenture of Trust.

CENTRAL BANK OF THE SOUTH,  
Birmingham, Alabama, as Trustee

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

[FORM OF SCHEDULE OF PAYMENTS]

SCHEDULE OF PAYMENTS

<u>Due Date</u>	<u>Principal Payment</u>	<u>Outstanding Principal Balance</u>	<u>Interest Payment</u>	<u>Date Paid</u>
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[FORM OF TABLE OF PARTIAL REDEMPTIONS]

TABLE OF PARTIAL REDEMPTIONS

Upon all partial redemptions the above Bond may be surrendered to the Trustee for the appropriate notation by it on the table below.

<u>Date</u>	<u>Amount Redeemed</u>	<u>Remaining Unpaid Principal Amount</u>	<u>Signature of Trustee</u>
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[Schedule A follows on the succeeding pages]

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\$650,000

SCHEDULE A

<u>Date</u>	<u>Principal Maturing</u>
December 1, 1984	5,479.79
January 1, 1985	5,523.17
February 1, 1985	5,566.89
March 1, 1985	5,610.96
April 1, 1985	5,655.38
May 1, 1985	5,700.16
June 1, 1985	5,745.28
July 1, 1985	5,790.77
August 1, 1985	5,836.61
September 1, 1985	5,882.82
October 1, 1985	5,929.39
November 1, 1985	5,976.33
December 1, 1985	6,023.64
January 1, 1986	6,071.33
February 1, 1986	6,119.39
March 1, 1986	6,167.84
April 1, 1986	6,216.67
May 1, 1986	6,265.88
June 1, 1986	6,315.49
July 1, 1986	6,365.49
August 1, 1986	6,415.88
September 1, 1986	6,466.67
October 1, 1986	6,517.87
November 1, 1986	6,569.47
December 1, 1986	6,621.47
January 1, 1987	6,673.89
February 1, 1987	6,726.73
March 1, 1987	6,779.98
April 1, 1987	6,833.66
May 1, 1987	6,887.76
June 1, 1987	6,942.29
July 1, 1987	6,997.25
August 1, 1987	7,052.64
September 1, 1987	7,108.47
October 1, 1987	7,164.75
November 1, 1987	7,221.47
December 1, 1987	7,278.64
January 1, 1988	7,336.26
February 1, 1988	7,394.34
March 1, 1988	7,452.88
April 1, 1988	7,511.88
May 1, 1988	7,571.35
June 1, 1988	7,631.29
July 1, 1988	7,691.70
August 1, 1988	7,752.60
September 1, 1988	7,813.97
October 1, 1988	7,875.83
November 1, 1988	7,938.18
December 1, 1988	8,001.03

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SCHEDULE A -- \$650,000 (cont'd)

<u>Date</u>	<u>Principal Maturing</u>
January 1, 1989	8,064.37
February 1, 1989	8,128.21
March 1, 1989	8,192.56
April 1, 1989	8,257.42
May 1, 1989	8,322.79
June 1, 1989	8,388.68
July 1, 1989	8,455.09
August 1, 1989	8,522.02
September 1, 1989	8,589.49
October 1, 1989	8,657.49
November 1, 1989	8,726.03
December 1, 1989	8,795.11
January 1, 1990	8,864.74
February 1, 1990	8,934.92
March 1, 1990	9,005.65
April 1, 1990	9,076.95
May 1, 1990	9,148.81
June 1, 1990	9,221.23
July 1, 1990	9,294.23
August 1, 1990	9,367.81
September 1, 1990	9,441.98
October 1, 1990	9,516.73
November 1, 1990	9,592.07
December 1, 1990	9,668.00
January 1, 1991	9,744.54
February 1, 1991	9,821.69
March 1, 1991	9,899.44
April 1, 1991	9,977.81
May 1, 1991	10,056.80
June 1, 1991	10,136.42
July 1, 1991	10,216.67
August 1, 1991	10,297.55
September 1, 1991	10,379.07
October 1, 1991	10,461.24
November 1, 1991	10,302.91

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WHEREAS, all things necessary to make the Series 1984 Bond, when authenticated by the Trustee and issued as in this Mortgage and Indenture of Trust provided, the valid, binding and legal obligation of the Board according to the import thereof, and to constitute this Mortgage and Indenture of Trust a valid lien on the properties mortgaged hereby and a pledge of the payments herein pledged to the payment of the principal of, premium, if any, and interest on the Series 1984 Bond, have been done and performed, and the execution and delivery of this Mortgage and Indenture of Trust and the execution, issuance and delivery of the Series 1984 Bond, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, THIS MORTGAGE AND INDENTURE OF TRUST WITNESSETH:

That the Board, in consideration of the premises and of the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the Bonds authenticated and delivered hereunder by the holders and owners thereof, and of the sum of One Dollar duly paid to the Board by the Trustee, at or before the execution and delivery of these presents, and for other good and valuable consideration the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, premium, if any, and interest on such Bonds according to their tenor and effect and of all other amounts payable by the Board hereunder and to insure the performance and observance by the Board of all the covenants expressed or implied herein and in the Bonds, does hereby grant, bargain, sell, convey, mortgage, assign, pledge and transfer, and without limitation to the generality of such grant and conveyance does hereby grant a security interest, to the Trustee, and to its successors in trust, and to them and their assigns forever, all of the Board's estate, right, title and interest in, to and under any and all of the following described property, rights and interests (herein called the "Mortgaged Property" or "Trust Estate" or "property herein conveyed"):

1.

Subject and subordinate to the Plant Mortgage and the Plant Lease (as such terms are herein defined), the real estate and premises described on Exhibit "A" hereto, together with all buildings, additions and improvements now or hereafter located thereon or therein or fixtures now or hereafter located thereon or installed therein, including without limitation all lighting, heating, ventilating, air conditioning, sprinkling and plumbing systems, water and power systems, boilers, furnaces, oil burners, elevators, communication systems, transformers and electrical apparatus, other than the machinery, equipment and other tangible personal property described in Granting Clauses II and VII below, with the tenements, hereditaments, appurtenances, rights, privileges and immunities thereunto belonging or appertaining, and the Board hereby warrants the title to the same subject, however, to any "Permitted Encumbrances" as hereinafter defined.

II.

All of the items, if any, of machinery, equipment and other tangible personal property required or permitted in the Lease to be acquired and installed as part of the Project with proceeds from the sale of the Bonds or the proceeds of any payment by the Lessee pursuant to Section 4.6 of the Lease and any item of machinery, equipment and other tangible personal property acquired and installed in substitution therefor and renewals and replacements thereof pursuant to the provisions of Sections 4.1, 6.1, 6.2, 7.1 and 7.2 of the Lease, less such machinery, equipment and other tangible personal property as may be released from the Lease pursuant to Section 6.2 of the Lease or damaged or destroyed and not restored as provided in Section 7.1 of the Lease, or taken by exercise of the power of eminent domain as provided in Section 7.2 of the Lease, but not including any machinery, equipment and other tangible personal property not constituting part of, or installed so as not to constitute part of, the Project under the provisions of Section 6.1(b) of the Lease, subject, however, to Permitted Encumbrances as hereinafter defined. Such machinery, equipment or other tangible personal property, as contemplated on the date hereof, is described on "Exhibit B" hereto.

III.

The rights, titles and interests of the Board under and pursuant to the Lease, all lease rentals, revenues and receipts receivable by the Board from the Project, including, without limitation, all rentals to be received by the Board from the leasing of the Project and in particular the rentals to be received under and pursuant to and subject to the provisions of the Lease Agreement (excluding certain rights of indemnification pursuant to Section 6.4 of the Lease), and pursuant to the terms of which rent is to be paid directly to the Trustee at the principal office of the Trustee for the account of the Board and deposited in the Bond Fund hereinafter identified.

IV.

Subject and Subordinate to the Plant Mortgage, the rights, titles and interests of the Board under and pursuant to the Plant Lease, all lease rentals, revenues and receipts receivable by the Board from the Plant, including, without limitation, all rentals to be received by the Board from the leasing of the Plant and in particular the rentals to be received under and pursuant to and subject to the provisions of the Plant Lease (excluding certain rights of indemnification pursuant to Section 6.4 of the Plant Lease), and pursuant to the terms of which rent is to be paid directly to the Trustee under the Plant Mortgage at the principal office of the Said Trustee for the account of the Board and deposited in the Bond Fund therein identified.

V.

The rights, titles and interests of the Board under and pursuant to the Individual Guaranty and the Corporation Guaranty and all amounts receivable by the Board thereunder.

VI.

The Bond Fund (Account No. 69-70354521 maintained by and at the Trustee at its principal corporate office in Birmingham, Alabama), and all other funds and accounts established from time to time under the terms of this Indenture for the payment of the Bonds.

VII.

Subject and subordinate to the Plant Mortgage and the Plant Lease, all of the items, if any, of machinery, equipment and other tangible personal property required or permitted in the Plant Lease to be acquired and installed as part of the Project (as defined in the Plant Lease) with proceeds from the sale of the Plant Bond or the proceeds of any payment by the Partnership pursuant to Section 4.6 of the Plant Lease and any item of machinery, equipment and other tangible personal property acquired and installed in substitution therefor and renewals and replacements thereof pursuant to the provisions of Sections 4.1, 6.1, 6.2, 7.1 and 7.2 of the Plant Lease, less such machinery, equipment and other tangible personal property as may be released from the Plant Lease pursuant to Section 6.2 of the Plant Lease or damaged or destroyed and not restored as provided in Section 7.1 of the Plant Lease, or taken by exercise of the power of eminent domain as provided in Section 7.2 of the Plant Lease, but not including any machinery, equipment and other tangible personal property not constituting part of, or installed so as not to constitute part of, the Project (as defined in the Plant Lease) under the provisions of Section 6.1(b) of the Plant Lease, subject, however, to Permitted Encumbrances as defined in the Plant Lease. Such machinery, equipment or other tangible personal property, as contemplated on the date hereof, is described on "Exhibit C" hereto.

VIII.

Any and all other real or personal property of every kind and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred, as and for additional security hereunder by the Board or by anyone in its behalf, or with its written consent to the Trustee which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

IX.

Subject and subordinate to the Plant Mortgage and the Plant Lease, the rights, titles and interests of the Board in and to the Subleases and the Sublease Rights pursuant to Section 5.6 of the Plant Lease.

X.

All proceeds, cash or noncash (including, but not limited to, all inventory, account, chattel paper documents, instruments, equipment, fixtures, farm products, consumer goods and general intangibles acquired with cash proceeds of any of the property described above), of any of the foregoing types or items of property described in Granting Clauses I, II, III, IV, V, VI, VII, VIII or IX.

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successors in said trust and to them and their assigns forever;

IN TRUST, NEVERTHELESS, upon the terms and trusts herein set forth, for the equal and proportionate benefit, security and protection of all holders of the Bonds issued or to be issued under and secured by this Mortgage and Indenture of Trust, without preference, priority or distinction as to lien or otherwise of any of such Bonds over any of the others except as herein expressly provided;

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, or shall provide for such payment as specified in Article IX hereof, and shall pay or cause to be paid all other sums payable hereunder by it, then this Mortgage and Indenture of Trust and the estate and rights granted hereby shall cease, determine and be void; otherwise this Mortgage and Indenture of Trust shall be and remain in full force and effect.

THIS MORTGAGE AND INDENTURE OF TRUST FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all property, rights and interests hereby mortgaged, pledged or assigned are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Board has agreed and covenanted and does hereby agree and covenant with the Trustee and with the respective holders and owners, from time to time, of such Bonds or coupons or any part thereof, as follows:

## ARTICLE I.

### DEFINITIONS

The following words and phrases and others evidently intended as the equivalent thereof shall, in the absence of clear implication herein otherwise, be given the following respective meanings herein:

"Act" means Act No. 648 enacted at the 1949 Regular Session of the Legislature of Alabama, as heretofore amended (appearing as Code of Ala. 1975 §§ 11-54-80 through 11-54-101 and 11-54-120 through 11-54-123), and any further acts supplemental thereto or amendatory thereof.

"Additional Bonds" means additional parity Bonds issued by the Board pursuant to Section 210 hereof.

"Authorized Board Representative" means the person or persons at the time designated to act on behalf of the Board by written certificate furnished to the Lessee and the Trustee, as provided for in the Lease.

"Authorized Lessee Representative" means the person or persons at the time designated to act on behalf of the Lessee by written certificate furnished to the Board and the Trustee as provided for in the Lease.

"Board" means The Industrial Development Board of the City of Montevallo, Alabama, a public corporation duly organized and existing under the laws of the State of Alabama, and its lawful successors and assigns.

"Bond" or "Bonds" means the Series 1984 Bond and all Additional Bonds issued by the Board hereunder.

"Bond Fund" means the Bond principal and interest payment fund created by Section 502 hereof.

"Bond Registrar" means the Trustee, acting as registrar of the Bonds pursuant to Section 1405 hereof.

The term "Bondholder," "bondholder" or "holder of the Bonds" or "owner of the Bond" means the registered owner of any Bond issued hereunder as reflected on the bond registry maintained by the Trustee.

"Building" means the facility to be acquired by the Board pursuant to the provisions of the Plant Mortgage and leased to the Partnership pursuant hereto, and all other buildings, improvements, structures, additions and fixtures now or hereafter located on the Project Site, as the same may at any time exist.



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"Central Bank Prime" means a reference rate established and denominated as such by Central Bank of the South for computing and adjusting interest, and quoted by Central Bank of the South as such to the public upon request or inquiry, which rate is subject to change (increase or decrease) at the discretion of Central Bank of the South, and which is only one of the reference rates or indices that Central Bank of the South uses for such purposes, as said reference rate shall be in effect from time to time.

"Code" means the Internal Revenue Code of 1954, as amended and all regulations and rules promulgated thereunder presently in effect or hereafter adopted.

"Completion Date" means the date of completion of the acquisition, construction and equipping of the Project as the date shall be certified as provided in Section 4.5 of the Lease.

"Construction Fund" means the construction fund created by Section 602 hereof.

"Construction Period" means the period between the beginning of acquisition or construction of the Project or the date on which the Series 1984 Bond is delivered to the original purchaser thereof (whichever is earlier) and the Completion Date.

"Corporation Guaranty" means the Guaranty Agreement dated as of November 1, 1984 from the Lessee to the Trustee with respect to the Lease and the Series 1984 Bond, as from time to time amended, supplemented or extended.

"Corporation Sublease" means that certain Sublease Agreement between the Lessee and the Partnership dated as of the date of execution and delivery hereof, as from time to time amended, supplemented or extended.

"Counsel" means an attorney or firm thereof duly admitted to practice law before the highest court of any state in the United States of America or the District of Columbia. ..

"Determination of Taxability" means a determination that the Federal Income Tax Exemption with respect to the Series 1984 Bond is or has been lost for any reason whatsoever, which determination shall be deemed to have been made upon the occurrence of the first to occur of the following:

- (a) the date on which the Lessee is advised in writing by the Commissioner or any District Director of the Internal Revenue Service that, based upon any filings of the Lessee, or upon any review or audit of the Lessee, or upon any other grounds whatsoever that the interest on the Series 1984 Bond is includable in the gross income of a holder or former holder thereof;

(b) the date on which the Lessee receives notice from the Trustee in writing that the Trustee has been advised by any holder or former holder of the Series 1984 Bond that the Internal Revenue Service has issued a statutory notice of deficiency or similar notice to such holder or former holder which asserts in effect that the interest on such Bond is includable in the gross income of such holder or former holder;

(c) the date on which the Lessee is advised in writing by the Commissioner or any District Director of the Internal Revenue Service or otherwise receives notice that there has been issued a public or private ruling of the Internal Revenue Service or a technical advice memorandum issued by the national office of the Internal Revenue Service that the interest on the Series 1984 Bond is includable for Federal income tax purposes in the gross income of any holder or former holder of such Bond; or

(d) the date on which the Lessee is advised in writing that a final determination, from which no further right of appeal exists, has been made by a court of competent jurisdiction in the United States of America in a proceeding with respect to which the Lessee has been given written notice and an opportunity to participate and defend that the interest on the Series 1984 Bond is includable in the gross income of any holder or former holder of such Bond;

provided, however, no Determination of Taxability shall occur under subparagraph (a), (b) or (c) of this paragraph unless the Lessee has been afforded the opportunity, at its expense, to contest any such conclusion and/or assessment and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined. The Lessee shall be deemed to have been afforded the opportunity to contest if it shall have been permitted to commence and maintain any action in the name of any holder or former holder of the Series 1984 Bond to judgment and through any appeals therefrom or other proceedings related thereto; provided, however, that prior to instituting any such contest the Lessee shall take out and file with the Trustee an appropriate bond for payment of the amounts required to be paid pursuant to this Indenture or the Lease in the event the contest (including any appeals) is ultimately determined adversely to the Lessee.

The term "event of default" means the events specified in Section 1001 hereof.

"Extraordinary Services" and "Extraordinary Expenses" means all services rendered and all expenses incurred by the Trustee under this Indenture other than Ordinary Services and Ordinary Expenses.

"Facility" means the Plant and the Project as the same shall from time to time exist.

"Federal Income Tax Exemption" when used with reference to interest on any Bond means that such interest is not includable for Federal income tax purposes in the gross income (as defined in Section 61 of the Code) of any bondholder (other than a bondholder who is a "substantial user" of the project or a "related person" as provided in §103(b)(13) of the Code).

"Government Obligations" means (a) direct obligations of the United States of America for the payment of which the full faith and credit of the United States of America is pledged, or (b) obligations issued by a person controlled or supervised by and acting as an instrumentality of the United States of America, the payment of the principal of, premium, if any, and interest on which is fully and unconditionally guaranteed as a full faith and credit obligation by the United States of America.

"Guarantor" means each of the Lessee and the Individual Guarantors in their status as guarantors under the Corporation Guaranty or the Individual Guaranty, respectively, collectively referred to as the "Guarantors".

"Indenture" means this Mortgage and Indenture of Trust and other supplemental indentures with the Trustee in pursuance hereof.

"Individual Guarantor" means each of James T. Metrock, Michael Metrock and John M. Metrock and each successor or assign thereof with respect to the rights and obligations of such individual under the Individual Guaranty, collectively referred to as the "Individual Guarantors".

"Individual Guaranty" means the Guaranty Agreement dated as of November 1, 1984 from the Individual Guarantors to Trustee with respect to the Lease and the Series 1984 Bond, as from time to time amended, supplemented or extended.

"Lease" or "Lease Agreement" means the hereinbefore mentioned Lease Agreement between the Board and the Lessee dated as of even date herewith as it may be amended or supplemented pursuant to the terms thereof and Article XIII hereof.

"Leased Equipment" means those items of machinery, equipment and other tangible personal property described in Granting Clause II hereof.

"Lessee" means Metrock Steel and Wire Company, Inc., a corporation organized and existing under the laws of the State of Alabama, and its successors and assigns to the extent permitted herein.

"Mortgaged Property" means the properties comprising the Project which are transferred or conveyed as security hereunder as more particularly described in the Granting Clauses hereof, as well as all other properties which, under the terms of the

Indenture, are or subsequently become subject to the lien of this Indenture, together with the rights, titles and interests of the Lessee in, to and under the Sublease, but excluding all property owned by the Lessee and title to which remains in the Lessee under the terms of the Lease.

"Net Proceeds", when used with respect to any insurance or condemnation award, means the gross proceeds from the insurance or condemnation award with respect to which that term is used remaining after payment of all expenses (including attorney's fees and any Extraordinary Expenses of the Trustee) incurred in the collection of such gross proceeds.

"Ordinary Services" and "Ordinary Expenses" means those services normally rendered and those expenses normally incurred by a trustee under instruments similar to this Indenture.

"Original Purchaser" means Central Bank of the South, Birmingham, Alabama, so long as it is the holder of any of the Bonds.

The terms "outstanding" or "Bonds outstanding" means all Bonds which have been authenticated and delivered by the Trustee under this Indenture, except:

(a) Bonds cancelled after purchase or because of payment at or redemption prior to maturity;

(b) Portions of Bonds to the extent that partial redemption or cancellation thereof has been noted thereon in accordance with Section 304;

(c) Bonds for the payment or redemption of which cash funds or Government Obligations shall have been theretofore deposited with the Trustee (whether upon or prior to the maturity or redemption date of any such Bonds); provided that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given or arrangements satisfactory to the Trustee shall have been made therefor, or waiver of such notice satisfactory in form to the Trustee shall have been filed with the Trustee; and

(d) Bonds in lieu of which others have been authenticated under Section 207 hereof.

The term "payment in full of the Bonds" specifically encompasses the situations described in the second paragraph of Article IX hereof.

"Permitted Encumbrances" means, as of any particular time, (i) liens for ad valorem taxes and special assessments not delinquent or permitted to exist as provided in Section 6.3 of the Lease, (ii) the Lease and this Indenture, (iii) utility, access and other easements, licenses, rights-of-way, restrictions, reservations and exceptions which, according to the certificate of a licensed

engineer (who may be an employee of the Lessee), will not materially interfere with or impair the operations being conducted at the Project (or, if no operations are being conducted therein, the operations for which the Project was designed or last modified), (iv) unfiled and inchoate mechanics', materialmen's or other similar liens for construction work in progress, (v) with respect to the Project, the Plant Lease and the Plant Mortgage so long as the lien thereof shall remain subordinate to the lien of the Lease and this Indenture, (vi) mechanics', materialmen's or other similar liens not then payable or permitted to exist as provided in Section 6.1 of the Lease, (vii) each and every sublease of all or a portion of the Project to the extent permitted and approved pursuant to the provisions of Section 9.1 of the Lease, (viii) with respect to the Plant, Permitted Encumbrances as defined in the Plant Mortgage, and (ix) such minor defects, irregularities, encumbrances, easements, right-of-way and clouds on title as do not, in the aggregate, in the opinion of Counsel materially impair the property affected thereby for the purpose for which it was acquired or is held by the Board.

"Person" means any and all natural persons, firms associations, corporations and public bodies.

"Plans and Specifications" means the plans and specifications prepared by or on behalf of the Lessee for the Project, as the same may be revised from time to time by the Lessee in accordance with Section 4.1 of the Lease.

"Plant" means the Project as defined in the Plant Lease as the same shall from time to time exist, which shall include the Project Site, the Building and the Plant Equipment.

"Plant Bond" means the Industrial Development Revenue Bond (Metrock Properties Project), Series 1984 of the Board in the principal amount of \$350,000 to finance the acquisition and renovation of the Plant.

"Plant Equipment" means the machinery, equipment and other tangible personal property described in Granting Clause VI hereto.

"Plant Lease" means that certain Lease Agreement between the Board and the Partnership dated as of November 1, 1984 relating to the Plant Bond and the Plant.

"Plant Mortgage" means that certain Mortgage and Indenture of Trust between the Board and the Trustee dated as of November 1, 1984 with respect to the Plant.

Terms which refer generally to the payment or the obligation to pay "Principal of and interest on the Bonds" shall also include the payment or the obligation to pay any applicable redemption premium on any Bonds which are called for redemption prior to maturity. In this connection, the terms "principal of and interest on the Bonds" shall be read to include after the word "and" and before the word "interest", the words "redemption premium, if any, and".



"Project" means the Leased Equipment acquired or to be acquired, constructed and/or installed pursuant to the Plans and Specifications, and all other items and types of property hereafter becoming part of the the Leased Equipment or the Project pursuant to the terms of this Indenture or the Lease.

"Project Development Costs" shall include the following:

(a) the cost of the land, interests in land, buildings and structures, if any, acquired by the Board for the Project;

(b) all obligations of the Board or the Lessee incurred for labor and materials (including reimbursements of expenses incurred by the Board or the Lessee as provided in, and payments on contracts executed in the name of the Board or the Lessee pursuant to the Preliminary Agreement dated May 24, 1984, from the Board to the Lessee (as assignee of the Partnership), as amended and supplemented, whereby the Board agreed to issue the Series 1984 Bond in connection with the acquisition, construction, installation and equipping of the Project;

(c) the cost of contract bonds and of insurance of all kinds that may be required or necessary during the course of construction of the Project;

(d) all costs of architectural and engineering services, including the costs of the Board or the Lessee for estimated, preliminary studies, all costs connected with developing the Plans and Specifications, and for supervising construction, as well as for the performance of all other duties required by or consequent upon the proper construction and equipping of the Project;

(e) all expenses incurred in connection with the issuance of the Bonds including without limitation compensation and expenses of the Trustee, legal expenses and fees, costs of printing and engraving, recording and filing fees, compensation of the underwriter or agent, if any, and rating agency fees;

(f) all other costs and expenses which the Board or the Lessee may properly pay or accrue for or in connection with the acquisition, construction, installation or equipping of the Project; and

(g) any sums required to reimburse the Board or the Lessee for advances made by either of them for any of the above items, or for any other costs incurred and for work done by either of them, which are properly chargeable to the Project, whether incurred before or after the date of this Indenture.

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"Project Site" means any real estate and interests in real estate described as leased land in Exhibit "A" attached hereto and by this reference made a part of this Indenture, plus such real estate and interests in real estate as may be added to the Plant Lease pursuant to Section 12.5 thereof, less such real estate and interests in real estate as may be released from the Plant Lease and the provisions of this Indenture pursuant to Section 802 hereof and Section 11.3 of the Plant Lease, or taken by exercise of the power of eminent domain as provided in Section 7.2 of the Plant Lease.

"Refunding Bonds" means the refunding bonds of the Board authorized to be issued pursuant to Section 210 hereof.

"Security Agreement" means that certain Mortgage and Security Agreement dated as of November 1, 1984 between the Trustee and the Corporation.

"Series 1984 Bond" means the Board's Industrial Development Revenue Bond (Metrock Steel and Wire Company Project), Series 1984, in the principal amount of \$650,000, authorized to be issued pursuant to Section 201 hereof.

"Sublease" shall have the meaning ascribed thereto in the Lease.

"Sublease Rights" shall have the meaning ascribed thereto in the Lease.

"Taxability Date" means the earliest date from which interest paid in respect of the Series 1984 Bond as to which a Determination of Taxability has occurred is determined to be or has been includable in the gross income of a holder or former holder, as the case may be, of the Series 1984 Bond.

"Trust Estate" or "property herein conveyed" means the property, rights and interests described in the Granting Clauses hereof.

"Trustee" means Central Bank of the South, Birmingham, Alabama, and its successors and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor at the time serving as successor trustee hereunder.

\* \* \* \* \*

## ARTICLE II.

### THE BONDS

SECTION 201. Authorized Amount of Series 1984 Bond. No Bonds may be issued under the provisions of this Indenture except in accordance with this Article. The total principal amount of the Series 1984 Bond issued hereunder is hereby expressly limited to \$650,000, provided, however, that Additional Bonds may be issued as provided in Section 210 hereof.

SECTION 202. Issuance of Series 1984 Bond. The Series 1984 Bond shall be designated "The Industrial Development Board of the City of Montevallo Industrial Development Revenue Bond (Metrock Steel and Wire Company Project), Series 1984." The Series 1984 Bond shall be dated the date of its authentication and delivery and shall bear interest from that date on the unpaid principal balance thereof at a rate of seventy-five per centum (75%) of Central Bank Prime (such percentage being herein called the "Tax-Exempt Rate"), payable monthly on the first day of each month, beginning November 1, 1984. The interest rate applicable to the Series 1984 Bond shall be adjusted daily with each corresponding change in the Central Bank Prime. Interest shall accrue on all past due principal, premium and interest on the Series 1984 Bond at Central Bank Prime plus 2%, or the highest rate allowed by applicable law, whichever is the lesser, and be payable on demand from the Trustee or any holder of the Series 1984 Bond. Interest on the Series 1984 Bond and all other obligations for the payment of money hereunder or pursuant hereto shall be calculated by multiplying the product of the principal amount outstanding and the applicable rate by the actual number of days elapsed, and dividing by 360.

The Series 1984 Bond shall mature as to principal in 84 consecutive monthly installments, commencing on December 1, 1984 and continuing on the first date of each month thereafter until payment in full in accordance with Schedule A to the form of the Series 1984 Bond set forth herein, except that in all events all outstanding and unpaid principal of the Series 1984 Bond shall be due and payable on November 1, 1991 unless earlier paid in accordance with this Indenture.

SECTION 203. Form of Bonds. The definitive Series 1984 Bond is issuable only as a fully registered, printed or typewritten Bond without coupons in the denomination of \$650,000. Additional Bonds shall be issuable only in fully registered form in the denomination of \$5,000 or any integral multiple thereof. The Bonds shall be substantially in the form hereinabove set forth, with such appropriate variations, omissions and insertions as are permitted or required by this Indenture, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and

regulations of any governmental authority or any usage or requirement of law with respect thereto.

**SECTION 204. Details, Execution and Payment; Limited Obligations.** The Series 1984 Bond initially issued hereunder shall be dated as of the date of its authentication, and shall bear interest from its date. Any Series 1984 Bond issued in exchange for the initially issued Series 1984 Bond shall be dated as of, and shall bear interest from, the latest monthly interest payment date to which interest has been paid on the Bond of such series preceding the date of authentication unless such date of authentication be an interest payment date to which interest is being paid on the Bond of such series, in which case it shall bear interest from such date of authentication.

The Bonds shall be executed by the manual or facsimile signature of the Chairman or Vice-Chairman of the Board of Directors of the Board, and the corporate seal of the Board or a facsimile thereof shall be affixed thereto and attested by the manual signature of the Secretary or an Assistant Secretary of the Board.

In case any officer whose signature or facsimile signature shall appear on any Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery, and also any Bond may be signed by or bear the facsimile signature of such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The principal of and premium, if any, and the interest on the Bonds shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. Payment of the principal of, premium, if any, and interest on the Series 1984 Bond shall be made by the Trustee to the person appearing on the registration books of the Board hereinafter provided for as the registered owner thereof, by check mailed to such registered owner at his address as it appears on such registration books. In the case of redemption or prepayment of a portion of the principal amount of any Bond, such redemption or prepayment shall be made upon the presentation of such Bond for an appropriate endorsement in the Table of Partial Redemptions appearing on such Bond; provided, however, that redemption or prepayment of any portion of the principal of any Bond may be made without presentation as provided in the following paragraph.

By acceptance of such Bond, the owner of any Bond issued hereunder covenants and agrees that prior to any transfer or attempted transfer of such Bond, he will make appropriate notations on the Schedule of Payments appearing on such Bond to reflect payments of principal and interest theretofore made. The owner of any Bond may also enter into a Direct Payment Agreement between such owner and the

Trustee if such agreement provides that such owner shall covenant and agree to make appropriate endorsements on such Bond for prepayments or redemptions of portions of the principal of such Bond and interest on the amount of principal so prepaid or redeemed accrued to such prepayment or redemption date, prior to any transfer of such Bond. Pursuant to such Direct Payment Agreement, and notwithstanding any other provision of this Indenture, the Trustee may pay the principal of any Bond due as a result of a partial redemption thereof (except upon the final maturity), and premium, if any, without any presentment thereof, directly to the registered owner of such Bond at such address or to such account as such owner may from time to time designate. Notwithstanding the above, payment of the entire remaining unpaid amount of principal of each Bond upon the final maturity thereof shall be made upon surrender of such Bond at the principal corporate office of the Trustee.

The Bonds, together with the interest thereon, shall be limited obligations of the Board payable solely from the revenues and other amounts derived from the Board's ownership of the Project and the leasing thereof under the Lease, and from any payments that may be made under the Guaranty, and neither the faith and credit nor the taxing power of the Board, the City of Montevallo, Shelby County, the State of Alabama or any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds.

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SECTION 205. Authentication, Transfer and Ownership of Bonds. Only such of the Bonds as shall have endorsed thereon a certificate of authentication substantially in the form hereinabove set forth, duly executed by the Trustee, shall be entitled to any benefit or security under this Indenture. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Trustee, and such certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Indenture. The Trustee's certificate of authentication on any Bond shall be deemed to have been duly executed if signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time.

The Trustee is hereby appointed as Bond Registrar and as such shall keep books for the registration and for the registration of transfers of Bonds as provided in this Indenture.

The transfer of any Bond may be registered only upon the books kept for the registration and registration of transfer of Bonds upon surrender thereof to the Bond Registrar together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer the Board shall execute and the Trustee shall authenticate and deliver in exchange for such Bond a new Bond, registered in the name of the transferee, in a



principal amount equal to the unpaid principal amount of such Bond, of the same series and maturity and bearing interest at the same rate.

In all cases in which the transfer of Bonds shall be registered hereunder, the Board shall execute and the Trustee shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Indenture. All Bonds surrendered in any such registration of transfer shall forthwith be cancelled by the Trustee. The Board or the Trustee may make a charge for every such registration of transfer of Bonds sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such registration of transfer, and such charge shall be paid before any such new Bond shall be delivered. Neither the Board nor the Trustee shall be required to make any such registration of transfer of Bonds during the fifteen (15) days immediately preceding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, during the fifteen (15) days immediately preceding the selection of Bonds for such redemption or after such Bonds or any portion thereof have been selected for redemption.

As to any Bond, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Bond and the interest thereon shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

Any owner of any Bond is hereby granted power to transfer absolute title thereto by assignment thereof to a bona fide purchaser for value (present or antecedent) without notice of prior defenses or equities or claims of ownership enforceable against his assignor or any person in the chain of title and before the maturity of such Bond. Every prior holder or owner of any Bond shall be deemed to have waived and renounced all of his equities or rights therein in favor of acquiring absolute title thereto and to all rights represented thereby.

**SECTION 206. Delivery of Series 1984 Bond.** Upon the execution and delivery of this Indenture, the Board shall execute the Series 1984 Bond and deliver it to the Trustee, and the Trustee shall authenticate the Series 1984 Bond and deliver it to the Original Purchaser as shall be directed by the Board as hereinafter in this Section 206 provided.

Prior to the delivery by the Trustee of the Series 1984 Bond there shall be filed with the Trustee:

1. A copy, duly certified by the Secretary of the Board, of the resolution by the Board authorizing the issuance of the Series 1984 Bond and the execution, delivery and performance of this Indenture and the Lease.

2. Original executed counterparts of this Indenture, the Lease, the Individual Guaranty, the Corporation Guaranty and the Security Agreement.

3. A request and authorization to the Trustee on behalf of the Board and signed by the Chairman or Vice-Chairman of the Board of Directors of the Board to authenticate and deliver the Series 1984 Bond to the purchaser therein identified upon payment to the Trustee, but for the account of the Board, of a specified sum plus accrued interest, if any, to the date of such delivery. The proceeds of the sale of the Series 1984 Bond shall be paid over to the Trustee and deposited to the credit of the Bond Fund and the Construction Fund as hereinafter provided in Article VI.

4. Such other closing certificates and legal opinions as may be requested by the Trustee or the original purchaser of the Series 1984 Bond.

5. One or more financing statements in form and substance satisfactory to the Original Purchaser duly executed by the Board and/or the Lessee and describing the Mortgaged Property.

6. Unless waived in writing by the Original Purchaser, a copy of a recent perimeter land survey of the Project Site, in form and substance satisfactory to the Original Purchaser prepared at the Lessee's expense, currently certified by a licensed, registered surveyor and incorporating the legal description of the Project Site, showing the location of all points and lines referred to in the legal description, the location of all existing and proposed improvements (including parking) as being within the exterior boundaries of the Project Site and in compliance with all applicable building set-back requirements, and the location of all utilities and the location of all easements and encroachments onto or from such Project Site that are visible on the Project Site, known to the surveyor preparing the survey or of record, identifying easements of record by recording data, and currently certified by the surveyor that there are no such easements or encroachments upon the Project Site except as shown on the survey and that no portion of the Project Site is within a Special Flood Hazard Area according to an F.I.A. Flood Hazard Boundary Map issued by the Department of Housing and Urban Development Federal Insurance Administration.

7. Unless waived in writing by the Original Purchaser, a copy of the Plans and Specifications and each change thereto as evidenced by a written instrument executed by the Board and the Lessee and consented to by the Original Purchaser.

8. Unless waived in writing by the Original Purchaser, a total Project Development Costs statement setting forth all other costs and expenses of any kind incurred or to be incurred in completion of the Project and sworn to by the Lessee to be a true, complete and accurate account of all costs actually incurred and a reasonably accurate estimate of all costs to be incurred in the future.

9. Unless waived in writing by the Original Purchaser, copies of all permits and such other licenses and permits as may be required to acquire, install and operate the Project, and such evidence as the Original Purchaser shall request to establish that the Project and the contemplated use thereof and of the Plant are permitted by and comply with all applicable use or other restrictions and requirements in prior conveyances, zoning ordinances, planned unit development, subdivision and platting regulations, without special variance or exception, and have been duly approved by the municipal and other governmental authorities having jurisdiction over the Project and that all required permits for construction have been obtained.

10. Unless waived in writing by the Original Purchaser, letters from utility companies, in form satisfactory to the Original Purchaser establishing that all utilities necessary for the operation of the Project are available at the boundaries of the Project Site and to the Building, including, without limitation, water, sewer, electricity, gas and telephone, and that the Board and the Lessee have the right to connect to and use such utilities to the extent required by the Project.

11. Unless waived in writing by the Original Purchaser, copies of the policies of insurance required under the Lease with all such insurance in full force and effect.

SECTION 207. Mutilated, Destroyed or Lost Bonds. In case any Bond secured hereby shall become mutilated or be destroyed or lost, the Board shall cause to be executed, and the Trustee shall authenticate and deliver, a new Bond of the same series and like tenor in exchange and substitution for and upon the cancellation of such mutilated Bond or in lieu of and in substitution for such Bond destroyed or lost, upon the holder's paying the reasonable expenses and charges of the Board and the Trustee in connection therewith and, in the case of a Bond destroyed or lost, his filing with the Trustee evidence satisfactory to it and to the Board that such Bond was destroyed or lost, and of his ownership thereof, and furnishing the Board and the Trustee indemnity satisfactory to them.

SECTION 208. Destruction of Bonds. All Bonds paid, redeemed or purchased, either at or before maturity, shall be cancelled upon the payment, redemption or purchase of such Bonds and shall be delivered to the Trustee when such payment, redemption or purchase is made. All Bonds cancelled under any of the provisions of this Indenture shall be destroyed by the Trustee on the earliest date permitted by applicable law, which shall execute a certificate in triplicate describing the Bonds so destroyed, and one executed certificate shall be filed with the Board and one with the Lessee and the other executed certificate shall be retained by the Trustee.

SECTION 209. Additional Bonds. So long as the Lease is in effect and there is no event of default under the Lease or this Indenture, Additional Bonds may be issued under and secured by this Indenture at one time or from time to time, in addition to the Series 1984 Bond and, subject to the conditions hereinafter provided in this Section 209, to pay (i) the costs of completing the acquisition and installation of the Project, (ii) the costs of making substitutions, additions, modifications and improvements in, on or to the Project to the extent permitted or authorized by the Act, (iii) the costs of refunding, to the extent permitted by law, any outstanding Bonds, and (iv) the costs of the issuance and sale of the Additional Bonds and capitalized interest and certain other costs in connection therewith. Before any Additional Bonds shall be issued under the provisions of this Section 209, the Board shall adopt a resolution authorizing the issuance of such Additional Bonds, fixing the amount thereof and describing in brief and general terms the purpose or purposes for which such Additional Bonds are being issued. Such Additional Bonds shall be dated, shall be designated, and shall be stated to mature on such date and in such year or years, shall bear interest at such rate or rates not exceeding the maximum rate then permitted by law, and may be made redeemable at such times and prices (subject to the provisions of Article III of this Indenture), all as may be provided by the resolution authorizing the issuance of such Additional Bonds. Except as to any difference in the date, the maturity or maturities, the rate or rates of interest or the provisions for redemption, such Additional Bonds shall be on a parity with and shall be entitled to the same benefit and security of this Indenture as the Series 1984 Bond.

Such Additional Bonds shall be executed substantially in the form and manner hereinabove set forth and shall be deposited with the Trustee for authentication, but before such Additional Bonds shall be authenticated and delivered by the Trustee, there shall be delivered to the Trustee the following:

(a) A written statement by the Lessee approving the terms, conditions, manner of issuance, delivery and contemplated disposition of the proceeds of the sale of such Additional Bonds and agreeing that the rental payments under Section 5.3 of the Lease shall be computed so as to include such Additional Bonds in the manner set forth in Section 4.2(b) of the Lease.

(b) A copy, duly certified by the Secretary of the Board, of the resolution of the Board authorizing the issuance of the Additional Bonds and the execution and delivery of any amendment to the Lease and any supplemental indenture required in connection therewith.

(c) An original executed counterpart of the amendment to the Lease, and of the supplemental indenture expressly providing that for all purposes of the Indenture and the Lease, the Project shall include any facilities financed by the Additional Bonds.

(d) An original executed counterpart of amendments to the Individual Guaranty and the Corporation Guaranty expressly providing that the full and timely payment of such Additional Bonds shall be secured by the Individual Guaranty and the Corporation Guaranty.

(e) A request and authorization to the Trustee on behalf of the Board and signed by the Chairman or Vice Chairman of the Board of Directors of the Board to authenticate and deliver such Additional Bonds to the purchaser or purchasers therein identified upon payment to the Trustee, but for the account of the Board, of a specified sum plus accrued interest, if any, on such Additional Bonds to the date of delivery. The proceeds of the sale of such Additional Bonds shall be paid over to the Trustee and deposited to the credit of the Bond Fund and the Construction Fund as provided in the supplemental indenture.

(f) Such other documents as may be required by or pursuant to any bond purchase agreement relating to such Additional Bonds.

(g) An opinion of Counsel qualified in such matters and acceptable to the Trustee that all conditions precedent to the issuance of such Additional Bonds and the application of the proceeds of such Additional Bonds to the purpose or purposes described in the resolution mentioned in clause (b) of this Section 209 have been duly authorized, that the issuance of such Additional Bonds will not cause the loss of the Federal Income Tax Exemption for any Bonds theretofore issued, and that such an Exemption will be applicable to such Additional Bonds.

(h) The written consent of each registered owner of the Series 1984 Bond to the issuance of such Additional Bonds.

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### ARTICLE III.

#### REDEMPTION OF SERIES 1984 BOND BEFORE MATURITY

SECTION 301. Redemption Dates and Prices. The Series 1984 Bond is callable for redemption prior to maturity in the event (1) of damage to or destruction of the Project or any part thereof or condemnation of the Project or any part thereof in whole or in part to the extent provided in Sections 7.1(d) and 7.2(c) of the Lease, or in whole in the circumstances described in Sections 7.1(c) or 7.2(a)(2) of the Lease, or (2) the Lessee shall exercise its option to purchase the Project as provided in Section 11.2 of the Lease, or (3) the occurrence of an Adjudication of Invalidity (as hereafter defined) or (4) the occurrence of a Determination of Taxability under the circumstances described in Section 8.8 of the Lease. If called for redemption as provided in (1) or (2) of the foregoing, the Series 1984 Bond shall be redeemed at any time in whole or (in case of redemption pursuant to Sections 7.1(d) or 7.2(c) of the Lease) in part, at a redemption price equal to the unpaid principal amount of the Series 1984 Bond to be redeemed plus accrued interest thereon to the date of redemption. If called for redemption as provided in (3) of the foregoing, the Series 1984 Bond must be redeemed as a whole within fifteen (15) days after the occurrence of an Adjudication of Invalidity, at a redemption price equal to the total unpaid principal amount of the Series 1984 Bond plus accrued interest to the date of redemption. As used herein the term "Adjudication of Invalidity" shall mean an adjudication by a court of competent jurisdiction that the Board lacks or lacked the power to issue the Series 1984 Bond or to enter into the Lease or the Indenture or to perform or fulfill any material obligation or responsibility thereunder, or that the Series 1984 Bond is otherwise invalid for any reason whatsoever, including, without limitation, any invalidity or irregularity in any proceedings relating to the issuance thereof. If called for redemption as provided in (4) of the foregoing, the Series 1984 Bond must be redeemed within sixty (60) days after the occurrence of a Determination of Taxability (as defined in the Indenture), in whole at a redemption price equal to the total unpaid principal amount of such Bond, plus accrued interest thereon to the date of redemption. In addition, in the event of the occurrence of a Determination of Taxability under the circumstances described in Section 8.8 of the Lease, the Board shall pay to each holder or former holder of the Series 1984 Bond as to which the Determination of Taxability is applicable:

(i) Additional interest on the Series 1984 Bond (hereinafter defined) in the amount of the interest which would have accrued on the Series 1984 Bond from and after the Taxability Date (hereinafter defined) until the date of redemption under this Section 301 had the Series 1984 Bond borne interest during such period at a rate per annum equal to Central Bank Prime plus 2%, less the amount of interest which was actually paid on the Series 1984 Bond during such period; plus

(ii) the amount of any interest, penalties, or additions to federal income tax which have been paid or are payable by such



holder or former holder of such Series 1984 Bond, as a result of the failure to include interest on such Bond in the federal gross income of such holder or former holder; plus

(iii) the reasonable costs and expenses (including fees and expenses of attorneys, accountants and other professional advisors) incurred by each such holder or former holder of the Series 1984 Bond in connection with such Determination of Taxability.

"Taxability Date" shall mean the earliest date from which interest paid in respect of the Series 1984 Bond as to which a Determination of Taxability has occurred is determined to be or has been includable for federal income tax purposes in the gross income of a holder or former holder, as the case may be, of the Series 1984 Bond. The sums payable by the Board to a holder or former holder of a Series 1984 Bond shall be payable, in the case of additional interest payable under (i) above, within 10 days after the occurrence of a Determination of Taxability, and in the case of payments under (ii) or (iii) above, within 10 days after the receipt by the Board and the Lessee of an invoice therefor from the holder or a former holder of the Series 1984 Bond reflecting in reasonable detail its payment of such amounts or the obligation therefor.

The Series 1984 Bond is also subject to mandatory redemption, in whole or in part, without premium or penalty, on the next succeeding interest payment date in an amount equal to the amount, if any, of moneys remaining in the Construction Fund after completion of the Project in accordance with Section 4.3 of the Lease.

The Series 1984 Bond is also subject to optional redemption by the Board (at the direction of the Lessee) prior to maturity in whole at any time or in part (in multiples of \$1,000) on any interest payment date, at a redemption price equal to the principal amount of the Series 1984 Bond so redeemed, plus accrued interest thereon to the redemption date.

The Series 1984 Bond shall be called for redemption by the Trustee as herein provided upon receipt by the Trustee at least fifteen (15) days prior to the redemption date of a certificate signed by an Authorized Lessee Representative on behalf of the Board directing such redemption. Such certificate shall specify the redemption date, the principal amount of the Series 1984 Bond so to be called for redemption, the applicable redemption price or prices and the provision or provisions of this Indenture pursuant to which the Series 1984 Bond is to be called for redemption. In the case of redemption upon the exercise of the Lessee's option to purchase the Project pursuant to Section 11.2 of the Lease, such certificate shall be delivered not more than one-hundred and eighty (180) days after the occurrence of the event authorizing such redemption and not more than ninety (90) days before the redemption date, and shall specify the nature of such event.

If less than all of the outstanding principal balance of the Series 1984 Bond shall be called for redemption, all amounts paid toward

the redemption thereof shall be credited against the principal installments due thereon, but in inverse chronological order.

The Bonds of any other series issued under the provisions of this Indenture may be made subject to redemption, both in whole and in part and at such times and prices, as may be provided in the resolution authorizing the issuance of such Bonds.

SECTION 302. Notice of Redemption. At least ten (10) days before the redemption date of any Bonds the Trustee shall cause a notice of any such redemption, whether such redemption be in whole or in part, signed on behalf of the Board by an officer of the Board, to be mailed, postage prepaid, to all owners of Bonds to be redeemed in whole or in part at their addresses as they appear on the registration books hereinabove provided for. Each notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Bonds then outstanding shall be called for redemption, the maturity and the distinctive numbers and letters, if any, of such Bonds to be redeemed and the portion of the principal amount of any Bond to be redeemed in part only. In case any Bond is to be redeemed in part only, the notice of redemption which relates to such Bond shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond in principal amount equal to the unredeemed portion of such Bond will be issued or, at the option of the registered owner, an appropriate notation of such partial redemption will be made on such Bond by the Trustee.

SECTION 303. Effect of Call for Redemption. On the date so designated for redemption, notice having been mailed in the manner and under the conditions hereinabove provided, the Bonds or portions of Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds or portions of Bonds on such date; and if sufficient moneys, or if Government Obligations the principal of and interest on which will provide sufficient moneys, for payment of the redemption price and accrued interest to the redemption date are then held by the Trustee in trust for the holders of the Bonds or portions thereof to be redeemed, interest on the Bonds or portions of Bonds so called for redemption shall cease to accrue, such Bonds or portions of Bonds shall cease to be entitled to any benefit or security under this Indenture, and the holders and registered owners of such Bonds or portions of Bonds shall have no rights in respect thereof except to received payment of the redemption price thereof and accrued interest thereon to the redemption date and, to the extent provided in Section 304 of this Article, to receive Bonds for any unredeemed portions of Bonds or to obtain the Trustee's notation of partial redemption.

SECTION 304. Partial Redemption. Subject to the provisions of Section 204 regarding Direct Payment Agreements, in case part, but not all, of an outstanding Bond shall be selected for or otherwise subject to redemption, the registered owner thereof or his attorney or legal representative shall present and surrender such Bond to the

Trustee for payment of the principal amount thereof so called for redemption, and the Board shall execute and the Trustee shall authenticate and deliver to or upon the order of such registered owner or his attorney or legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a new Bond of the same series and bearing interest at the same rate. At the option of the holder, any Bond, a portion of which has been selected for redemption, may be presented to the Trustee for notation by the Trustee of such partial redemption on the Table of Partial Redemptions appearing on such Bond, after which the Trustee shall return the said Bond bearing the appropriate notation to the holder thereof.

SECTION 305. Funds in Trust; Unclaimed Funds. All moneys which the Trustee shall have withdrawn from the Bond Fund or shall have received from any other source and set aside for the purpose of paying any of the Bonds hereby secured, either at the maturity thereof or upon the call for redemption, shall be held in trust for the holders of such Bonds. Any moneys which shall be so set aside or deposited by the Trustee and which shall remain unclaimed by the holders of such Bonds for a period of six (6) years after the date on which such Bonds shall have become due and payable shall be paid to the Lessee and, thereafter, the holders of such Bonds shall look only to the Lessee for the payment thereof and then only to the extent of the amount so received without any interest thereon, and the Board and the Trustee shall have no further responsibility with respect to such moneys.

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## ARTICLE IV.

### GENERAL COVENANTS

SECTION 401. Payment of Principal and Interest. The Board covenants that it will promptly pay the principal of, premium, if any and interest on every Bond issued under this Indenture at the place, on the dates and in the manner provided herein and in said Bonds according to the true intent and meaning thereof. The principal, premium, if any, and interest are payable solely from the revenues and receipts derived by the Board from the Project and from any payments under the Individual Guaranty and the Corporation Guaranty, all of which revenues, receipts and payments are hereby specifically pledged to the payment thereof in the manner and to the extent herein specified, and nothing in the Bonds or in this Indenture should be considered to be a pledge of any other funds or assets of the Board other than those mortgaged and pledged hereunder. The Bonds and the interest thereon shall not be deemed to constitute a debt, liability or obligation of or a pledge of the faith and credit of the City of Montevallo, Shelby County or the State of Alabama or any political subdivision thereof and neither the faith and credit nor the taxing power of the City of Montevallo, Shelby County or the State of Alabama or any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds. The principal of and interest on the Bonds are payable solely from the Bond Fund.

SECTION 402. Performance of Covenants; Board. The Board covenants that it will faithfully perform at all times any and all covenants, agreements, undertakings, stipulations and provisions contained in this Indenture, in any and every Bond, and in all proceedings of the Board pertaining thereto. The Board covenants that it is duly authorized under the Constitution and laws of the State of Alabama, including particularly and without limitation the Act, to issue the Bonds and to execute, deliver and perform the Indenture, to mortgage the property described herein and mortgaged hereby, to assign the Lease and to pledge the revenues and receipts described herein and pledged hereby in the manner and to the extent herein set forth; that all action on its part for the issuance of the Series 1984 Bond and the execution, delivery and performance of this Indenture has been duly and effectively taken (and if Additional Bonds shall be issued pursuant to Section 209 hereof, will be duly and effectively taken as provided therein); and that the Bonds are and will be valid and enforceable obligations of the Board according to the import thereof.

SECTION 403. Ownership; Instruments of Further Assurance. The Board covenants that it lawfully owns and is lawfully possessed of the Project Site and the Building and that it has good and marketable title thereto, subject to Permitted Encumbrances. The Board also covenants that it will lawfully acquire and own the Leased Equipment and the Plant Equipment and that any land, buildings, machinery, equipment and other tangible personal property becoming a part of the Facility shall be acquired and kept free from all liens and

encumbrances except Permitted Encumbrances. The Board covenants that it will defend the title to the Facility and each part thereof to the Trustee, and its successors and assigns, for the benefit of the holders and owners of the Bond appertaining thereto against the claims and demands of all persons whomsoever. The Board covenants that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such mortgages or indentures supplemental hereto and such further acts, instruments and transfers as the Trustee may reasonably require for the better giving, granting, pledging, assigning, conveying, mortgaging, transferring, assuring and confirming unto the Trustee all and singular the property herein described and mortgaged hereby and the revenues and receipts pledged hereby to the payment of the principal of, premium, if any, and interest on the Bonds. The Board covenants that, except as herein and in the Lease provided, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of the Facility or the lease rentals, revenues and receipts therefrom or of any other of its rights under the Lease.

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SECTION 404. Payments of Taxes, Charges, etc. Pursuant to the provisions of Section 6.3 of the Lease, the Lessee has agreed to pay all lawful taxes, assessments and charges at any time levied or assessed upon or against the Facility, or any part thereof, which might impair or prejudice the lien and priority of this Indenture; provided, however, that nothing contained in this Section 404 shall require the payment of any such taxes, assessments or charges if the same are not required to be paid under the provisions of Section 6.3 of the Lease.

SECTION 405. Maintenance and Repair. Pursuant to the provisions of Section 6.1 of the Lease, the Lessee has agreed at its own expense to cause the Project to be maintained in good repair and in good operating condition, and that it will from time to time cause to be made all necessary repairs thereto and renewals and replacements thereof, and that the Lessee may, at its own expense, make from time to time additions, modifications and improvements to the Project under the terms and conditions set forth in Section 6.1 of the Lease.

SECTION 406. Recordation of the Lease, Indenture and Other Instruments. The Board covenants that it will cause the Lease, this Indenture and all supplements thereto and hereto, as well as any other instruments as may be required by law from time to time, to be kept, recorded and filed in such manner and in such places as may be required by law in order fully to preserve and protect the security of the holders and owners of the Bonds and the rights of the Trustee hereunder.

Promptly after any re-filing, re-registering or re-recording of the Lease or this Indenture, or any filing, registration, recording, re-filing, re-registration or re-recording of any supplement to either of said instruments, or any filing, registration, recording, re-filing, re-registration or re-recording of any instrument of similar character,

which is required pursuant to the preceding paragraph, the Board will deliver to the Trustee an opinion of Counsel, who may be counsel for the Board or the Lessee, to the effect that such filing, registration, recording, re-filing, re-registration or re-recording has been duly accomplished and setting forth the particulars thereof.

SECTION 407. Inspection of Project Books. The Board covenants that all books and documents in its possession relating to the Facility and the revenues and receipts derived from the Facility, shall at all times be open to inspection by such accountants or other agents as the Trustee may from time to time designate.

SECTION 408. Rights Under Lease. The Lease sets forth the obligations of the Board and the Lessee, including a provision that subsequent to the initial issuance of the Bonds and prior to payment in full of the Bonds, the Lease may not be effectively amended, changed, modified, altered or terminated (other than as provided therein) without the written consent of the Trustee, and reference is hereby made to the same for a detailed statement of the obligations of the Lessee under the Lease, and the Board agrees that the Trustee in its own name or in the name of the Board may enforce all rights of the Board and all obligations of the Lessee under and pursuant to the Lease for and on behalf of the bondholders, whether or not the Board is in default hereunder.

SECTION 409. Priority of Mortgage and Pledge. The mortgage hereby made of the Mortgaged Property and the pledge herein made of the revenues and receipts from any leasing or sale of the Project shall not be impaired by the Board or the Trustee and such Mortgaged Property and revenues and receipts shall not otherwise be mortgaged or pledged and no persons shall have any rights with respect thereto except as provided herein and in the Lease.

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ARTICLE V.  
REVENUES AND FUNDS

SECTION 501. Source of Payment of Bonds. The obligation of the Board to pay the principal of, premium, if any, and interest on the Bonds is not a general obligation of the Board but is a limited obligation payable solely from revenues and receipts derived by the Board from the ownership, leasing and sale of the Project and as authorized by the Act and provided and from any payments under the Individual Guaranty and the Corporation Guaranty. The Bonds are secured as provided herein.

SECTION 502. Creation of the Bond Fund. There is hereby created by the Board and ordered established with the Trustee a trust fund to be designated "The Industrial Development Board of the City of Montevallo Industrial Development Series 1984 Bond Fund--Metrock Steel and Wire Company Project," the funds in which shall be used solely to pay the principal of, premium, if any, and interest on the Bonds.

SECTION 503. Payments into the Bond Fund. There shall be paid into the Bond Fund the accrued interest, if any, derived from the sale of the Bonds to the initial purchasers thereof. In addition, there shall be paid into the Bond Fund, as and when received, (a) any amount remaining in the Construction Fund to the extent provided in the final paragraph of Section 4.3 of the Lease, (b) all rental payments specified in Section 5.3 of the Lease, (c) any balance of the Net Proceeds as specified in Sections 7.1(d) and 7.2(c) of the Lease, (d) any amount paid to the Trustee pursuant to Section 11.3 of the Lease under which unimproved land may be purchased by the Lessee, (e) all prepayments of rent specified in Section 9.5 of the Lease, (f) all payments received under the Individual Guaranty or the Corporation Guaranty with respect to the payment of the principal of, premium, if any, and interest on the Bonds, (g) all other moneys received by the Trustee under and pursuant to any of the provisions of the Lease, the Plant Lease or any other document or instrument executed in connection herewith when accompanied by the directions that such moneys are to be paid into the Bond Fund and (h) any moneys transferred to the Bond Fund pursuant to the provisions of Section 1008 of the Plant Mortgage. The Board covenants that so long as any of the Bonds are outstanding it will pay, or cause to be paid, into the Bond Fund sufficient moneys from revenues and receipts derived from the Project (whether or not under and pursuant to the Lease) promptly to pay the principal of, premium, if any, and interest on the Bonds as the same become due and payable. To this end, the Board covenants that, so long as any Bonds are outstanding, it will cause the Project to be continuously and efficiently leased as a revenue producing undertaking. If there occurs an event of default under the Lease with the result that the right of possession of the Project under the Lease is returned to the Board, the Board will fully cooperate with the Trustee and with the bondholders to the end of fully protecting the rights and security of the bondholders and shall diligently proceed in good faith and use its best efforts to secure another tenant for the Project to the end that at

all times sufficient revenues and receipts will be derived from the Project promptly to pay the principal of, premium, if any, and interest on the Bonds as the same become due and payable and to cover the cost of maintaining and insuring the Project. Nothing herein shall be construed as requiring the Board to operate the Project or to use any funds from any source other than revenues and receipts derived from the Project.

SECTION 504. Use of Moneys in the Bond Fund. Except as otherwise provided in Section 510 hereof, in this Section 504 and in the last paragraph of Section 1008 hereof, moneys in the Bond Fund shall be used solely for the payment of the principal of, premium, if any, and interest on the Bonds and for the redemption of the Bonds prior to maturity. Whenever the amount in the Bond Fund from any source whatsoever is sufficient to redeem all of the Bonds outstanding hereunder and to pay interest to accrue thereon prior to such redemption, the Board covenants and agrees to take and cause to be taken the necessary steps to redeem all of the Bonds on the next succeeding redemption date for which the required redemption notice may be given; and provided further that any moneys in the Bond Fund may be used to redeem a part of the Bonds outstanding so long as the Lessee is not in default with respect to any rental payments under the Lease and to the extent said moneys are in excess of the amount required for payment of Bonds theretofore matured or called for redemption and past due interest in all cases when such Bonds have not been presented for payment.

All payments required to be made by the Board hereunder or the Lessee under the Lease with respect to the occurrence of a Determination of Taxability shall, unless herein provided to the contrary, be made to the Trustee, and held thereby in trust for the owners (and, to the extent applicable, former owners) of the Series 1984 Bond in accordance with the provisions hereof and of the Lease; provided, however, that after the payment-in-full of the Series 1984 Bond and the discharge of the Indenture, the Lessee shall have the option to pay any amounts due with respect to a Determination of Taxability directly to the former owners of the Series 1984 Bond provided that (i) the Lessee shall provide to the Trustee notice in writing of their intention to make payments directly to the former owners of the Series 1984 Bond and the amount thereof and (ii) such payments shall be made in the amounts specified by the Trustee as due and payable hereunder and shall be sent by certified mail, return receipt requested, to the address for such former owner of the Series 1984 Bond appearing on the Trustee's bond registry books.

Any moneys from the Construction Fund deposited in the Bond Fund pursuant to Section 603 hereof shall be segregated and held in a separate account within the Bond Fund and used by the Trustee to redeem the Series 1984 Bond or any portion thereof on the next succeeding date on which the Series 1984 Bond may be redeemed in accordance with Section 301 hereof. The moneys in such separate account shall not be deemed a part of the Bond Fund for purposes of Section 5.3 of the Lease. Until used to redeem the Series 1984 Bond in accordance with Section 301 hereof, such segregated amount may be

invested as permitted by this Indenture and the Lease but may not be invested (without an opinion of nationally recognized municipal bond counsel to the effect that such investment will not adversely affect the Federal Income Tax Exemption for the Bond) to produce a "yield" (as such term is used and defined in Treasury Regulation §1-103-13(c), or any successor provision thereof) on such amount (computed from the Completion Date and taking into account any investment of such amount from the Completion Date) greater than the "yield" on the Series 1984 Bond, all in accordance with Sections 103(b) and (c) of the Code.

SECTION 505. Custody of the Bond Fund. The Bond Fund shall be in the custody of the Trustee but in the name of the Board and the Board hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay the principal of, premium, if any, and interest on the Bonds as the same become due and payable, which authorization the Trustee hereby accepts.

SECTION 506. Non-presentment of Bonds. If any Bond shall not be presented for payment when the final payment of the principal thereof becomes due, either at stated maturity, or at the date fixed for redemption prior to stated maturity, provided moneys sufficient to pay such Bond shall have been made available to the Trustee for the benefit of the holder thereof, all liability of the Board to the holder thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such moneys, without liability for interest thereon, for the benefit of the holder of such Bond, who shall thereafter be restricted exclusively to such moneys, for any claim of whatever nature on his part under this Indenture or on, or with respect to, such Bond.

SECTION 507. Trustee's Fees, Charges and Expenses. Pursuant to the provisions of the Lease the Lessee has agreed to pay to the Trustee, commencing with the date of delivery of the Series 1984 Bond to the Original Purchaser and continuing until the principal of, premium, if any, and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the provisions of this Indenture: (i) an amount equal to the annual fee of the Trustee for the Ordinary Services of the Trustee, as Trustee, rendered and its Ordinary Expenses incurred under this Indenture, as and when the same become due, (ii) the reasonable fees, charges and expenses of the Trustee, as Bond Registrar and paying agent, as and when the same become due, and (iii) the reasonable fees, charges and expenses of the Trustee for the necessary Extraordinary Services and Extraordinary Expenses of the Trustee under this Indenture, as and when the same become due. It is further understood and agreed that the initial or acceptance fees of the Trustee and the fees, charges and expenses of the Trustee which become due prior to the Completion Date, may be paid to the Trustee from the Construction Fund as and when the same shall become due. As specified in Section 5.3 of the Lease, the Lessee may contest in good faith the necessity for any such Extraordinary Services and Extraordinary Expenses and the reasonableness of any of the fees or charges referred to herein.

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SECTION 508. Moneys to be Held in Trust. All moneys required to be deposited with or paid to the Trustee for account of the Bond Fund or the Construction Fund under any provision of this Indenture shall be held by the Trustee in trust, and except for moneys deposited with or paid to the Trustee for the redemption of Bonds, notice of the redemption of which has been duly given, shall, while held by the Trustee, constitute part of the Trust Estate and be subject to the lien hereof.

SECTION 509. Insurance and Condemnation Proceeds. Reference is hereby made to the Lease whereunder it is provided that under certain circumstances the Net Proceeds of insurance and condemnation awards are to be paid to the Trustee and to be disbursed and paid out as therein provided. The Trustee hereby accepts and agrees to perform the duties and obligations as therein specified.

SECTION 510. Repayment to the Lessee from the Bond Fund. Except as provided in Section 1008 of this Indenture, any amounts remaining in the Bond Fund after payment in full of the principal of, premium, if any, and interest on the Bonds (or provision for payment thereof as provided in this Indenture), the fees, charges and expenses of the Trustee and all other amounts required to be paid hereunder shall be paid to the Lessee upon the expiration or sooner termination of the term of the Lease as provided in Section 12.4 of the Lease.

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ARTICLE VI.

CUSTODY AND APPLICATION OF PROCEEDS OF BONDS

SECTION 601. Disposition of Accrued Interest. Upon the issuance and delivery of Bonds hereunder, there shall be paid into the Bond Fund all accrued interest, if any, derived from the sale of the Bonds to the initial purchasers thereof.

SECTION 602. Construction Fund; Disbursements. There is hereby created by the Board and ordered established with the Trustee a trust fund to be designated "The Industrial Development Board of the City of Montevallo, Alabama Industrial Development Series 1984 Construction Fund--Metrock Steel and Wire Company Project". The balance of the proceeds derived from the sale of the Series 1984 Bond remaining after making the deduction, if any, provided for in Section 601 hereof shall be paid into the Construction Fund. Moneys in the Construction Fund shall be disbursed in accordance with the provisions of the Lease, and particularly Section 4.3 thereof.

The Board agrees promptly to take all necessary and appropriate action in approving and ordering all such disbursements. The Trustee is hereby authorized and directed to pay each disbursement required by the aforesaid provisions of the Lease and the Trustee shall be relieved of all liability with respect to making disbursements in accordance with the provisions of Section 4.3 of the Lease, except liability for its own gross negligence or wilful misconduct.

The Trustee shall maintain adequate records pertaining to the Construction Fund and all disbursements therefrom, and after the Project has been completed and a certificate of payment of all costs filed as provided in Section 603 hereof, the Trustee shall file an accounting thereof with the Board and with the Lessee.

SECTION 603. Completion of the Project. The completion of the Project and the payment of all costs and expenses incident thereto shall be evidenced by the filing with the Trustee of the certificate of the Authorized Lessee Representative required by Section 4.5 of the Lease. As soon as practicable, and in any event not later than sixty (60) days from the date of the certificate referred to in the preceding sentence, any moneys remaining in the Construction Fund (other than moneys retained to pay costs and expenses not then due and payable) shall, without further authorization, be paid by the Trustee into the Bond Fund to be applied to the mandatory redemption of the Series 1984 Bond in accordance with the third paragraph of Section 301 hereof.

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ARTICLE VII.  
INVESTMENTS

SECTION 701. Construction Fund Investments. Moneys held in the Construction Fund shall be invested and reinvested by the Trustee in accordance with Section 4.8 of the Lease. Such investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the Construction Fund and the interest accruing thereon and any profit resulting therefrom shall be credited to said fund, and any loss resulting therefrom shall be charged to said fund. The Trustee is directed to sell and convert to cash a sufficient amount of such investments whenever the cash held in the Construction Fund is insufficient to pay a requisition when presented.

SECTION 702. Bond Fund Investments. Moneys held by the Trustee in the Bond Fund or as Net Proceeds under the provisions of Section 7.1 or 7.2 of the Lease shall be invested and reinvested by the Trustee in accordance with the treatment prescribed for Construction Fund moneys in Section 4.8 of the Lease. Such investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the Bond Fund or other pertinent account and the interest accruing thereon and any profit realized therefrom shall be credited to the Bond Fund or other pertinent account and any loss resulting therefrom shall be charged to the Bond Fund or other pertinent account. The Trustee is directed to sell and convert to cash a sufficient amount of such investments in the Bond Fund whenever the cash held in the Bond Fund is insufficient to pay the principal of and interest on the Bonds as the same become due and payable.

SECTION 703. Investments through Trustee's Bond Department. The Trustee may make any and all investments permitted by the provisions of Section 701 and 702 through its own bond department.

SECTION 704. Non-Arbitrage Covenant. The Trustee and the Board each covenant that it shall take no action nor make any investment or use of the proceeds of the Bonds or of any fund or account established in connection with the Bonds, or any earnings, or investment income from any such proceeds, funds or accounts, which would cause the Bonds or the Plant Bond to be "arbitrage bonds" within the meaning of Section 103(c) of the Code and the proposed, temporary or final regulations thereunder as such may be applicable to the Bonds or the Plant Bond at the time of such action, investment or use.

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ARTICLE VIII.

POSSESSION, USE AND PARTIAL RELEASE OF LEASED PROPERTY

SECTION 801. Subordination to Rights of the Lessee. This Indenture and the rights, options and privileges hereunder of the Trustee and the bondholders are specifically made subject and subordinate to the rights, options and privileges of the Lessee set forth in the Lease. So long as not otherwise provided in this Indenture, the Board shall be suffered and permitted to possess, use and enjoy the Project and its appurtenances so as to carry out its obligations under the Lease.

SECTION 802. Release of Certain Land. Reference is made to the provisions of the Plant Lease, including, without limitation, Section 11.3 thereof, wherein the Board and the Partnership have reserved the right to withdraw certain portions of the Project Site from the Plant Lease and Plant Mortgage upon compliance with the terms and conditions of the Plant Lease. The Trustee shall release from the Lease and this Indenture any such land and all rights to and liens on the revenues and receipts derived from such released land upon compliance with the provisions of the Plant Lease.

SECTION 803. Release of Leased Equipment. Reference is made to the provisions of the Lease, including, without limitation, Section 6.2 thereof, wherein the Lessee has reserved the right to withdraw certain items of Leased Equipment from the Lease and this Indenture upon compliance with the terms and conditions of the Lease. The Trustee shall at the request of the Board or the Lessee confirm that any such withdrawn items are no longer subject to the lien of this Indenture and that all rights to and liens on the revenues and receipts derived from such withdrawn items under this Indenture have been relinquished upon compliance with the provisions of the Lease. Reference is hereby made to the provisions of the Plant Lease, including without limitation, Section 6.2 thereof, wherein the Partnership has reserved the right to withdraw certain items of the Plant Equipment from the Plant Lease and the Plant Mortgage upon compliance with the terms and conditions of the Plant Lease. All items of Plant Equipment so released from the terms of the Plant Lease and Plant Mortgage (except pursuant to Article IX of the Plant Mortgage) shall be deemed automatically released from the lien of this Indenture and the Trustee at the request of the Board or the Lessee shall confirm any such withdrawn items are no longer subject to the lien of this Indenture.

SECTION 804. Granting of Easements. Reference is made to the provisions of the Plant Lease, including, without limitation, Section 8.5 thereof, wherein the Partnership has reserved the right to grant or release easements and take other action upon compliance with the terms and conditions of the Plant Lease. The Trustee shall confirm in writing any action taken by the Partnership under said Section 8.5 upon compliance with the provisions of the Plant Lease.

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## ARTICLE IX.

### DISCHARGE OF INDENTURE

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If the Board shall pay or cause to be paid, or there shall otherwise be paid or provision for payment made, to the holders and owners of the Bonds the principal, premium, if any, and interest due or to become due thereon at the times and in the manner stipulated therein, and if the Board shall pay or cause to be paid to the Trustee all sums of money due or to become due according to the provisions hereof, then the estate hereby granted shall cease, determine and be void, whereupon the Trustee shall cancel and discharge the lien of this Indenture, and execute and deliver to the Board such instruments in writing as shall be requisite to release the lien hereof, and reconvey, release, assign and deliver unto the Board any and all the estate, right, title and interest in and to any and all rights or property conveyed, assigned or pledged to the Trustee or otherwise subject to the lien of this Indenture, except amounts in the Bond Fund required to be paid to the Lessee under Section 510 hereof and except cash held by the Trustee for the payment of the principal of, premium, if any, and interest on the Bonds or for the purposes set forth in the second paragraph of Section 504 hereof.

No release or discharge of the lien of this Indenture pursuant to this Article IX with respect to the Plant shall have the effect of releasing or discharging any portion of the Plant from the lien of the Plant Mortgage or the provisions of the Plant Lease.

Any Bond shall be deemed to be paid within the meaning of this Article IX and for all purposes of this Indenture when (a) payment of the principal of and premium, if any, on such Bond, plus interest thereon to the due date thereof (whether such due date is by reason of maturity or upon redemption as provided herein) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with the Trustee, in trust and irrevocably set aside exclusively for such payment, (1) moneys sufficient to make such payment and/or (2) Government Obligations maturing as to principal and interest in such amount and at such time as will insure the availability of sufficient moneys to make such payment, and (b) all necessary and proper fees, compensation and expenses of the Trustee pertaining to the Bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. At such times as a Bond shall be deemed to be paid hereunder, as aforesaid, such Bond shall no longer be secured by or entitled to the benefits of this Indenture, except for the purposes of any such payment from such moneys or Government Obligations.

Notwithstanding the foregoing, no deposit under clause (a)(ii) of the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until proper notice of redemption of such Bonds shall have been previously given in accordance with Article III of this Indenture, or in the event said Bonds are not by their terms

subject to redemption within the next succeeding sixty days, until the Lessee shall have given the Trustee on behalf of the Board, in form satisfactory to the Trustee, irrevocable instructions to notify, as soon as practicable, the holders or owners of the Bonds in accordance with Article III hereof, that the deposit required by (a)(ii) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Article and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal of and the applicable premium, if any, on said Bonds plus interest thereon to the due date thereof, or the maturity of such Bonds.

All moneys so deposited with the Trustee as provided in this Article IX may at the direction of the Lessee also be invested and reinvested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Government Obligations in the hands of the Trustee pursuant to this Article IX which is not required for the payment of the Bonds and interest and premium, if any, thereon with respect to which such moneys shall have been so deposited shall be deposited in the Bond Fund as and when realized and collected for use and application as are other moneys deposited in the Bond Fund.

The Board and the Trustee hereby covenant that no deposit will be made or accepted hereunder and no use made of any such deposit or any investment earnings or income therefrom which would cause the Bonds to be treated as "arbitrage bonds" within the meaning of Section 103(c) of the Code or so as to violate the provisions, to the extent applicable, of Section 103(h) of the Code.

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

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

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ARTICLE X.

DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

SECTION 1001. Defaults; Events of Default. Each of the following is hereby defined as and declared to be and to constitute an "event of default":

(a) Default in the due and punctual payment of the principal of and premium, if any, on any Bond, whether at the stated maturity thereof, or upon proceedings for redemption thereof, or upon the maturity thereof by declaration;

• (b) Default in the due and punctual payment of any interest on any Bond when and as the same becomes due or default in the payment of any of the amounts payable by the Board with respect to the occurrence of a Determination of Taxability when and as the same becomes due;

(c) Default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Board contained in this Indenture or in the Bonds;

(d) The occurrence of an "event of default" under Section 10.1 of the Lease;

(e) Appointment by a court having jurisdiction of a receiver for the Project or for a substantial part thereof, or approval by a court of competent jurisdiction of any petition for reorganization of the Project or rearrangement or readjustment of the obligations of the Board under any provisions of the bankruptcy laws of the United States; or

(f) The occurrence of an "event of default" under the Individual Guaranty, the Corporation Guaranty, the Plant Mortgage, the Plant Lease or the Security Agreement.

The term "default" shall mean default by the Board in the performance or observance of any of the covenants, agreements or conditions on its part contained in this Indenture or in the Bonds or default on the part of the Lessee under the Lease, exclusive of any period of grace required to constitute a default an "event of default" as hereinabove provided.

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SECTION 1002. Acceleration. Upon the occurrence and continuation of an event of default the Trustee may, and upon the written request of the holders of not less than twenty-five percent in aggregate principal amount of Bonds then outstanding shall, by notice in writing delivered to the Board and the Lessee declare the principal of all Bonds then outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable. Upon any declaration of acceleration hereunder the Board and the Trustee shall immediately declare an amount equal to all amounts then due and payable on the Bonds to be immediately due and payable as liquidated damages in accordance with Section 10.2(a) of the Lease.

SECTION 1003. Surrender of Possession of Mortgaged Property; Rights and Duties of Trustee in Possession. Upon the occurrence of an event of default the Board, upon demand of the Trustee, shall forthwith surrender the possession of, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to take possession of all or any part of the Mortgaged Property together with the books, papers and accounts of the Board pertaining thereto, and including the rights and the position of the Board under the Lease, and to hold, operate and manage the same, and from time to time to make all needful repairs and improvements as by the Trustee shall be deemed wise; and the Trustee may lease the Mortgaged Property or any part thereof in the name and for account of the Board and collect, receive and sequester the rents, revenues, issues, earnings, income, products and profits therefrom, and out of the same and any moneys received from any receiver of any part thereof pay, and/or set up proper reserves for the payment of, all proper costs and expenses of so taking, holding and managing the same, including reasonable compensation to the Trustee, its agents and counsel, and any charges of the Trustee hereunder, and any taxes and assessments and other charges prior to the lien of this Indenture which the Trustee may deem it wise to pay, and all expenses of such repairs and improvements, and apply the remainder of the moneys so received in accordance with the provisions of Section 1008 hereof. Whenever all that is due upon the Bonds shall have been paid and all defaults made good, the Trustee shall surrender possession to the Board, its successors or assigns; the same right of entry, however, to exist upon any subsequent event of default.

While in possession of such property the Trustee shall render annually to the Board and the Lessee and also to the bondholders, at their addresses shown by the registration books maintained by the Trustee, a summarized statement of income and expenditures in connection therewith.

While any Bonds are outstanding, the Board shall not, subject to Section 1002, exercise any of the remedies on default specified in Subsections 10.2(a), 10.2(b), 10.2(c) or 10.2(e) of the Lease or Subsections 10.2(a), 10.2(b), 10.2(c) or 10.2(e) of the Plant Lease without the prior written consent of the Trustee.

Upon the occurrence of an event of default the lien on the Mortgaged Property created and vested by this Indenture may be foreclosed either by sale at public outcry or by proceedings in equity and the Trustee or the holder or holders of any of the Bonds then outstanding, whether or not then in default of payment of principal or interest may become the purchaser at any foreclosure sale if the highest bidder.

SECTION 1004. Other Remedies; Rights of Bondholders. Upon the occurrence of an event of default the Trustee may as an alternative, either after entry or without entry, pursue any available remedy by suit at law or equity to enforce the payment of the principal of, premium, if any, and interest on the Bonds then outstanding including, without limitation, foreclosure and mandamus.

If an event of default shall have occurred, and if requested so to do by the holders of twenty-five percent in aggregate principal amount of Bonds then outstanding and indemnified as provided in Section 1101 hereof, the Trustee shall be obliged to exercise such one or more of the rights and powers conferred by this Section and by Section 1003 as the Trustee, being advised by counsel, shall deem most expedient in the interests of the bondholders.

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

No delay or omission to exercise any right or power accruing upon any default or event of default shall impair any such right or power or shall be construed to be a waiver of any such default or event of default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default or event of default hereunder, whether by the Trustee or by the bondholders, shall extend to or shall affect any subsequent default or event of default or shall impair any rights or remedies consequent thereon.

SECTION 1005. Right of Bondholders to Direct Proceedings. Anything in this Indenture to the contrary notwithstanding, the holders of a majority in aggregate principal amount of Bonds then outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee to direct the time, the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture.



SECTION 1006. Appointment of Receivers. Upon the occurrence of an event of default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the bondholders under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Mortgaged Property and of the rents, revenues, issues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

SECTION 1007. Waiver. Upon the occurrence of an event of default, to the extent that such rights may then lawfully be waived, neither the Board nor anyone claiming through or under it shall set up, claim, or seek to take advantage of any appraisement, valuation, stay, extension or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement of this Indenture or the foreclosure of this mortgage, and the Board, for itself and all who may claim through or under it, hereby waives, to the extent that it lawfully may do so, the benefit of all such laws and all right of appraisement and redemption to which it may be entitled under the laws of Alabama.

SECTION 1008. Application of Moneys. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the cost and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee, be deposited in the Bond Fund and all moneys in the Bond Fund shall 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 and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

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 called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates, with interest to the extent permitted by law on such Bonds from the respective dates upon which they become due at the rate of Central Bank Prime plus 2% and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege.

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(b) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege.

(c) If the principal of all the Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article then, subject to the provisions of subsection (b) of this Section in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of subsection (a) of this Section.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an interest payment date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such 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 Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Whenever all principal of, premium, if any, and interest on all Bonds have been paid under the provisions of this Section 1008 and all expenses and charges of the Trustee have been paid, any balance remaining in the Bond Fund (except the amounts, if any, held pursuant to the second paragraph of Section 504 hereof) shall be paid, if the Plant Bond shall remain outstanding and unpaid, to the Bond Fund established under the Plant Mortgage for application in accordance therewith, and otherwise to or upon the order of the Lessee as provided in Section 510 hereof.

**SECTION 1009. Remedies Vested in Trustee.** All rights of action (including the right to file proof of claims) under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any holders of the Bonds, and any recovery of judgment shall be for the equal benefit of the holders of the outstanding Bonds.

SECTION 1010. Rights and Remedies of Bondholders. No holder of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust thereof or for the appointment of a receiver or any other remedy hereunder, unless a default has occurred of which the Trustee has been notified as provided in subsection (g) of Section 1101, or of which by said subsection it is deemed to have notice, and such default shall have become an event of default and the holders of twenty-five percent in aggregate principal amount of Bonds then outstanding shall have made written request to the Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, and also they have offered to the Trustee indemnity as provided in Section 1101 nor unless the Trustee shall thereafter fail or refuse to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in its, his or their own name or names; and such notification, request and offer of indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more holders of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of this Indenture by its, his or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the holders of all Bonds then outstanding. Nothing in this Indenture contained shall, however, affect or impair the right of any bondholder to enforce the payment of the principal of and interest on any Bond at and after the maturity thereof, or the obligation of the Board to pay the principal of and interest on each of the Bonds issued hereunder to the respective holders thereof at the time, place, from the source and in the manner expressed in said Bonds.

SECTION 1011. Termination of Proceedings. In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver, by entry or otherwise, and such proceedings shall have been determined adversely, then and in every such case the Board, the Lessee and the Trustee shall be restored to their former positions and rights hereunder with respect to the Trust Estate, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

SECTION 1012. Waivers of Events of Default. The Trustee shall waive any event of default hereunder and its consequences and rescind any declaration of acceleration upon the written request of the holders of (1) 66-2/3% in aggregate principal amount of all the Bonds then outstanding in respect of which default in the payment of principal or interest exists, or (2) more than 66-2/3% in aggregate principal amount of all Bonds then outstanding in the case of any other default; provided, however, that there shall not be waived any event of default in the payment of the principal or interest on any outstanding Bonds

unless prior to such waiver or rescission, all arrears of interest, with interest (to the extent permitted by law) at the rate per annum borne by the Bonds so in default, and all expenses of the Trustee, in connection with such default shall have been paid or provided for. In case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such default shall have been discontinued or abandoned or determined adversely, then and in every such case the Board, Trustee and the bondholders shall be restored to their former positions and rights hereunder respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon.

SECTION 1013. Sale of Property in Whole or in Parcels. In the event of any sale, whether made under the power of sale herein granted or under or by virtue of judicial proceedings, the whole of the Mortgaged Property shall be sold in one parcel and as an entirety, unless the Trustee shall deem such sale as an entirety to be illegal or impracticable or inadvisable by reason of some statute or other cause, or unless the holders of a majority in principal amount of the Bonds then outstanding shall request the Trustee in writing to cause the Mortgaged Property to be sold in parcels, in which case the sale shall be made in such parcels and in such order as may be required by law or specified in such request, or, in the absence of any division into parcels or order of sale so required or requested, as the Trustee may determine, the Trustee being the sole and final judge of the practicability of such sale as an entirety. The Board, for itself, its successors and assigns, and for all persons and corporations hereafter claiming through or under it, hereby expressly waives and releases, to the fullest extent allowed by applicable laws, all right to have the Mortgaged Property or any part thereof marshalled upon any foreclosure sale or enforcement of any other right hereunder, and the Trustee or any court in which the foreclosure of this Indenture or the administration of the trusts hereby created is sought, shall have the right as aforesaid to sell the entire Mortgaged Property as a whole in a single parcel.

SECTION 1014. Adjournment of Sale by Trustee. The Trustee may adjourn, or cause to be adjourned, from time to time, any sale, whether made under the power of sale herein granted or under or by virtue of judicial proceedings, by announcement at the time and place appointed for such sale or for such adjourned sale or sales; and, except as otherwise provided by law, such sale may be made, without further notice or publication, at the time and place to which the same shall be so adjourned.

SECTION 1015. Provisions Relating to Conveyance to Purchaser. Upon the completion of any such sale or sales, the Trustee, upon the request of the purchaser or purchasers, shall execute and deliver to the accepted purchaser or purchasers a good and sufficient deed, or good and sufficient deeds, and other instruments conveying, assigning and transferring all its estate, right, title and interest in and to the properties and rights sold. The Trustee and its successor or successors are hereby irrevocably appointed the true and lawful attorneys of the Board, in its name and

stead or in the name of the Trustee, to make all necessary conveyances, assignments, transfers and deliveries of the properties and rights thus sold, and for that purpose they may execute all necessary deeds and instruments of assignment and transfer, and may substitute one or more persons with like power, the Board, for itself, its successors and assigns, hereby ratifying and confirming all that its said attorney or attorneys or such substitute or substitutes shall lawfully do by virtue hereof. Nevertheless, the Board, if so requested in writing by the Trustee, will ratify and confirm any such sale or sales by executing and delivering to the Trustee or to such purchaser or purchasers all such instruments as may be advisable in the judgment of the Trustee for the purpose and as may be designated in such request.

Any such sale or sales made under or by virtue of the provisions of this Indenture, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale or in accordance with applicable provisions of law allowing the same, shall operate to divest all the estate, right, title, interest, claim and demand whatsoever, whether at law or in equity, of the Board in and to the properties and rights so sold, and shall be a perpetual bar both at law and in equity against the Board, its successors and assigns, and against any and all persons claiming or who may claim the same, or any part thereof, from, through or under the Board, its successors or assigns.

SECTION 1016. Receipt of Trustee for Purchase Money. The receipt of the Trustee for the purchase money paid at any such sale shall be a sufficient discharge therefor to any purchaser of the property, or any part thereof, sold as aforesaid, and no such purchaser or his representatives, grantees or assigns, after paying such purchase money and receiving such receipt, shall be bound to see to the application of such purchase money upon or for any trust or purpose of this Indenture, or be answerable in any manner whatsoever for any loss, misapplication or non-application of any such purchase money or any part thereof, nor shall any such purchaser be bound to inquire as to the authorization, necessity, expediency or regularity of any such sale.

SECTION 1017. All Bonds Due in Event of Sale of Mortgaged Property. In the event of any sale of all or any portion of the Mortgaged Property, whether made under the power of sale herein granted or under or by virtue of judicial proceedings, to the fullest extent permitted by applicable law, the principal of the Bonds, if not previously due, shall immediately thereupon become due and payable, anything in the Bonds or in this Indenture to the contrary notwithstanding.

SECTION 1018. Trustee and Bondholders May Bid and Purchase. At any sale, whether made under the power of sale herein granted or under or by virtue of judicial proceedings, any purchaser shall be entitled to use and apply any Bonds in settlement or payment of the purchase price, or any part thereof, of the property purchased, by presenting such Bonds in order that there may be noted thereon the



sums paid out of the net proceeds of such sale to the holder thereof as his ratable share of such net proceeds; and thereupon such purchaser shall be credited, on account of such price payable by him, with the portion of such net proceeds that shall be applicable to the payment of, and that shall have been credited upon, the Bonds so presented. Notwithstanding any provisions of this Section, in all cases the purchaser or purchasers at any such sale shall pay in cash a sum sufficient to provide for the payment of all costs and expense including attorneys' fees of the foreclosure proceedings.

At any such sale the Trustee or any holder or holders of the Bonds may bid for and purchase the property sold if his bid is the highest therefor, and may make payment therefor as aforesaid, and upon compliance with the terms of sale may hold, retain and dispose of such property without further accountability.

• SECTION 1019. Subordination to Plant Mortgage As to Plant. Notwithstanding any provision hereof to the contrary, for so long as the Plant Bond shall remain outstanding in whole or in part the lien of this Indenture with respect to the Plant and the proceeds thereof and the rights, liens and security interest created hereby with respect thereto, shall be and remain subordinate and prior to the rights, liens and security interest in and to the Plant and the proceeds thereof granted to the Trustee under the Plant Mortgage, and the provisions of the Plant Mortgage and Plant Lease shall control over inconsistent provisions hereof and in the Lease regarding the realization upon the Plant as collateral.

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## ARTICLE XI.

### THE TRUSTEE

SECTION 1101. Acceptance of the Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts as a corporate trustee ordinarily would perform said trusts under a corporate indenture, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

(a) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees but shall be answerable for the conduct of the same in accordance with the standard specified above, and shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Board or the Lessee). The Trustee shall not be responsible for any loss or damage resulting from any action or nonaction in good faith and without gross negligence in reliance upon such opinion or advice.

(b) The Trustee shall not be responsible for any recital herein, or in the Bonds (except in respect to the certificate of the Trustee endorsed on the Bonds), or for the recording or rerecording, filing or refiling of this Indenture, or for insuring the Mortgaged Property, or any portion thereof, or collecting any insurance moneys, or for the validity of the execution by the Board of this Indenture or of any supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, or for the value or title of the Mortgaged Property, or any portion thereof, or otherwise as to the maintenance of the security hereof, except that in the event the Trustee enters into possession of a part or all of the property herein conveyed pursuant to any provision of this Indenture it shall use due diligence in preserving such property, and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Board or on the part of the Lessee under the Lease, except as hereinafter set forth; but the Trustee may require of the Board or the Lessee full information and advice as to the performance of the covenants, conditions and agreements aforesaid and as to the condition of the property herein conveyed. Except as otherwise provided in Section 1003 hereof, the Trustee shall have no obligation to perform any of the duties of the Board as lessor under the Lease, and the Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Article VII hereof.

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(c) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. The Trustee may become the owner of Bonds secured hereby with the same rights which it would have if not Trustee.

(d) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any Bond, shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof.

(e) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed on behalf of the Board by the Chairman or Vice Chairman of its Board of Directors and attested by the Secretary or an Assistant Secretary of the Board as sufficient evidence of the facts therein contained and prior to the occurrence of a default of which the Trustee has been notified as provided in subsection (g) of this Section, or of which by said subsection it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of the Secretary of the Board under its seal to the effect that a resolution in the form therein set forth has been adopted by said Board of Directors as conclusive evidence that such resolution has been duly adopted, and is in full force and effect.

(f) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its gross negligence or willful default.

(g) The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder except failure by the Board to cause to be made any of the payments to the Trustee required to be made by Article V unless the Trustee shall be specifically notified in writing of such default by the Board or by the holders of at least twenty-five percent in aggregate principal amount of all Bonds then outstanding and all notices or other instruments required by this Indenture to be delivered to the Trustee, must, in order to be effective, be delivered at the principal corporate office of the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no default except as aforesaid.

(h) At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect any and all of the Facility, including all books, papers and records of the Board pertaining to the Facility and the Bonds, and to take such memoranda from and in regard thereto as may be desired subject to the provisions of Section 8.2 of the Lease.

(i) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(j) Notwithstanding anything elsewhere in this Indenture contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property or action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action by the Trustee deemed desirable for the purpose of establishing the right of the Board to the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(k) Before taking any action under this Section 1101 the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability which is adjudicated to have resulted from the negligence or willful default in connection with any action so taken.

(l) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law or by the terms hereof or of the Lease. The Trustee shall have no liability for interest on any moneys received hereunder except such as may be agreed upon.

(m) If any event of default under this Indenture shall have occurred and be continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture and shall use the same degree of care as a prudent man would exercise or use in the circumstances in the conduct of his own affairs.

(n) The Trustee shall not be personally liable for any debts contracted or for damages to persons or to personal property injured or damaged, or for salaries or non-fulfillment of contracts during any period in which it may be in possession of or managing the Mortgaged Property as in this Indenture provided.

SECTION 1102. Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment and/or reimbursement for reasonable fees for its Ordinary Services rendered hereunder and all

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advances, counsel fees and other Ordinary Services and, in the event that it should become necessary that the Trustee perform Extraordinary Services, it shall be entitled to reasonable extra compensation therefor, and to reimbursement for reasonable and necessary Extraordinary Expenses in connection therewith; provided, that if such Extraordinary Services or Extraordinary Expenses are occasioned by the neglect or misconduct of the Trustee, it shall not be entitled to compensation or reimbursement therefor. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as paying agent and Bond Registrar for the Bonds as hereinabove provided. Upon an event of default, but only upon an event of default, the Trustee shall have a first lien with right of payment prior to payment on account of interest or principal of, or premium, if any, on any Bond upon the Trust Estate for the foregoing advances, fees, costs and expenses incurred.

SECTION 1103. Notice to Bondholders if Default Occurs. If a default occurs of which the Trustee is by subsection (g) of Section 1101 hereof required to take notice or if notice of default be given as in said subsection (g) provided, then the Trustee shall give written notice thereof by mail to the holders of the Bonds at their addresses shown on the Bond register.

SECTION 1104. Intervention by Trustee. In any judicial proceeding to which the Board is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of owners of the Bonds, the Trustee may intervene on behalf of bondholders and, subject to the provisions of Section 1101(k), shall do so if requested in writing by the owners of at least twenty-five percent in aggregate principal amount of all Bonds then outstanding. The rights and obligations of the Trustee under this Section are subject to the approval of a court of competent jurisdiction.

SECTION 1105. Successor Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor Trustee hereunder and vested with all of the title to the whole property or trust estate and all the trusts, powers, discretion, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 1106. Resignation by the Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving thirty days' written notice to the Board and the Lessee and by registered or certified mail to each owner of Bonds then outstanding, and such resignation shall take effect at the end of such thirty days, or upon the earlier appointment of a successor Trustee by the bondholders or by the Board. Such notice to the Board and the Lessee may be served personally or sent by registered mail.

SECTION 1107. Removal of the 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 owners of a majority in aggregate principal amount of Bonds then outstanding.

SECTION 1108. Appointment of Successor Trustee by the Bondholders; Temporary Trustee. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, 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 owners of a majority in aggregate principal amount of Bonds then outstanding, by an instrument or concurrent instruments in writing signed by such owners, or by their attorneys in fact, duly authorized; provided, nevertheless, that in case of such vacancy the Board by an instrument executed and signed by the Chairman of its Board of Directors and attested by the Secretary of the Board under its seal may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the bondholders in the manner above provided; and any such temporary Trustee so appointed by the Board shall immediately and without further act be superseded by the Trustee so appointed by such bondholders. Every such successor Trustee appointed pursuant to the provisions of this Section shall be a trust company or bank in good standing, within or outside the State of Alabama, having a reported capital and surplus of not less than \$50,000,000 if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms.

SECTION 1109. Concerning any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Board an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Board, or of its successor, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, 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 such successor the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the 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 and/or recorded by the successor Trustee in each recording office where the Indenture shall have been filed and/or recorded.



SECTION 1110. Right of Trustee to Pay Taxes, Other Charges and Insurance Premiums. In case any tax, assessment or governmental or other charge upon, or insurance premium with respect to the Mortgaged Property is not paid as required herein, the Trustee may pay such tax, assessment or governmental or other charge or insurance premium, without prejudice, however, to any rights of the Trustee or the bondholders hereunder arising on consequence of such failure; and any amount at any time so paid under this Section, with interest thereon from the date of payment at the rate borne by the Series 1984 Bond, shall become so much additional indebtedness secured by this Indenture, and the same shall be given a preference in payment over any payment of principal of, premium, if any, and interest on the Bonds, and shall be paid out of the proceeds of revenues collected from the Project, if not otherwise caused to be paid; but the Trustee shall be under no obligation to make any such payment unless it shall have been requested to do so by the holders of at least twenty-five percent in aggregate principal amount of Bonds then outstanding and shall have been provided with adequate funds for the purpose of such payment.

SECTION 1111. Trustee Protected in Relying Upon Resolutions, etc. The resolutions, opinions, certificates and other instruments provided for in this Indenture may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for the release of property and the withdrawal of cash hereunder.

SECTION 1112. Successor Trustee as Trustee of Bond Fund and Construction Fund, Paying Agent and Bond Registrar. In the event of a change in the office of Trustee the predecessor Trustee which has resigned or been removed shall cease to be trustee of the Bond Fund and Construction Fund and Bond Registrar and paying agent for principal of, premium, if any, and interest on the Bonds, and the successor Trustee shall become such trustee, Bond Registrar and paying agent.

SECTION 1113. Trust Estate May Be Vested in Separate or Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of Alabama) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture or the Lease, and in particular in case of the enforcement of either upon default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee, or hold title to the Trust Estate, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate or co-trustee.



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

Should any deed, conveyance or instrument in writing from the Board be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyance and instruments in writing shall, on request, be executed, acknowledged and delivered by the Board. In case any separate trustee or co-trustee, or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee.

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## ARTICLE XII.

### SUPPLEMENTAL INDENTURES

SECTION 1201. Supplemental Indentures Not Requiring Consent of Bondholders. The Board and the Trustee shall, without the consent of, or notice to, any of the bondholders, enter into an indenture or indentures supplemental to this Indenture as shall not be inconsistent with the terms and provisions hereof for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in this Indenture;

(b) To grant to or confer upon the Trustee for the benefit of the bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the bondholders or the Trustee or either of them;

(c) To subject to the lien and pledge of this Indenture additional revenues, properties or collateral;

(d) To modify, amend or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any of the states of the United States of America;

(e) To evidence the appointment of a separate Trustee or co-trustee or the succession of a new Trustee hereunder; or

(f) To make any other change which in the judgment of the Trustee would not have a material adverse affect on the rights and security of the Bondholders.

SECTION 1202. Supplemental Indentures Requiring Consent of Bondholders. Exclusive of supplemental indentures covered by Section 1201 hereof and subject to the terms and provisions contained in this Section, and not otherwise, the holders of not less than two-thirds in aggregate principal amount of the Bonds then outstanding shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Board and the Trustee of such other indenture or indentures supplemental hereto as shall be deemed necessary and desirable by the Board for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any supplemental indenture; provided, however,

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that nothing in this Section contained shall permit, or be construed as permitting, without the consent of the holders of all of the Bonds then outstanding, (a) an extension of the maturity of the principal of, or the interest on, any Bond issued hereunder, (b) a reduction in the principal amount of, or redemption premium on, any Bond or the rate of interest thereon, (c) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, (d) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental indenture, or any modification or waiver of the provisions of the Lease, (e) the creation of any lien ranking prior to or on a parity with the lien of this Indenture on the Trust Estate or any part thereof, except as hereinbefore expressly permitted, or (f) the deprivation of the holder of any Bond then outstanding of the lien hereby created on the Trust Estate.

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If at any time the Board shall request the Trustee to enter into any such supplemental indenture for any of the purposes of this Section, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such supplemental indenture to be mailed by certified or registered mail to the holders of all Bonds then outstanding. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the principal office of the Trustee for inspection by all bondholders. If, within sixty days or such longer period as shall be prescribed by the Board following the mailing of such notice, the holders of not less than two-thirds in aggregate principal amount of the Bonds outstanding at the time of the execution of any such supplemental indenture shall have consented to and approved the execution thereof as herein provided, no holder of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Board from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such supplemental indenture as in this Section permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith. The Trustee may receive an opinion of counsel (who may be counsel for the Board, the Lessee or both) that any such supplement indenture entered into by the Board and the Trustee complies with the provisions of this Article XII and the Trustee may rely upon such opinion.

Anything herein to the contrary notwithstanding, a supplemental indenture under this Article XII which affects any rights of the Lessee or any Guarantor shall not become effective unless and until the Lessee shall have consented to the execution and delivery of such supplemental indenture. In this regard, the Trustee shall cause notice of the proposed execution and delivery of any such supplemental indenture together with a copy of the proposed supplemental indenture to be mailed by certified or registered mail to the Lessee and each Guarantor at least fifteen days prior to the proposed date of execution and delivery of any such supplemental indenture. The Lessee and a Guarantor shall be deemed to have consented to the execution and

delivery of any such supplemental indenture if the Trustee does not receive a letter of protest or objection thereto signed by or on behalf of the Lessee or such Guarantor, as the case may be, on or before 4:30 o'clock P.M., CST, of the fifteenth day after the mailing of said notice and a copy of the proposed supplemental indenture.

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ARTICLE XIII.  
AMENDMENT OF LEASE AND GUARANTIES

SECTION 1301. Amendments, etc. to Lease and Guaranties Not Requiring Consent of Bondholders. The Board and the Trustee may, without the consent of, or notice to, the Bondholders, consent to any amendment, change or modification of the Lease, the Individual Guaranty or the Corporation Guaranty as may be required (i) by the provisions of the Lease or this Indenture, (ii) for the purpose of issuing refunding bonds pursuant to Article II hereof, (iii) for the purpose of curing any ambiguity or formal defect or omission in the Lease, (iv) in connection with the Leased Equipment so as to identify more precisely the same or substitute additional Leased Equipment in accordance with the provisions of the Lease, (v) in connection with any real estate which pursuant to the Plant Lease is to become Project Site, or (vi) in connection with any other change therein which, in the judgment of the Trustee, would not have a material adverse effect on the rights and security of the Bondholders.

SECTION 1302. Amendments, etc., to Lease and Guaranties Requiring Consent of Bondholders. Except for the amendments, changes or modifications as provided in Section 1301 hereof, neither the Board nor the Trustee shall consent to any other amendment, change or modification of the Lease, the Individual Guaranty or the Corporation Guaranty without the mailing of notice and the written approval or consent of the holders of not less than two-thirds in principal amount of the Bonds at the time outstanding given and procured as in Section 1202 provided; provided however, that the consent of the holders of all Bonds then outstanding is required for any amendment, change or modification of the Lease, the Individual Guaranty or the Corporation Guaranty that would permit the termination or cancellation of the Lease, the Individual Guaranty or the Corporation Guaranty or a reduction in or postponement of the payments under the Lease, the Individual Guaranty or the Corporation Guaranty or any change in the provisions relating to the prepayment thereunder. If at any time the Board and the Lessee shall request the consent of the Trustee to any such proposed amendment, change or modification of the Lease, the Individual Guaranty or the Corporation Guaranty, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change or modification to be mailed in the same manner as provided by Section 1202 hereof with respect to proposed supplemental indentures. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file at the principal office of the Trustee for inspection by bondholders.

SECTION 1303. Other Documents. The Board shall not be entitled to consent to or approve the amendment, modification or supplementation of the Sublease without the prior written consent of the Trustee and the Original Purchaser to such amendment, modification or

supplementation. For so long as any of the Bonds are outstanding, the Board covenants and agrees not to enter into or consent to any amendment, modification or supplementation of the Plant Indenture or the Plant Lease without the prior written consent of the Trustee and the Original Purchaser. The Trustee shall not enter into or consent to any amendment or supplement to the Security Agreement without the prior written consent of the Original Purchasers and the Guarantors.

SECTION 1304. Guarantors' Consent. Notwithstanding any other provision of this Indenture, any amendment, modification or supplementation of the Individual Guaranty which affects any of the rights or obligations of the Lessee, or any amendment of the Corporation Guaranty or the Lease which affects any of the rights or obligations of the Partnership, shall not become effective unless and until the Lessee or the Partnership, as the case may be, shall have consented to the execution and delivery thereof. In any such event, the Lessee or the Partnership, as the case may be, shall receive notice of and be deemed to have consented to the proposed amendment, modification or supplementation in accordance with the procedures set forth in the last paragraph of Section 1202 of this Indenture.

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## ARTICLE XIV.

### MISCELLANEOUS

SECTION 1401. Consents, etc., of Bondholders. Any consent, request, direction, approval, objection or other instrument required by this Indenture to be executed by the bondholders may be in any number of concurrent writings of similar tenor and may be signed or executed by such bondholders in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken under any such instrument. The fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by an affidavit of any witness to such execution.

SECTION 1402. Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any person or company other than the parties hereto, the Lessee and the holders of the Bonds, any legal or equitable right, remedy or claim under or in respect to this Indenture or any covenants, agreements, conditions and provisions herein contained; this Indenture and all of the covenants, agreements, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto, the Lessee and the holders of the Bonds as herein provided.

SECTION 1403. Severability. If any provision of this Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever.

SECTION 1404. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, return receipt requested, postage prepaid, addressed as follows: if to the Board, City Hall, Montevallo, Alabama, Attention: Chairman of the Board of Directors; if to the Lessee or any Individual Guarantor, at Railroad Avenue, Helena, Alabama 35080, Attention: John M. Metrock; and if to the Trustee at Central Bank of the South, 701 South 20th Street, Birmingham, Alabama, 35233, Attention: Corporate Trust

Department, with a copy to Central Bank of the South, 701 South 20th Street, Birmingham, Alabama, 35233, Attention: C. Eugene Boles. A duplicate copy of each notice, certificate or other communication given hereunder by either the Board, the Lessee or the Trustee to any one of the others shall also be given to all of the others. The Board, the Lessee and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

SECTION 1405. Trustee as Paying Agent and Bond Registrar. The Trustee is hereby designated and agrees to act as paying agent and Bond Registrar for and in respect to the Bonds.

SECTION 1406. Payments Due on Sundays and Holidays. In any case where the date of maturity or principal of or interest on the Bonds or the date fixed for redemption of any Bonds shall be, in the city of payment, a Sunday or a legal holiday or a day on which banking institutions are authorized by law to close, then payment of principal or interest need not be made on such date in such city but may be made on the next succeeding business day not a Sunday, legal holiday or day upon which banking institutions are authorized by law to close with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date.

SECTION 1407. Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 1408. Laws Governing Indenture. This Indenture and the rights of all parties hereunder shall be governed exclusively by, and construed in accordance with, the laws of the State of Alabama.

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IN WITNESS WHEREOF, The Industrial Development Board of the City of Montevallo, has caused these presents to be signed in its name and behalf by the Interim Chairman of its Board of Directors and its corporate seal to be hereunto affixed and attested by its Interim Secretary, and to evidence its acceptance of the trusts hereby created Central Bank of the South has caused these presents to be signed in its name and behalf and its official seal to be hereunto affixed and attested by its duly authorized officers, all as of the date first above written, but actually on the dates reflected below.

THE INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF MONTEVALLO, ALABAMA

By   
Interim Chairman of the Board  
of Directors

Date of Execution: November 14, 1984

Attest:

  
Interim Secretary


(Corporate Seal)

CENTRAL BANK OF THE SOUTH

By   
Vice President & Senior Trust Officer

Date of Execution: November 14, 1984

Attest:

  
Title: Vice President

(Corporate Seal)

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STATE OF ALABAMA                    )  
SHELBY COUNTY                    )

I, the undersigned, a Notary Public in and for said County in said State, do hereby certify that James A. Kelly, whose name as Interim Chairman of the Board of Directors of The Industrial Development Board of the City of Montevallo, Alabama, a public corporation, is signed to the foregoing instrument, and who is known to me and known to be such officer, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said Board.

Given under my hand and seal of office, this 14<sup>th</sup> day of November, 1984.

Lynn L. Magard  
Notary Public

My commission expires: 5/26/86

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STATE OF ALABAMA )  
JEFFERSON COUNTY )

I, the undersigned, a Notary Public in and for said County in said State, do hereby certify that Charles O. Trotter, whose name as Vice President and Senior Trust Officer of Central Bank of the South, a banking association under the laws of the State of Alabama, is signed to the foregoing instrument, and who is known to me and known to be such officer, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said state banking association.

Given under my hand and seal of office, this 14<sup>th</sup> day of November, 1984.

Lynn L. Thagard  
Notary Public

My commission expires: 5/26/86

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## EXHIBIT A - PROJECT SITE

The Project Site initially consists of the following described real estate and interests in real estate located in Shelby County, Alabama:

- Part of the W 1/2 of the NE 1/4 and part of the E 1/2 of the NW 1/4 of Section 6, Township 24 North, Range 13 East and in Section 1, Township 24 North, Range 12 East, more particularly described as follows: Commence at the Northeast corner of said Section 6 and run West along the North line thereof, which is commonly called the Freeman Line 2,332.68 feet to a point which 309.3 feet East of the Northwest corner of the NE 1/4 of said Section 6; thence turn left 92 deg. 52 min. 30 sec. and run a distance of 429.82 feet to the point of beginning; thence continue along the same course 1487 feet to the North right of way line of the Calera to the Montevallo paved road; thence turn right 88 deg. 22 min. and run in a Westerly direction along the Northerly right of way a distance of 316.04 feet to the point of a curve in said road; thence following the curve in said road to the right, said curve having a radius of 9,833 feet and a central angle of 1 deg. 38 min. a distance of 280.31 feet to the point of tangency of said curve; thence continue in a Westerly direction along said tangent and along the Northerly right of way line of said road, a distance of 903.91 feet to the center line of a culvert projected to the intersection with the Northerly right of way line of said road; then turn right 90 deg. and running a distance of 1500 feet; thence turn right 90 deg. and running a distance of 1500 feet to the point of beginning.

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## EXHIBIT B - LEASED EQUIPMENT

The equipment, machinery and other items of tangible personal property constituting the Leased Equipment to be acquired with the proceeds of the Series 1984 Bond, which as of the date hereof includes and is expected to include the following:

- 1 ICE Combustion Systems Fluidized Bed Annealing Furnace
- 1 ICE Combustion Systems Pickling System & Flux Tank
- 1 Stand-By Blower
- 1 EIWA Descaling Machine - Model Ed-C-8
- 1 2/3 Vaughn Wire Drawer HRM 10585
- 2 Vaughn Dead Blocks Serial #S 12199 & 12198
- 3 Top Running Single girde dual motor overhead electric cranes
- 1 Caterpillar Model V80D Lift Truck Serial #41X1021
- 5 Multi-V Grooves to be manufactured by Metrock Steel and Wire Company, Inc.
- 1 Columbiana Electric Fusion Welded Galvanizing Kettle
- 2 Vertical Payoff Descalers to be manufactured by Metrock Steel and Wire Company, Inc.
- Deadblock for Vaughn B/B to be manufactured by Metrock Steel and Wire Company, Inc.
- 1 Model Ed-C-12 Descaling Machine
- 20 Strand Pay-Off Unit -- made by Metrock Steel and Wire Company, Inc.

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### EXHIBIT C - THE PLANT EQUIPMENT

The equipment, machinery and other items of tangible personal property constituting the "Leased Equipment" under the Plant Lease to be acquired with the proceeds of the Plant Bond, which, as of the date hereof, includes or is expected to include the following:

As of the date hereof there is no Plant Equipment, and, therefore, this Exhibit C has been intentionally left blank.

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## EXHIBIT D - THE PROJECT

The Project consists of facilities which are either land or property subject to the allowance for depreciation under Section 167 of the Code and, specifically the acquisition of the Leased Equipment, and the installation thereof on the Project Site and in the Building. Generally, the Project includes:

1. The Leased Equipment described on Exhibit B; and
2. Renovations, wiring, tubing, anchoring or other civil works of like or similar nature necessary or useful in connection with the installation or operation of the Leased Equipment or useful to the carrying out of the purpose of the Project.

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

1984 NOV 14 PM 2:54

*Thomas A. Johnson, Jr.*  
JUDGE OF PROBATE

Rec. 197.50  
Ind. 1.00  
198.50

