

**REGULAR MEETING OF THE MAYOR AND BOARD OF ALDERMEN
TUESDAY, APRIL 6, 1993 - 7 P.M.
MUNICIPAL COURTROOM - 305 MONROE STREET**

The Mayor and Board of Aldermen of the City of Clinton, Mississippi, met in Regular Meeting on Tuesday, April 6, 1993, 7 P.M., at the Municipal Courtroom, 305 Monroe Street.

WELCOME AND CALL TO ORDER - Mayor Billy Ray Smith

INVOCATION AND PLEDGE OF ALLEGIANCE TO THE FLAG

The Invocation was led by Youth Director Greg Taylor, First United Methodist Church, followed by the Pledge of Allegiance to the Flag led by Alderman Willard Ryan.

ROLL CALL - City Clerk Nelson Byrd

Present - Willard Ryan - Alderman-at-Large
O. C. George Ferrell - Alderman Ward 1
Edward Valente - Alderman Ward 2 - Arrived 7:20 p.m.
Ben Todd - Alderman Ward 3
Phil Fisher - Alderman Ward 4
Jean Johnson - Alderman Ward 5
Sharbert Lott - Alderman Ward 6
Mayor Billy Ray Smith - Presiding

City Attorney William E. Spell
City Clerk Nelson Byrd

APPROVAL OF CONSENT AGENDA ITEMS A-KK:

MOTION made by Alderman Lott and **SECONDED** by Alderman Johnson to approve Consent Agenda Items A-KK as listed on page 1010-1011 of this Minute Book V, with the deletion of Claim Number 624-3 totaling \$1,204.40, to be handled later as requested. It was noted that Consent Agenda Items C & J, will serve to advertise favorably the opportunities, possibilities, and resources of the City of Clinton. Quotes listed in items H, N, & Q are on file in the Office of the City Clerk. **MOTION CARRIED UNANIMOUSLY.** Alderman Valente not present for voting.

QUOTES FOR ROBINSON PARK IMPROVEMENTS TO BE BROUGHT TO NEXT BOARD MEETING

Following a lengthy discussion regarding prior directed improvements (August 1992) and current needed improvements to be made at Robinson Park, **MOTION** made by Alderman Ferrell and **SECONDED** by Alderman Fisher to direct the Parks & Recreation Director to correct the plumbing problems and installation of bathroom doors at Robinson Park and report back to the Board in four weeks with satisfactory results of said improvements. (It was noted that quotes must be obtained for said bathroom doors and said quotes are to be brought to the Board for approval in two weeks.) **MOTION CARRIED UNANIMOUSLY.**

Mayor Smith directed the Parks & Recreation Director and Foreman to meet the Mayor and any alderman who can attend at Robinson Park, Thursday morning, 7:45 a.m., to assess the Robinson Park situation.

APPROVAL OF FORMAL LEASE-PURCHASE AGREEMENT FOR NEW FIRE TRUCK

Regarding that matter listed on agenda item #7 as a lease of a tractor for the Parks and Recreation Department, and noting that it should have read a lease purchase for the new Emergency One Model C866 Triple Combination Custom Pumper mounted on a 1993 Emergency One Model H210 Custom Chassis, City Attorney Spell apprised the Board that this was strictly a formality of adopting

the formal lease-purchase agreement, noting that this Board had previously directed the Fire Department to make said lease-purchase agreement. MOTION made by Alderman Johnson and SECONDED by Alderman Valente to adopt said lease purchase agreement. Copy of said agreement, resolution, lease schedule and corresponding documentation may be found on pages 1012-1043 of this Minute Book V.

NATCHEZ TRACE PARKWAY UPDATE

City Engineer Broome apprised the Board that he had been in contact with the Natchez Trace Parkway people and was working to coordinate with them as much as possible for the future parkway extension through Clinton. NO BOARD ACTION.

WICKSTEAD ROAD SEWER BIDS TO BE APPROVED AT NEXT BOARD MEETING

Sealed bids were received and opened on April 2, 1993, for construction of sewer line on Wickstead Road, with the low bidder being Jay Bearden Construction, Inc., in the amount of \$52,694.00. City Engineer Broome advised the Board that a public meeting was scheduled to be held April 8, 1993, 7 p.m., with Wickstead homeowners giving them an opportunity to decide if they wanted to pursue said special assessment district, and therefore, requested the Board to postpone action on accepting said bids until the next Board Meeting. Broome further stated that he would have certified copies of said bid tabulation at the next meeting. NO BOARD ACTION.

RIVERWOOD INTERNATIONAL GRANTED FREE PORT WAREHOUSE EXEMPTION FROM SCHOOL AND CITY AD VALOREM TAXES

MOTION made by Alderman Ferrell and SECONDED by Alderman Johnson to approve that application requesting and resolution granting exemption from school and City ad valorem taxes to Riverwood International for a ten year period as the operator of a free port warehouse. MOTION CARRIED UNANIMOUSLY. Said documentation may be found on pages 1044-1062 of this Minute Book V.

PARKS & RECREATION ADVISORY COMMITTEE TO BE APPOINTED AT NEXT BOARD MEETING

Aldermen Ryan, Ferrell, Fisher and Lott nominated Mary Taylor, Buford Williams, Dr. Brian Crabtree, and Paul Mucho respectively to serve on the Parks & Recreation Advisory Committee. Aldermen Valente, Todd, and Johnson stated that they would make their nominations at the next Board Meeting. It was noted P&R Advisory Committee will be appointed at the next Board Meeting with initial terms of office to begin immediately, and future appointments to run from July 1 through June 30. All appointments will be on the rotating basis (one, two, and three year periods) as previously recorded on page 922 of this Minute Book V.

OTHER BUSINESS

- A. Mayor Smith requested Board Members who can not attend the Business and Industry Luncheon to let him know right away so he can make arrangements for someone else to use their reservation. It was noted that Mike Espy, Secretary of Agriculture will be the keynote speaker, and that the Clinton Public School System will be honored at said meeting.
- B. Mayor Smith read a proclamation honoring Mr. J. E. Carter for his contributions to the City of Clinton, and commending him for being named the 1993 Conservation Developer of the Year by the Hinds County Soil and Water Conservation District.

ADJOURNMENT - 8:05 P.M.

There being no further business to discuss, **MOTION** made by Alderman Fisher and **SECONDED** by Alderman Lott to Recess until April 20, 1993, 5 P.M. **MOTION CARRIED UNANIMOUSLY.**

Copy of Agenda may be found on Pages 1010-1011 of this Minute Book V.

APPROVED: Billy R Smith 4-18-93
Billy Ray Smith, Mayor Date

ATTEST: Nelson Byrd 4-18-93
Nelson Byrd, City Clerk Date

SEAL

ROSS, HUNT, SPELL & ROSS

A PROFESSIONAL ASSOCIATION

ATTORNEYS AT LAW

203 MONROE STREET

CLINTON, MISSISSIPPI 39056

TEL: 601-924-2655

FAX: 601-924-8958

TOM T. ROSS, SR.
*DAVID R. HUNT
*WILLIAM E. SPELL
TOM T. ROSS, JR.

*ALSO ADMITTED IN DISTRICT OF COLUMBIA

P.O. BOX 1196
123 COURT STREET
CLARKSDALE, MISSISSIPPI 38614
601-627-5251

April 8, 1993

First Continental Leasing
a division of Bank of Mississippi
P.O. Box 15097
Hattiesburg, MS 39404-5097

Re: Lease-Purchase of Equipment by
City of Clinton, Mississippi
Schedule No. 01 (7947506)

Ladies and Gentlemen:

Pursuant to your request, we hereby render the following opinion regarding the Equipment Lease-Purchase Agreement (the "Agreement") between City of Clinton, Mississippi (the "Lessee") and the Mayor and Board of Aldermen (the "Governing Body") and First Continental Leasing, a division of Bank of Mississippi (the "Lessor") dated April 6, 1993.

We have acted as counsel to the Lessee and the Governing Body with respect to certain legal matters pertaining to the Agreement, and to the transactions contemplated thereby. We are familiar with the Agreement and we have examined such agreements, schedules, statements, certificates, records, including minutes of the Governing Body of the Lessee and other instruments of public officials, Lessee, and other persons as we have considered necessary or proper as a basis for the opinions hereinafter stated.

Based on such examination, we are of the opinion that:

1. Lessee and the Governing Body have full power, authority and legal right to execute, deliver and perform the terms of the Agreement. The Agreement has been duly authorized by all necessary action on the part of Lessee and the Governing Body and any other governing authority and does not require the approval of, or the giving notice to any other federal, state, local, or foreign governmental authority and does not contravene any law binding on Lessee or the Governing Body or contravene any indenture, credit agreement or other agreement to which Lessee or the Governing Body is a party or by which it is bound.

2. The Agreement has been duly authorized, executed and delivered and constitutes a valid and binding obligation of Lessee and the Governing Body enforceable in accordance with its terms.

3. All required procedures for execution of the Agreement, including competitive bidding, if applicable, have been complied with, and all rentals will be paid out of funds which are legally available for such purposes.

4. With respect to the tax-exempt status of the interest portion of rental payments under the Agreement, under present law:

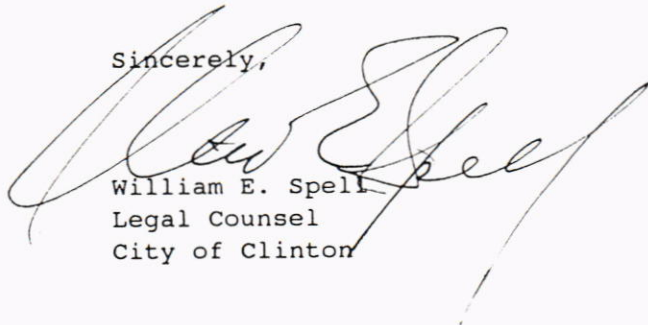
(a) The Agreement is a conditional sales agreement which qualifies as an obligation for purposes of Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and Treasury Regulations and rulings hereunder.

(b) The interest portion of the rental payments under the terms of the Agreement is exempt from federal income taxation pursuant to Section 103(a) of the Code and the Treasury Regulations and rulings thereunder.

5. There are no pending or threatened actions or proceedings before any court, administrative agency or other tribunal or body against Lessee or the Governing Body which may materially affect Lessee's or the Governing Body's financial condition or operations, or which could have any effect whatsoever upon the validity, performance or enforceability of the terms of the Agreement.

This opinion is being furnished to you in connection with the above-referenced transaction and the opinions expressed herein are for the sole benefit of, and may be relied upon by the Lessor and its assigns and are not to be delivered to or relied upon by any other party without our prior written consent.

Sincerely,



William E. Spell
Legal Counsel
City of Clinton

EQUIPMENT LEASE-PURCHASE AGREEMENT

This Equipment Lease-Purchase Agreement (the "Agreement") dated as of APRIL 6, 1993 is entered into between First Continental Leasing, a division of Bank of Mississippi (the "Lessor"), whose Principal Office (herein so called) is located at Hattiesburg, Mississippi and the City of Clinton, Mississippi (the "Lessee"), acting by and through the Mayor and Board of Aldermen, the Governing Body of the Lessee.

1. Agreement to Lease. In consideration of the rental provided herein, and the other covenants contained herein, Lessor hereby agrees to lease and rent to Lessee, and Lessee hereby agrees to lease and rent from Lessor, all the machinery, equipment and other personal property ("Equipment") described in Equipment Lease Schedule(s) ("Equipment Schedules") now or hereafter executed by Lessor and Lessee and attached hereto and incorporated herein by reference as Exhibit B upon the terms and conditions set forth in this Agreement, as supplemented by the terms and conditions set forth in the appropriate Equipment Schedule identifying such item of Equipment and such other Equipment Schedules as may be executed by Lessor and Lessee and attached hereto and incorporated herein by reference.

2. Lease Term. The obligations of Lessor and Lessee under this Agreement will commence upon the execution hereof by Lessor and Lessee and will end upon the full performance and observance of each and every term, condition, and covenant contained herein, each Schedule hereto and any extensions thereof. The rental term of the Equipment listed in each Equipment Schedule shall commence on the date that the rental payment is due as provided in the Equipment Schedule and shall terminate on the last day of the term stated in such Equipment Schedule. This Agreement shall be automatically renewed on a year-to-year basis except as provided for in Paragraph 4.

3. Rental Payments. The rent for the Equipment described in each Equipment Schedule shall be the total sum stated on such Equipment Schedule, in installments, and shall be due and payable on the dates set forth therein. A portion of each such rental payment is paid as, and represents a payment of interest and each Equipment Schedule sets forth the applicable interest rate and interest component of each rental payment; /provided however such interest component is subject to change as provided in Paragraph 12 hereof. Such rent shall be payable from legally available funds of the Lessee in lawful money of the United States, without notice or demand, at the Principal Office of the Lessor or its assigns (or at such other place as Lessor may from time to time designate in writing). The receipt of any check or other item on account of any rental payment will not be considered as payment thereof until such check or other item is honored when presented for payment. All rental payments shall be made by the Lessee without abatement, setoff, or deduction of any amounts whatsoever. The obligations of Lessee to pay rent hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirements concerning the creation of an indebtedness by Lessee.

4. Continuation of Lease by Lessee. (a) Lessee intends to comply with each term, condition and covenant of this Agreement during the term hereof and to pay the rent due hereunder. Lessee reasonably believes that legally available funds of an amount sufficient to make all rent payments due hereunder shall be obtained. Lessee agrees to include in its budget for each fiscal year during the term of this Agreement all rent payments due hereunder and to do all other things necessary and lawfully within its power to have such portion of the budget approved to obtain and provide for funds to pay its obligations due hereunder. In the event that such portion of the budget that provides for rent payments due under this Agreement is not approved, the Lessee agrees, at its expense, to exhaust all available reviews and appeals to have the rent payments reinstated and approved in the budget. It is Lessee's intent to make rental payments for the full term of this Agreement if funds are legally available therefor and in that regard Lessee represents that the use of the Equipment is essential to its proper efficient and economic operation and that the functions performed by the Equipment could not and will not be transferred to other equipment now available or which may be subsequently acquired for use by Lessee during the term of this Agreement.

(b) In the event no funds or insufficient funds are appropriated or otherwise available by any means whatsoever in any fiscal year for rental payments due under this Agreement, then the Lessee shall immediately notify Lessor or its assignee of such occurrence and this Agreement shall create no further obligation of Lessee as to such fiscal year and shall be null and void, except as to the portions of rental payments for which funds shall have been appropriated and budgeted. In such event, this Agreement shall terminate on the last day of the fiscal year for which appropriations were received without penalty or expense to Lessee of any kind whatsoever. Subsequent to such termination of this Agreement, Lessee shall have no continuing obligation to make rental payments under this Agreement. No right of action or damages shall accrue to the benefit of Lessor, or its assignee, as to that portion of this Agreement which may so terminate except as specifically provided in the last paragraph of this Paragraph. In the event of such termination, Lessee agrees to peaceably surrender possession of the Equipment to Lessor or its assignee on the date of such termination, packed for shipment in accordance with manufacturer specifications and freight prepaid and insured to any location in the continental United States designated by Lessor. Lessor shall have all legal and equitable rights and remedies to take possession of the Equipment.

(c) Notwithstanding the foregoing, Lessee agrees

(i) that it will not cancel this Agreement under the provisions of subparagraph (b) above if any funds are appropriated to it, or by it, for the acquisition, retention or operation of the Equipment or other equipment performing functions similar to the Equipment for the fiscal year in which such termination occurs or the next succeeding fiscal year thereafter, and

(ii) that it will not during the term of this Agreement give priority in the application of funds to any other functionally similar equipment or services. Subparagraph (b) above shall not be construed so as to permit Lessee to terminate this

Agreement in order to acquire any other equipment or to allocate funds directly or indirectly to perform essentially the same applications for which the Equipment is intended.

5. Purchase and Installation. Lessee will select the type, quantity and supplier of each item of Equipment and in reliance thereon Lessor will either order such Equipment from such supplier or accept an assignment of any existing purchase order (the "Purchase Order") therefor. The Equipment so ordered shall be delivered to Lessee by the supplier thereof. Lessee shall accept such Equipment when and if delivered and placed in good repair and working order and hereby authorizes Lessor to add to this Agreement the serial number of each item of Equipment so delivered. Any delay in such delivery shall not affect the validity of this Agreement. Lessee shall have 30 days from the date of delivery to accept such Equipment and deliver an executed Equipment Acceptance Notice in the form attached hereto as Exhibit C. Notice of any defects must be given to Lessor within 30 days of delivery. In the event the Equipment is not accepted by the Lessee within 30 days from the date of delivery and such acceptance is unreasonably withheld by Lessee, Lessor, at Lessor's option, shall have the right to cancel this Agreement. Subject to the conditions set forth in this paragraph, upon delivery of the Equipment to Lessee, payment will be made by Lessor for the balance due and owing for the Equipment, and, notwithstanding any defect in or failure of the Equipment, Lessee will, upon payment of any amount by Lessor at the request of Lessee (whether down payment, deposit, or full purchase price), become fully and completely liable under this Agreement with respect to the Equipment until such time as this Agreement expires by its terms. Lessor shall have no liability for any delay in delivery or failure by the supplier to fill the Purchase Order or meet the conditions thereof. Lessee, at its expense, will pay all taxes, duties and expenses of packing, transportation, installation, testing and other charges in connection with the delivery, installation, and use of the Equipment.

Lessor's obligation to purchase and lease-purchase Equipment under this Agreement is subject to the fulfillment, to Lessor's reasonable satisfaction, of the following conditions precedent:

(a) Lessor shall have received a full warranty bill of sale satisfactory to Lessor, executed by the supplier in favor of Lessor, covering such item of Equipment.

(b) Lessor shall have received an invoice describing such item of Equipment, all material components thereof and the purchase price payable to supplier in respect thereof.

(c) Lessor shall have received an opinion of counsel to Lessee in form and substance satisfactory to Lessor, to the effect that such counsel has examined this Agreement and such other documents and matters as he deemed necessary to reach the conclusions stated in such opinion, which conclusions shall include the following:

(i) the representations and warranties of Lessee contained in this Agreement are true and correct on the date thereof;

(ii) this Agreement has been duly authorized, executed and delivered by Lessee, and constitutes a valid and binding obligation of Lessee enforceable in accordance with its terms;

(iii) there are no pending or threatened actions or proceedings before any court, administrative agency or other tribunal or body against Lessee which may materially affect Lessee's financial condition or operations, or which could have any effect whatsoever upon the validity, performance, or enforceability of this Agreement;

(iv) the interest portion of the rental payments due hereunder is exempt from federal income taxation pursuant to Paragraph 103(a) of the Internal Revenue Code of 1986, as amended, and the Treasury regulations and rulings thereunder (the "Code");

(v) The Lessee is a fully constituted political subdivision or agency of the State where the Equipment is located as set forth herein and is authorized by the Constitution and laws of the State of Mississippi (the "State") and its own internal or administrative procedure to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder; and

(vi) such other matters as Lessor may reasonably request.

(d) On the date thereof, no default (as defined in Paragraph 23 hereof), and no event which with notice or lapse of time, or both, would become a default, shall have occurred and be continuing hereunder.

(e) All representations and warranties of Lessee made herein shall be true and correct in all material respects on the date thereof.

(f) A financing statement, in form and substance satisfactory to Lessor, in respect of such Equipment shall have been executed and filed in the appropriate offices.

(g) Lessor shall have received from Lessee written notice of acceptance of the Equipment.

(h) Lessor shall have received all other documents, instruments, certificates, opinions, and evidences as Lessor may reasonably request.

6. Representations and Warranties of Lessee. Lessee represents, warrants and covenants to Lessor that:

(a) Lessee has been duly authorized by all necessary action on the part of the Lessee, its governing body or other appropriate governing bodies and officials to execute, deliver, and perform the terms of this Agreement and further represents that all requirements

and procedures have occurred that are necessary to ensure the enforceability of this Agreement, including Lessee's compliance with any applicable public bidding requirements.

(b) This Agreement constitutes a legal, valid and binding obligation of Lessee, enforceable in accordance with its terms and does not contravene any lease, indenture, credit agreement or other agreement to which Lessee is a party or by which it is bound.

(c) There are no pending or threatened actions or proceedings before any court, administrative agency or other body which may materially affect Lessee's financial condition or operations or which could have any effect whatsoever upon the validity, performance, or enforceability of the terms of this Agreement.

(d) No consent, approval, or authorization of, registration with, or declaration to any agency or authority is required in connection with the execution and delivery of this Agreement.

(e) Lessee is not in default (nor has any event occurred which, with notice or lapse of time, or both, would constitute a default) under any agreement or instrument to which Lessee is a party or under which Lessee or any of its assets is bound which could have any effect whatsoever upon the validity, performance, or enforceability of the terms of this Agreement.

(f) There are no outstanding or unpaid judgments against Lessee.

(g) Lessee has furnished to Lessor a copy of current financial statements and except for transactions directly related to, or specifically contemplated by, this Agreement and transactions heretofore disclosed in writing to Lessor, since the dates of such financial statements, there have been no changes in the financial condition and operations of Lessee from that shown in such financial statements through the date hereof which would have any effect whatsoever upon the validity, performance, or enforceability of the terms of this Agreement and there is no significant material fact or condition relating to the financial condition or business operations of Lessee which has not been related, in writing, to Lessor. Lessee shall furnish to Lessor within 90 days of the close of its fiscal year during the term of this Agreement audited financial statements and such other financial statements as the Lessor may request from time to time during the terms of this Agreement. Any financial statements furnished or to be furnished to Lessor by Lessee (whether audited or unaudited) shall be prepared in accordance with generally accepted accounting principles consistently applied and fairly present the financial condition and results of operations of Lessee at the dates and for the periods indicated therein.

(h) Lessee is not leasing the Equipment for the purpose of putting, and does not intend to put, the Equipment to any consumer use within the meaning of any applicable truth-in-lending or similar laws.

(i) Lessee acknowledges and agrees that the rental payments have been calculated by Lessor assuming that the interest portion of each rental payment is exempt from federal income taxation. Lessee will do or refrain from doing all things necessary or appropriate to insure that the interest portion of the rental payment is exempt from federal income taxation, including, but not limited to, executing and filing all information statements required by Paragraph 149(e) of the Code and timely paying, to the extent of available funds, amounts, if any, required to be rebated to the United States pursuant to Paragraph 148(f) of the Code.

Lessee acknowledges that the representations, covenants and warranties set forth in Paragraph 6(i) and 7 shall survive the expiration of this Agreement and that Lessor may pursue any applicable remedies for the breach of such representations, covenants and warranties at any time.

7. Tax Exemption. Lessee acknowledges that Lessor has agreed to enter into this Agreement on the condition that a certain exemption from non-deductibility of interest expense under Section 265(b) of the Code is available. Said exception is subject to certain conditions relating to Lessee's use of the Equipment and to Lessee's issuance of tax-exempt obligations. In that regard, Lessee represents, covenants and warrants that:

(a) The Equipment will not be used, directly or indirectly in a trade or business carried on by any person other than a governmental unit, except for such use as a member of the general public.

(b) No portion of the rental payments payable hereunder: (i) will be secured, directly or indirectly, by property used or to be used in a trade or business carried on by a person other than a governmental unit, except for such use as a member of the general public, or by payments in respect of such property; or (ii) will be derived from payments, whether or not to Lessee, in respect of property or borrowed money used or to be used for a trade or business carried on by any person other than a governmental unit.

(c) No portion of the gross proceeds of the Agreement will be used (directly or indirectly) to make or finance loans to persons other than governmental units.

(d) The Agreement is hereby designated as a qualified tax-exempt obligation for the purposes of Section 265(b) of the Code.

(e) Lessee reasonably anticipates that the amount of qualified tax-exempt obligations to be issued by Lessee (together with qualified tax-exempt obligations issued by any entity from which Lessee derives its issuing authority or any entity which has substantial control over Lessee or any subordinate entity deriving its issuing authority from Lessee or any subordinate entity subject to substantial control by Lessee) during the current calendar year shall not exceed \$10,000,000.

8. Title; Personal Property; Encumbrances. Title to each item of Equipment shall at all times remain in Lessor, and Lessee shall have no right, title or interest therein except as expressly set forth in this Agreement.

The Equipment is and shall remain personal property and shall not be deemed to be affixed to or a part of the real estate on which it is situated, notwithstanding that the Equipment or any part thereof may be or hereafter becomes in any manner physically affixed or attached to real property or any building thereon. Lessor may at any time and from time to time require Lessee to obtain, and Lessee shall obtain and deliver to Lessor, a waiver of any interest in the Equipment by any present or future landlord, owner, or mortgagee of such real estate. No right, title, or interest in the Equipment shall pass to Lessee except the right to maintain possession and use of the Equipment during the term of this Agreement so long as there is not a default (as herein defined) existing under the terms of this Agreement. Lessor shall be permitted to display notice of its ownership of the Equipment by affixing to each item an identifying stencil or plate or any other indicia of ownership and Lessee will not alter, deface, cover or remove such ownership identification.

Lessee agrees to keep each item of Equipment at all times free and clear from all claims, levies, liens, and process. Lessee will not attempt to sell, assign, transfer, sublease, loan, part with possession of, conceal, mortgage, encumber, or otherwise dispose of the Equipment or the interest therein, or permit any lien, attachment, levy or execution of any of its creditors to become effective thereon (if any such lien, charge, claim or encumbrance should arise at any time, Lessee shall promptly, at its own expense, take such action as may be necessary to duly discharge same); provided, however, Lessee may deliver possession of any item of Equipment to the manufacturer or supplier thereof for testing or other similar purposes or to any person or company for service, repair, maintenance, or overhaul work on such item of Equipment or for alterations or modifications or additions to such item of Equipment to the extent required or permitted by any provision of this Agreement. Lessee, at its expense, will protect and defend Lessor's title to the Equipment.

9. Location. The Equipment shall be delivered to the location specified in the applicable Equipment Schedule and shall not be removed from such location without the prior written consent of Lessor.

10. Use; Repairs. Lessee shall use the Equipment in a careful manner and shall comply with all laws, ordinances and regulations relating to, and shall pay all costs, claims, damages, fees and charges arising out of its possession, use or maintenance. Lessee, at its expense, shall keep the Equipment in good repair and furnish all parts, mechanisms and devices required therefor.

11. Taxes. Lessee agrees to pay, promptly when due, all assessments, license and registration fees, taxes (including sales, use, excise, personal property, ad valorem, stamp, documentary and other taxes) and all other governmental charges, fees, fines or penalties whatsoever, whether payable by Lessor or Lessee, on or relating to the Equipment, or the

purchase, ownership, possession, leasing, operation, use or disposition thereof, and on or relating to this Agreement for the rent or other payments hereunder (excluding taxes on or measured by the net income of Lessor and excluding any sales or use tax payable to the supplier or manufacturer or the State of Mississippi by the Lessor on the acquisition of the Equipment and for which a credit is allowable under Section 27-65-23 of the Mississippi Code of 1972, as amended, against sales taxes collected by the Lessor from the Lessee on the periodic rental payments) and to prepare and file promptly with the appropriate office any and all returns required to be filed with respect thereto (sending copies thereof to Lessor) or, if requested by Lessor, to notify Lessor of such requirement and furnish Lessor with all information required by Lessor so that it may effect such filing. If Lessee fails to pay said charges and taxes when due, Lessor shall have the right, but shall not be obligated, to pay said charges and taxes. If Lessor pays any taxes, assessments, fees, or other governmental charges for which Lessee is responsible or liable pursuant to the foregoing, Lessee shall reimburse Lessor therefor within 5 days after demand by Lessor. All amounts under this paragraph (other than interest) payable to Lessor shall be computed on an "after tax" basis so that such payments shall be in an amount which, when reduced by the increase in the income tax liability or liabilities of Lessor, if any, as a result of such payment by Lessee, shall equal the after-tax cost of the tax, assessment, fee or other governmental charge paid by the Lessor.

12. Exemption from Federal Taxation. The Lessor has entered into this Agreement contemplating that the interest portion of rental payments will be exempt from income taxation. In the event any governmental taxing authority successfully imposes tax treatment, under this Agreement or any other lease of the Lessor which, in the opinion of Lessor's counsel, will be determinative of the tax treatment under this Agreement, which differs from the tax treatment contemplated to be taken by the Lessor hereto at the inception of this Agreement or which effectively denies to the Lessor the use or benefit of such tax treatment as contemplated, (including, but not limited to, the taxability of the interest portion of the rental payments caused by the non-applicability of Code Section 103(a) or the denial under Code Section 265(b), of a deduction for a portion of interest expense of Lessor, the affiliated group (as defined in Code Section 1504(a) of which Lessor is a member, or any separate member of the affiliated group of which Lessor is a member) then Lessee agrees to pay rents with an interest factor equal to the maximum rate of interest which, under applicable law, Lessor is permitted to charge, retroactively from the effective date of imposition of the change of tax treatment through the term of this Agreement during which the change of tax treatment is imposed, with credit being given for rental payments having already been made by Lessee during the period for which the change is imposed, and subsequently thereto, as rental payments would otherwise become due, until the end of the lease term. Any retroactive payments of rent under this paragraph shall be due and payable at the date that Lessor gives notice to Lessee of imposition of the change of tax treatment.

Lessee agrees to pay its pro-rata share of attorney's fees that may reasonably be incurred by Lessor in the event legal action or administrative action is taken by the Lessor to secure the tax treatment intended to be taken by Lessor under this Agreement or any other lease which in the opinion of Lessor's counsel will be determinative of the tax treatment under this Agreement

whether such action is successful or not. Lessee's pro-rata share shall be determined by the percentage that the Lessor's original cost of the Equipment bears to the total original cost of leased equipment for all other similar leases of the Lessor involving similar issues of fact or law. In the event the Lessor is successful in securing the tax treatment intended to be taken by Lessor, Lessor shall refund to Lessee the total amount of increased interest (as hereinabove provided) which has been paid by Lessee and rental payments for the remainder of the lease term shall be the original rentals as specified in the Equipment Schedules.

13. Use of Equipment; Inspections. Lessee may possess and use the Equipment in accordance with this Agreement, provided that any such use is in conformity with all applicable laws, regulations, ordinances, any insurance policies and any warranties of the manufacturer or supplier with respect to the Equipment. Lessee will not use or operate any item of Equipment other than in a manner and for the use contemplated by the manufacturer or supplier thereof, or permit any person other than the Lessee's authorized agents or employees to operate the Equipment.

Lessor or Lessor's agent shall have the right upon reasonable prior notice to the Lessee and during the Lessee's regular business hours to inspect the Equipment at the premises of the Lessee or wherever the Equipment may be located. Lessee shall promptly notify Lessor of all details arising out of any change in location of the Equipment, any alleged encumbrances thereon, any accident allegedly resulting from the use or operation thereof, or any materially defective, improper or malfunctioning item of Equipment and any claim or demand involving or relating thereto.

14. Acceptance. Lessee acknowledges and agrees that:

(a) each item of the Equipment is of a size, design, capacity and manufacture selected by Lessee;

(b) Lessee is satisfied that the Equipment, and each component thereof, is suitable for its purpose;

(c) Lessor is not the manufacturer of the Equipment nor a dealer in property of such kind;

(d) Lessor shall have no obligation to accept any item of the Equipment from any seller thereof until that item of Equipment is accepted by Lessee; and

(e) the foregoing notwithstanding, Lessee shall indemnify Lessor and hold Lessor harmless from and against any and all losses and liabilities which may arise from Lessee's failure for any reason to accept any item of the Equipment.

15. Maintenance. Lessee will pay for and provide all utilities consumed by or required for the Equipment or use thereof, including, but not limited to, water, gas, electrical

power, oil, gasoline, and lubricants. Lessee, at its sole expense, at all times during the term of this Agreement, shall maintain the Equipment and all additions, attachments and accessions thereto in good operating order, repair, condition, and appearance, and keep the same protected from the elements, ordinary wear and tear resulting from authorized use thereof alone excepted and shall make all necessary repairs and replacements to the Equipment. If the manufacturer of the Equipment has provided Lessee with a standard maintenance schedule, such schedule will constitute minimum maintenance compliance and Lessee upon request, will furnish Lessor with satisfactory evidence of such compliance. In furtherance of the maintenance of the Equipment, Lessee agrees, if requested by Lessor, to enter into and maintain in force a Maintenance Agreement with the manufacturer or a person (who may be a supplier) approved by the manufacturer providing for the maintenance of the Equipment (or specified items of Equipment). In the event Lessee is requested to enter into such a Maintenance Agreement, Lessee agrees to do all things within its power to cause such Maintenance Agreement to be complied with in all respects by Lessee, and the other party thereto; and Lessor hereby authorizes such other party thereto to accept the direction of Lessee in respect to such Maintenance Agreement. All maintenance and service charges, whether pursuant to such Maintenance Agreement or otherwise, shall be borne by Lessee.

16. Alterations and Repairs. Lessee shall not, without the prior written consent of Lessor (which may be withheld with or without cause), make any repair or alteration to or install any accessory, equipment, or device on the Equipment or any component thereof which interferes with the normal and satisfactory operation or maintenance thereof, or creates a safety hazard, or which might result in the creation of mechanic's or materialman's lien with respect thereto. All parts and attachments (whether new or replaced) at any time installed in or affixed to the Equipment shall constitute accessions thereto and shall be the property of Lessor (except items which are furnished or affixed by Lessee and may be removed without in any way affecting or impairing the original intended function or use of the Equipment or any component thereof and are readily removable by Lessee without causing material damage to the Equipment).

17. Disclaimer of Warranties; Exclusion of Liability. LESSOR, NOT BEING THE MANUFACTURER OF THE EQUIPMENT NOR THE MANUFACTURER'S AGENT, MAKES NO EXPRESS OR IMPLIED WARRANTY OF ANY KIND WHATSOEVER WITH RESPECT TO THE EQUIPMENT, INCLUDING BUT NOT LIMITED TO; THE MERCHANTABILITY OF THE EQUIPMENT OR ITS FITNESS FOR ANY PARTICULAR PURPOSE; THE DESIGN OR CONDITION OF THE EQUIPMENT; THE QUALITY OR CAPACITY OF THE EQUIPMENT; THE PERFORMANCE OF THE EQUIPMENT; THE WORKMANSHIP OR MATERIAL IN THE EQUIPMENT; COMPLIANCE OF THE EQUIPMENT WITH THE REQUIREMENTS OF ANY LAW, RULE, SPECIFICATION OR CONTRACT PERTAINING THERETO; PATENT INFRINGEMENT; OR LATENT DEFECTS. AS TO LESSEE, LESSOR LEASES THE EQUIPMENT "AS IS." Lessor shall have no obligation to accept any item of Equipment from any supplier thereof until that item of Equipment is accepted by Lessee. Lessor hereby assigns to Lessee, for and during the term of this Lease, applicable factory warranties, if any, express or implied, issued with respect to the Equipment and each component thereof, and Lessee will be subrogated to Lessor's claims, if

any, against the manufacturer or supplier of the Equipment for breach of any warranty or representation with respect thereto. Lessor authorizes Lessee to obtain the customary services furnished in connection with such warranties and guarantees at Lessee's expense. Lessor authorizes Lessee to enforce in its own name any warranty, representation or other claim enforceable against the manufacturer. Lessor assumes no responsibility for shipment, delivery, installation or maintenance and all claims of Lessee with respect thereto, whether for delay, damage or otherwise, shall be made against supplier. Lessor, at its option, may provide in its Purchase Order that supplier agrees that any of such claims may be made by Lessee directly against suppliers. The obligation of Lessee to pay the rental payments shall not be abated, impaired or reduced by reason of any claims of the Lessee with respect to Equipment condition, quality, workmanship, delivery, shipment, installation, defects or otherwise. Notwithstanding the foregoing, Lessee's obligations to pay the rentals or otherwise under this Lease shall be and are absolute and unconditional. All proceeds of any such warranty recovery from the manufacturer or supplier of the Equipment shall be first used to repair the affected Equipment. In no event shall Lessor be liable to Lessee for loss of anticipatory profits or any other direct, indirect, special or consequential damages.

18. Risk of Loss. All risk of loss, theft, damage or destruction to each item of Equipment shall be borne by Lessee. No such loss, theft, damage or destruction of the Equipment, in whole or in part, shall impair the obligations of Lessee under this Agreement, all of which shall continue in full force and effect, and Lessee, at Lessor's option, shall either:

- (a) place the affected Equipment in good repair, condition and working order;
- (b) replace the same with like Equipment in good repair, condition and working order (with documentation establishing clear title therein in Lessor); or
- (c) pay to Lessor an amount equal to the purchase option price as prescribed in Paragraph 21 hereof, less the net amount of the recovery, if any, actually received by Lessor from insurance or otherwise for such loss, theft, damage or destruction.

19. Insurance. Lessee shall keep the Equipment insured against loss, theft, damage or destruction from every cause whatsoever for not less than full replacement value thereof, and shall carry public liability and property damage insurance covering the Equipment and its use with companies approved by the Lessor. All such insurance shall be in the joint names of Lessor and Lessee, with Lessor and Lessee named as loss payees, as their interests may appear, shall provide that Lessor shall receive not less than 30 days' notice of any termination, cancellation or alteration of the terms thereof and that the coverage afforded Lessor shall not be rescinded, impaired or invalidated by any act or neglect of Lessee, and otherwise shall be in form and amount and with companies approved by Lessor. Lessee shall pay the premiums therefor and delivery said policies, or duplicates thereof or certificates of coverage thereunder, to Lessor. The proceeds of hazard insurance shall, at the option of Lessor, be applied toward the repair or replacement of the Equipment or the payment of the obligations of Lessee hereunder, as set forth in Paragraph 18. The proceeds of any public liability or property damage

insurance shall be payable first to Lessor to the extent of its liability, if any, and the balance to Lessee. Lessee hereby appoints Lessor as Lessee's attorney-in-fact to make claim for, receive payment of, and execute or endorse all documents, checks or drafts for loss or damage under any such policy.

20. Indemnification. Lessee assumes liability for, and hereby agrees to indemnify, protect, keep harmless and defend Lessor, its agents, employees, officers, directors, successors and assigns from and against, any and all liabilities, obligations, losses, damages, injuries, claims, demands, penalties, actions, costs and expenses, including reasonable court costs and attorneys' fees, of whatsoever kind or nature, arising out of, connected with, or resulting from this Agreement, the Equipment or its manufacture, selection, transportation, delivery, possession, use, condition (including, but not limited to, latent and other defects and whether or not discoverable by Lessee or Lessor), operation, ownership, leasing or return, regardless of where, how and by whom operated, or any failure on the part of Lessee to perform or comply with any conditions of this Agreement. Lessee's obligations contained in this paragraph shall survive the termination or cancellation of this Agreement or the expiration of the term of any schedule.

In addition to other payments to be made pursuant to this Agreement, Lessee shall indemnify and hold Lessor harmless from and against, and shall pay Lessor, as additional payment, on demand, an amount equal to, all license, assessments, sales, use, real or personal property, gross receipts or other assessments, taxes, levies, imposts, duties and charges, if any together with any penalties, fines or interest thereon imposed against or on Lessor, Lessee or the Equipment by any governmental authority upon or with respect to the Equipment or the purchase, ownership, possession, operation, return or sale of, or receipt of payments for, the Equipment, except any Federal or state income taxes, if any, payable by Lessor. Lessee may contest any such taxes prior to payment provided such contest does not involve any risk of sale, forfeiture or loss of the Equipment or any interest therein.

21. Conditional Sale; Option to Purchase. The Lessor and Lessee agree that this Agreement is a conditional sales contract and shall be so treated for all relevant purposes. At the end of the lease term, provided all rental payments have been made, title to the Equipment shall be transferred to the Lessee. Provided all rental payments are paid to date, Lessee may purchase the Equipment at the end of any month during the lease term by payment of:

(a) the outstanding principal balance due under the Amortization Schedule attached to the Equipment Schedules / (or any substitute amortization schedule in effect in accordance with Paragraph 12) / plus accrued interest to date;

(b) the cost of any required inspections, examinations, or certifications of the Equipment; and

(c) the cost of any repairs, modifications, or adjustments required as a result of the inspections, examinations, or certifications referred to in (b) above. Such option

shall be exercisable by written notice to Lessor not less than 30 days prior to the purchase date. The closing shall be held on the specified purchase date, or on the next following business day if such day is a Saturday, Sunday or legal holiday, at the Principal Offices of Lessor, at which time Lessor shall deliver to Lessee a bill of sale transferring the Equipment to Lessee free from any lien or encumbrance created by or arising through Lessor, but without warranties, and shall deliver all warranties and guarantees of the manufacturers and suppliers of the Equipment. Upon payment in full of all amounts due with respect to all Equipment identified in a particular Equipment Lease Schedule and conveyance of such Equipment by bill of sale from the Lessor to the Lessee, this Agreement shall terminate with respect to such Equipment for which payment has been made in full (but shall remain in force with respect to any other equipment identified in another Equipment Lease Schedule for which payment in full has not been made.)

22. Security Interest. To secure all of its obligations hereunder Lessee grants to Lessor a first and prior security interest in any and all right and interest of Lessee in the Equipment, the Agreement and payments due under this Agreement, agrees that this Agreement may be filed as a financing statement evidencing such security interest, and agrees to execute and deliver all financing statements and other instruments necessary or appropriate to evidence such security interest. Lessee further agrees that the Uniform Commercial Code of the State of Mississippi shall apply as between the parties hereto and assignees of Lessor.

23. Default. The Lessee shall be in default under this Agreement upon the occurrence of any of the following events:

(a) nonpayment when due or within 6 days thereafter of any installment of rent or other sum owing hereunder;

(b) breach of any other covenant or agreement in this Agreement and the continuance of such breach for a period of 10 consecutive days following Lessee's receipt of written notice thereof from Lessor;

(c) if any representation or warranty made by Lessee or by any agent or representative of Lessee herein or in any document or certificate furnished Lessor in connection herewith or pursuant hereto proves to be incorrect at any time in any material respect;

(d) if Lessee shall dissolve or become insolvent or bankrupt, commit any act of bankruptcy, make any assignment for the benefit of, or enter into an arrangement or composition with creditors, suspend or terminate the transaction of its usual business or consent to the appointment of a trustee or receiver or if a trustee or receiver shall be appointed for Lessee or for a substantial part of its property, or if bankruptcy, reorganization arrangements or similar proceedings shall be instituted by or against Lessee;

(e) if any order, judgment or decree shall be entered against Lessee by a court of competent jurisdiction and such order, judgment or decree shall continue unpaid or unsatisfied for any period in excess of 60 consecutive days without a stay of execution, or if a writ or order of attachment, execution or other legal process shall be issued in connection with any action or proceeding against Lessee or its property whereby any of the Equipment or any substantial part of Lessee's property may be taken or restrained;

(f) if Lessee shall default in the performance of any obligation or in the payment of any sum due to the Lessor under any other lease, contract, agreement, arrangement or understanding;

(g) if any indebtedness of Lessee for borrowed money shall become due and payable by acceleration of the maturity date thereof; or

(h) if Lessor, in the exercise of reasonable judgment, shall determine that Lessee is generally not paying its debts as such debts become due. In addition, Lessee shall give Lessor 5 days' written notice prior to the filing of any voluntary petition of bankruptcy, written notice upon commencement of an involuntary bankruptcy proceeding, or written notice prior to taking any action with respect to the Equipment in bankruptcy proceedings, and shall include in said written notice the venue of the anticipated proceedings and a copy of any relevant pleadings with respect thereto. Failure to give said written notice within the time as specified shall constitute an event of default hereunder and shall cause an immediate termination of this Agreement as to all items of Equipment. Said default and termination, however, shall not constitute an election of remedies and Lessor shall retain its rights to such other remedies as may be set forth in this Agreement.

24. Remedies. Upon the occurrence of any event of default and at any time thereafter, Lessor, acting alone and/or through its agents, may, without any further notice, exercise one or more of the following remedies as Lessor in its sole discretion shall elect:

(a) declare the unpaid principal balance plus accrued interest to date under this Agreement to be immediately due and payable without notice or demand;

(b) terminate this Agreement as to any or all items of Equipment;

(c) without notice, demand, liability or legal process, enter into any premises of or under control or jurisdiction of Lessee or any agent of Lessee where the leased Equipment may be, or is believed to be by Lessor, and repossess all or any item thereof, disconnecting and separating all or so much thereof as may be required to disconnect or separate same from any other property, Lessee hereby expressly waiving all further rights to possession of the Equipment and all claims for injuries suffered through or loss caused by such repossession;

(d) cause Lessee, at its expense, promptly to return the Equipment to Lessor, at such place as Lessor may designate, in the condition set forth above;

(e) use, hold, sell, lease or otherwise dispose of the Equipment or any item thereof on the premises of Lessee or at any other location without affecting the obligations of Lessee as provided in this Agreement;

(f) sell or lease the Equipment or any part thereof, at public auction or by private sale or lease at such time or times and upon such terms as Lessor may determine, free and clear of any rights of Lessee, and, if notice thereof is required by law, any notice in writing of any such sale or lease by Lessor to Lessee not less than 10 days prior to the date thereof shall constitute reasonable notice thereof;

(g) proceed by appropriate action either at law or in equity to enforce performance by Lessee of the applicable covenants of this Agreement or to recover damages for the breach thereof; or

(h) exercise any and all rights accruing to Lessor under any applicable law upon a default by Lessee. In addition, Lessor shall be entitled to recover immediately as liquidated damages for the loss of a bargain and not as a penalty, a sum equal to the aggregate of the following:

(i) all unpaid rent or other sums which are due and payable up to the date the Equipment is returned to or repossessed by Lessor,

(ii) any expense paid or incurred by Lessor in connection with the repossession, holding, repair and subsequent sale, lease or other disposition of the Equipment, including attorneys' fees and legal expenses, and

(iii) the purchase option price as prescribed in Paragraph 21 hereof, less the net amount of the recovery, if any, actually received by Lessor from insurance or otherwise. Additionally, the measure of liquidated damages as set forth hereinabove shall be applicable to fix the damages accruing for the unexpired portion of the lease term if this Agreement is not assumed by the Lessee in a bankruptcy proceeding. Should Lessor, however, estimate its actual damages to exceed the foregoing, Lessor may, at its option, recover its actual damages in lieu of or in addition thereto.

None of the remedies of Lessor under this Agreement are intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to herein or otherwise available to Lessor at law or in equity. Lessee agrees to pay Lessor all attorneys' fees and all costs and expenses incurred by Lessor in connection with the enforcement of the terms of the Agreement or any right or remedy hereunder. Any repossession or subsequent sale or lease by the Lessor of any item of Equipment shall not bar an action for a deficiency as herein provided

and the bringing of an action or the entry of a judgment against the Lessee shall not bar the Lessor's right to repossess any or all items of Equipment. Lessee waives any and all rights to notice and to a judicial hearing with respect to the repossession of the Equipment by Lessor in the event of a default hereunder by Lessee.

25. Reports. Lessee shall:

(a) immediately notify Lessor of any materially defective, improper, or malfunctioning item of Equipment, the nature of the defect or malfunction, the name and address of the manufacturer of the item of Equipment, and such other information as may be known;

(b) promptly advise Lessor of all correspondence, papers, notices, and documents whatsoever received by Lessee in connection with any claim or demand involving or relating to materially improper manufacturing, operation, use, or functioning of any item of Equipment or charging Lessor or Lessee with liability, and aid in the investigation and defense of all such claims and in the recovery of damages from third persons liable therefore;

(c) notify Lessor in writing within 10 days after any day on which any tax lien shall attach to any item of Equipment; and

(d) reimburse Lessor, upon demand, for all attorneys' fees, court costs, and other fees, costs, and expenses incurred by Lessor in connection with the foregoing.

26. Further Assurances. Lessee will promptly execute and deliver to Lessor such further documents and take such further action as Lessor may reasonably request in order to more effectively carry out the intent and purposes hereof.

27. Lessee's Obligations Unconditional. Lessee hereby agrees that Lessee's obligation to pay all rent and other amounts owing hereunder shall be absolute and unconditional under all circumstances. This Agreement may not be cancelled or terminated except as expressly provided herein.

28. Relationship of Parties. The relationship of Lessor and Lessee is that of Lessor and Lessee only, and nothing contained herein shall be deemed or construed by Lessor and Lessee, or by any third party, or by any court, as creating the relationships of employer and employee, principal and agent, partnership, or joint venture.

29. Notices. All notices, demands and requests which may or are required to be given to another party hereunder shall be in writing, and each shall be deemed to have been properly given when served personally on an executive officer of the party to whom such notice is to be given, or when sent postage prepaid by first class mail, registered or certified, return receipt requested, by deposit thereof in a duly constituted United States Post Office or branch

thereof located in one of the states of the United States of America in a sealed envelope addressed as follows:

If to the Lessor:

First Continental Leasing
division of Bank of Mississippi
P. O. Box 15097
302 Second Avenue
Hattiesburg, MS 39404-5097
Attention: Ms. Elaine D. Temple, First Vice President

If to the Lessee:

City of Clinton, Mississippi
P. O. Box 156
Clinton, MS 39060
Attention: Mayor and Board of Aldermen

A duplicate copy of each notice, certificate or other communication given under this Agreement to any party thereunder shall also be given to any other parties indicated in this Paragraph. The Lessor and Lessee, by notice given hereunder, designate any further or different addresses and to which subsequent notices, certificates or other communications shall be sent.

30. Consents. The consent or approval by any party to or of any act by the other party requiring such consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act. No custom or practice of the parties shall constitute a waiver of any party's rights to insist upon strict compliance with the terms hereof.

31. Entirety of Agreement. This Agreement contains the entire agreement between Lessor and Lessee, and supersedes all prior agreements and understandings relating to the subject matter hereof. No other agreement shall be effective to change, modify, or terminate this Agreement in whole or in part unless such agreement is in writing and duly signed by the party against whom enforcement of such change, modification, or termination is sought. No representations, inducements, promises, or agreements, oral or otherwise, which are not embodied herein shall be of any force or effect.

32. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original for all purposes, and all of which shall constitute, collectively, one agreement, but, in making proof hereof, it shall never be necessary to exhibit more than one such counterpart.

33. Amendments and Addendums. This Agreement may be amended or any of its terms modified only by written consent of Lessee and Lessor or its assignee.

In the event Lessee desires to buy other equipment, the parties may execute an addendum to this Agreement with respect to such other equipment by (i) executing a Purchase Order for such equipment; (ii) executing an acceptance certificate of the equipment; and (iii) obtaining new opinions and other supporting documentation as required or permitted by this Agreement. For purposes of construing subsequent transactions concerning other equipment as an integrated contract, the following shall be considered a single transaction or legal and binding agreement:

- (a) This Agreement, which provides basic terms and conditions;
- (b) An executed Purchase Order and acceptance certificate; and
- (c) Schedules, exhibits, and other attachments to such documents that pertain to the equipment described in the delivery order, and supporting documentation such as, e.g., opinions of counsel and insurance certificates.

34. Severability Provisions. If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Agreement, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Agreement; and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of each such illegal, invalid, or unenforceable provision there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

35. Persons Bound by Agreement. The conditions, terms, provisions, and covenants contained in this Agreement shall apply to, inure to the benefit of, and be binding upon Lessee, and its successors, assigns, agents, and servants. The Lessee has no interest in the Equipment other than the possession and use thereof during the lease term and cannot pledge, mortgage, or grant a security interest in the Equipment or any item of Equipment. The conditions, terms, provisions, and covenants contained in this Agreement shall apply to, inure to the benefit of, and be binding upon Lessor, and its successors, assigns, agents, and servants, and, where the context so requires, any person accepting an assignment of the rights of Lessor hereunder, and their respective successors, assigns, agents, and servants, and with respect to any indemnification provisions hereof, Lessor and any holder of obligations of Lessor issued in connection with this Agreement, and their respective successors, assigns, agents, and servants, shall each be entitled to indemnification hereunder without regard to the actions of any other person hereunder.

36. Assignment. (a) Without Lessor's prior consent, Lessee shall not either (i) assign, transfer, pledge, hypothecate, grant any security interest in or otherwise dispose of this

Agreement or the Equipment or any interest in this Agreement or said Equipment, or (ii) lease or lend the Equipment or permit it to be used by anyone other than Lessee or Lessee's employees. Lessor may, without the consent of Lessee, assign its rights, title and interest in and to this Agreement, and all attachments hereto including the Purchase Order(s), to various assignee/investors or their agents or trustees, and/or grant or assign a security interest in this Agreement or the Equipment, in whole or in part and its assignee may reassign this Agreement. Lessee agrees that this Agreement may become a part of a pool of contract obligations at Lessor's option, and Lessor or its assignees may assign or further assign either the entire pool or a fractionalized interest therein. Each such assignee shall have all of the rights of Lessor under this Agreement. Lessee shall recognize and acknowledge each such assignment and/or security interest. Subject to the foregoing, this Agreement inures to the benefit of and is binding upon the heirs, executors, administrators, successors and assignees of the parties hereto.

(b) This Agreement and any interest herein may be transferred only through a book entry system as prescribed by Section 149(a) of the Code, as the same may be amended from time to time. During the term of this Agreement, Lessee shall keep a complete and accurate record of all assignments and other transfers in form and substance necessary to comply with Section 149(a) of the Code. Upon assignment of Lessor's interest herein, Lessor will cause written notice of such assignment to be sent to Lessee and, upon receipt of such notice of assignment, Lessee shall: (i) acknowledge the same in writing to Lessor; and (ii) record the assignment in Lessee's "book entry system" as that term is defined in Section 149(a) of the Code. No further action will be required by Lessor or by Lessee to evidence the assignment. No such assignment shall become effective without recordation of the assignment in said "book entry system."

37. Waivers; Cumulative Rights. No waiver by Lessor of any default shall be deemed to be a waiver of any other then existing or subsequent default, nor shall any such waiver by Lessor be deemed to be a continuing waiver. No delay or omission by Lessor in exercising any right, power, privilege, or remedy hereunder, or at law or in equity, or otherwise shall impair any such right, or be construed as a waiver thereof or any acquiescence therein, nor shall any single or partial exercise of any right preclude other or further exercise thereof, or the exercise of any other right. All rights shall be cumulative of and in addition to all other rights, and may be exercised from time to time, and as often as may be deemed expedient by Lessor.

38. Governing Law. The substantive laws of the State of Mississippi shall govern the validity, construction, enforcement, and interpretation of this Agreement, the rights and remedies of the parties hereunder, and the ownership rights in and to the Equipment.

39. Right to Perform Covenants. If Lessee shall fail to make any payment or perform any act required to be made or performed by Lessee hereunder, Lessor, without waiving or releasing any obligation or default on the part of Lessee, may (but will be under no obligation to) at any time thereafter make such payment or perform such act for the account and at the expense of Lessee, and may take all such action as may be necessary therefore. All sums so paid by Lessor and all expenses (including, without limitation, reasonable attorneys' fees) so

incurred, together with interest thereon from the date of payment or incurring at the highest rate permitted by applicable law, will be paid by Lessee to Lessor on demand.

40. Survival. Lessee's obligations contained in this Agreement shall survive the termination or cancellation of this Agreement or the expiration of the term of any schedule.

41. Special Stipulations. Any amendment to standard language will be set forth in Exhibit A attached hereto ("Special Stipulations").

42. Maximum Interest Rate. Nothing contained in this Agreement shall require the Lessee to pay interest at a rate exceeding the Maximum Permissible Rate. If the amount of interest payable to the Lessor for any period would otherwise exceed the Maximum Permissible Amount for such period, such amount shall be automatically reduced to the Maximum Permissible Amount for such period, and the amount of interest payable to the Lessor for any subsequent period, to the extent less than the Maximum Permissible Amount for such subsequent period, shall, to the extent, be increased by the amount of such reduction. The Lessee shall give the Lessor notice of any law or change in law that may result in such reduction or increase promptly after becoming aware of such law or change. "Maximum Permissible Amount" means, with respect to interest on any amount for any period, the maximum amount of interest that can be payable with respect to such amount for such period without causing the rate of interest on such amount for such period to exceed the Maximum Permissible Rate. "Maximum Permissible Rate" means the rate of interest on an amount that if exceeded could, under law, result in civil or criminal penalty being imposed on the Lessor or result in the Lessor's being unable to enforce payment or repayment of all or part of the rental payments due under this Agreement, including portions allocable to interest due or to become due on such amount.

43. Effective Date. This Agreement shall become effective upon execution by all of the parties hereto.

The parties have caused this Agreement to be executed by their duly authorized representatives as of the day and year first above written.

LESSOR:

LESSEE:

First Continental Leasing
a division of Bank of Mississippi

City of Clinton, Mississippi

By: William D. Loper

By: Billy R. Smith

Title: Treasurer

Title: Mayor

**RESOLUTION AUTHORIZING AND APPROVING EXECUTION
OF AN EQUIPMENT LEASE-PURCHASE AGREEMENT WITH
FIRST CONTINENTAL LEASING, A DIVISION OF BANK OF MISSISSIPPI
FOR THE PURPOSE OF LEASE-PURCHASING CERTAIN EQUIPMENT**

WHEREAS, the Mayor and Board of Aldermen (the "Governing Body") of City of Clinton, Mississippi (the "Lessee"), acting for and on behalf of the Lessee hereby finds, determines and adjudicates as follows:

1. The Lessee desires to enter into an Equipment Lease-Purchase Agreement with the Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" (the "Agreement") with First Continental Leasing, a division of Bank of Mississippi (the "Lessor") for the purpose of presently purchasing the equipment as described therein for the total cost specified therein (collectively the "Equipment") and to purchase such other equipment from time to time in the future upon appropriate approval;
2. The Lessee is authorized pursuant to Section 31-7-13(e) of the Mississippi Code of 1972, as amended, to acquire equipment and furniture by Lease-purchase agreement and pay interest thereon by contract for a term not to exceed 5 years;
3. It is in the best interest of the residents served by Lessee that the Lessee acquire the Equipment pursuant to and in accordance with the terms of the Agreement; and
4. It is necessary for the Lessee to approve and authorize the Agreement.
5. The Lessee desires to designate the Agreement as a qualified tax-exempt obligation of Lessee for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986 (the "Code").

NOW, THEREFORE, BE IT RESOLVED by this Governing Body for and on behalf of the Lessee as follows:

Section 1. The Agreement and Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" by and between the Lessor and the Lessee is hereby approved and MAYOR BILLY RAY SMITH (the "Authorized Officer") is hereby authorized and directed to execute said Agreement on behalf of the Lessee.

Section 2. The Agreement is being issued in calendar year 1993.

Section 3. Neither any portion of the gross proceeds of the Agreement nor the Equipment identified to the Agreement shall be used (directly or indirectly) in a trade or business

carried on by any person other than a governmental unit, except for such use as a member of the general public.

Section 4. No portion of the rental payments identified in the Agreement (a) is secured, directly or indirectly, by property used or to be used in a trade or business carried on by a person other than a governmental unit, except for such use as a member of the general public, or by payments in respect of such property; or (b) is to be derived from payments (whether or not to Lessee) in respect of property or borrowed money used or to be used for a trade or business carried on by any person other than a governmental unit.

Section 5. No portion of the gross proceeds of the Agreement are used (directly or indirectly) to make or finance loans to persons other than governmental units.

Section 6. Lessee hereby designates the Agreement as a qualified tax-exempt obligation for purposes of Section 265(b) of the Code.

Section 7. In calendar year 1993, Lessee has designated \$ 139,913.60 of tax-exempt obligations (including the Agreement) as qualified tax-exempt obligations. Including the Agreement herein so designated, Lessee will not designate more than \$10,000,000 of obligations issued during calendar year 1993 as qualified tax-exempt obligations.

Section 8. Lessee reasonably anticipates that the total amount of tax-exempt obligations (other than private activity bonds) to be issued by Lessee during calendar year 1992 will not exceed \$10,000,000.

Section 9. For purposes of this resolution, the amount of Tax-exempt obligations stated as either issued or designated as qualified tax-exempt obligations includes tax-exempt obligations issued by all entities deriving their issuing authority from Lessee or by an entity subject to substantial control by Lessee, as provided in Section 265(b)(3)(E) of the Code.

Section 10. The Authorized Officer is further authorized for and on behalf of the Governing Body and the Lessee to do all things necessary in furtherance of the obligations of the Lessee pursuant to the Agreement, including execution and delivery of all other documents necessary or appropriate to carry out the transactions contemplated thereby in accordance with the terms and provisions thereof.

Motion made by Alderman Johnson and seconded by Alderman Valente to adopt the foregoing resolution with motion carrying unanimously. The result was as follows:

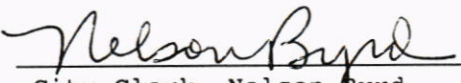
Alderman Ryan	Voted: Aye
Alderman Ferrell	Voted: Aye
Alderman Valente	Voted: Aye
Alderman Todd	Voted: Aye
Alderman Fisher	Voted: Aye
Alderman Johnson	Voted: Aye
Alderman Lott	Voted: Aye

The motion having received the affirmative vote of all members present, the motion carried unanimously and the resolution was adopted this the 6th day of April, 1993.



Mayor Billy Ray Smith

ATTEST:



City Clerk, Nelson Byrd

SEAL

SPECIAL STIPULATIONS

LESSOR: First Continental Leasing
a division of Bank of Mississippi
P. O. Box 15097
302 Second Avenue
Hattiesburg, MS 39404-5097

By: *Thomas D. Temple*

Title: *President*

Date: *4/12/93*

LESSEE: City of Clinton, Mississippi
P. O. Box 156
Clinton, MS 39060

By: *Billy R. Smith*

Title: *Mayor*

Date: *4/7/93*

---NONE---

EXHIBIT A

EQUIPMENT LEASE SCHEDULE

Lease Schedule Number 01 (7947506)

This Lease Schedule to the Equipment Lease-Purchase Agreement dated as of April 6, 1993 (the "Agreement") between First Continental Leasing, a division of Bank of Mississippi, a Mississippi Corporation (the "Lessor") and City of Clinton, Mississippi (the "Lessee"), acting by and through the Mayor and Board of Aldermen, the Governing Body of the Lessee, is made of this date.

1. Description of the Equipment. The quantity, item, manufacturer, and model and serial number of the Equipment subject to the Agreement are as appear on Exhibit "B-1" attached hereto and made a part hereof.

2. Location of the Equipment. The Equipment is to be located and delivered to Lessee's premises at 910 Old Vicksburg Road, Clinton, Mississippi.

3. Original Rental Term. The term of the Agreement shall be 5 years.

4. Rental Payments. The Lessee agrees to pay the Lessor the original cost of \$139,913.60 for the Equipment hereof described in Exhibit "B-1" attached hereto, upon the terms, and at the times as provided in the Payment Amortization Schedule, attached hereto as Exhibit "B-2" and made a part hereof, with an interest rate of 5.25 percent per annum as provided thereby.

5. This Schedule and its terms and conditions are hereby incorporated by reference in the Agreement.

DATED, this the 6th day of April, 1993.

LESSOR:

LESSEE:

First Continental Leasing, a
division of Bank of Mississippi

City of Clinton, Mississippi

By: Kevin D. Kempf

By: Billy R. Smith

Title: Asst VP

Title: Mayor

EXHIBIT B

EQUIPMENT DESCRIPTION

1 - New Emergency One Model C866 Triple Combination Custom Pumper Mounted on a
1993 Emergency One Model H210 Custom Chassis
VIN# 4ENAAA8XP1002323

APR 07 '93 14:49 FCLC MS

Prepared by: First Continental Leasing
Serial #: 1A3.38324C

INFO - ANALYSIS
Payment Amortization Schedule

4/ 7/93 @ 2:41pm

Lender: First Continental Leasing
Customer: City of Clinton

Per Mo/Yr	Payments			Balances		
	Payment	Principal	Interest	Net Balance	Princ Balance	Accrued Int
0 4/93	0.00	0.00	0.00	139,913.60	139,913.60	0.00
1 5/93	0.00	0.00	0.00	140,511.47	139,913.60	597.87
2 6/93	0.00	0.00	0.00	141,111.89	139,913.60	1,198.29
3 7/93	0.00	0.00	0.00	141,714.88	139,913.60	1,801.28
4 8/93	0.00	0.00	0.00	142,320.45	139,913.60	2,406.85
5 9/93	0.00	0.00	0.00	142,928.60	139,913.60	3,015.00
6 10/93	0.00	0.00	0.00	143,539.33	139,913.60	3,625.75
7 11/93	0.00	0.00	0.00	144,152.71	139,913.60	4,239.11
8 12/93	0.00	0.00	0.00	144,768.70	139,913.60	4,855.10
1993 12/93	0.00	0.00	0.00			
9 1/94	0.00	0.00	0.00	145,387.31	139,913.60	5,473.71
10 2/94	0.00	0.00	0.00	146,008.57	139,913.60	6,094.97
11 3/94	0.00	0.00	0.00	146,632.48	139,913.60	6,718.88
12 4/94	32,540.17	25,194.71	7,345.46	114,718.89	114,718.89	0.00
13 5/94	0.00	0.00	0.00	115,209.10	114,718.89	490.21
14 6/94	0.00	0.00	0.00	115,701.41	114,718.89	982.51
15 7/94	0.00	0.00	0.00	116,195.81	114,718.89	1,476.92
16 8/94	0.00	0.00	0.00	116,692.33	114,718.89	1,973.44
17 9/94	0.00	0.00	0.00	117,190.97	114,718.89	2,472.08
18 10/94	0.00	0.00	0.00	117,691.75	114,718.89	2,972.85
19 11/94	0.00	0.00	0.00	118,194.66	114,718.89	3,475.76
20 12/94	0.00	0.00	0.00	118,699.72	114,718.89	3,980.82
1994 12/94	32,540.17	25,194.71	7,345.46			
21 1/95	0.00	0.00	0.00	119,206.94	114,718.89	4,488.04
22 2/95	0.00	0.00	0.00	119,716.32	114,718.89	4,997.43
23 3/95	0.00	0.00	0.00	120,227.89	114,718.89	5,508.99
24 4/95	32,540.17	26,517.43	6,022.74	88,201.47	88,201.47	0.00
25 5/95	0.00	0.00	0.00	88,578.36	88,201.47	376.90
26 6/95	0.00	0.00	0.00	88,956.87	88,201.47	755.40
27 7/95	0.00	0.00	0.00	89,336.99	88,201.47	1,135.53
28 8/95	0.00	0.00	0.00	89,718.74	88,201.47	1,517.28
29 9/95	0.00	0.00	0.00	90,102.12	88,201.47	1,900.65
30 10/95	0.00	0.00	0.00	90,487.14	88,201.47	2,285.67
31 11/95	0.00	0.00	0.00	90,873.80	88,201.47	2,672.34
32 12/95	0.00	0.00	0.00	91,262.12	88,201.47	3,060.65
1995 12/95	32,540.17	26,517.43	6,022.74			

EXHIBIT "B-2"

APR 07 1993 14:49 FCLC MS

Prepared by: First Continental Leasing
Serial #: 1A3.38324C

INFO - ANALYSIS
Payment Amortization Schedule

4/ 7/93 @ 2:41pm

Lender: First Continental Leasing
Customer: City of Clinton

Per Mo/Yr	Payments			Balances		
	Payment	Principal	Interest	Net Balance	Princ Balance	Accrued Int
33 1/96	0.00	0.00	0.00	91,652.09	88,201.47	3,450.63
34 2/96	0.00	0.00	0.00	92,043.73	88,201.47	3,842.27
35 3/96	0.00	0.00	0.00	92,437.05	88,201.47	4,235.58
36 4/96	32,540.17	27,909.59	4,630.58	60,291.87	60,291.87	0.00
37 5/96	0.00	0.00	0.00	60,549.31	60,291.87	257.63
38 6/96	0.00	0.00	0.00	60,808.24	60,291.87	516.37
39 7/96	0.00	0.00	0.00	61,068.09	60,291.87	776.21
40 8/96	0.00	0.00	0.00	61,329.04	60,291.87	1,037.16
41 9/96	0.00	0.00	0.00	61,591.10	60,291.87	1,299.23
42 10/96	0.00	0.00	0.00	61,854.29	60,291.87	1,562.42
43 11/96	0.00	0.00	0.00	62,118.60	60,291.87	1,826.73
44 12/96	0.00	0.00	0.00	62,384.04	60,291.87	2,092.17
1996 12/96	32,540.17	27,909.59	4,630.58			
45 1/97	0.00	0.00	0.00	62,650.62	60,291.87	2,358.74
46 2/97	0.00	0.00	0.00	62,918.33	60,291.87	2,626.46
47 3/97	0.00	0.00	0.00	63,187.19	60,291.87	2,895.32
48 4/97	32,540.17	29,374.85	3,165.32	30,917.03	30,917.03	0.00
49 5/97	0.00	0.00	0.00	31,049.14	30,917.03	132.11
50 6/97	0.00	0.00	0.00	31,181.82	30,917.03	264.79
51 7/97	0.00	0.00	0.00	31,315.06	30,917.03	398.03
52 8/97	0.00	0.00	0.00	31,448.87	30,917.03	531.85
53 9/97	0.00	0.00	0.00	31,583.26	30,917.03	666.23
54 10/97	0.00	0.00	0.00	31,718.22	30,917.03	801.19
55 11/97	0.00	0.00	0.00	31,853.75	30,917.03	936.73
56 12/97	0.00	0.00	0.00	31,989.87	30,917.03	1,072.84
1997 12/97	32,540.17	29,374.85	3,165.32			
57 1/98	0.00	0.00	0.00	32,126.57	30,917.03	1,209.54
58 2/98	0.00	0.00	0.00	32,263.85	30,917.03	1,346.82
59 3/98	0.00	0.00	0.00	32,401.71	30,917.03	1,484.69
60 4/98	32,540.17	30,917.03	1,623.14	0.00	0.00	0.00
1998 4/98	32,540.17	30,917.03	1,623.14			
Totals	162,700.85	139,913.60	22,787.25			

Note: Interest is calculated at the Interest Rate of 0.427313%.

EQUIPMENT ACCEPTANCE NOTICE

TO: First Continental Leasing, a division of Bank of Mississippi

RE: Equipment Lease-Purchase Agreement dated as of APRIL 6, 1993.

City of Clinton, Mississippi (the "Lessee"), acting by and through the Mayor and Board of Aldermen, the Governing Body of the Lessee, hereby acknowledge receipt in good condition and working order of the equipment (the "Equipment") as listed on Exhibit "C-1" attached hereto and made a part hereof and further described in the invoices attached hereto and made a part hereof. The Equipment is subject to the Equipment Lease-Purchase Agreement dated as of APRIL 6, 1993 between Lessor and Lessee. Lessee certifies to Lessor that the Lessee has inspected the Equipment and that the Equipment is acceptable and approves supplier's(s') invoices for the Equipment and requests that Lessor make payment of such invoices.

Lessee further acknowledges that it selected the Equipment so received. LESSEE AGREES THAT LESSOR MADE NO REPRESENTATIONS AND WARRANTIES WHATEVER, DIRECTLY OR INDIRECTLY, EXPRESS OR IMPLIED, AS TO THE SUITABILITY, DURABILITY, FITNESS FOR USE, MERCHANTABILITY, CONDITION, QUALITY, OR OTHERWISE OF SUCH EQUIPMENT. LESSEE SPECIFICALLY WAIVES ALL RIGHT TO MAKE ANY CLAIM AGAINST LESSOR ITS ASSIGNS FOR BREACH OF ANY WARRANTY, OR TO INTERPOSE OR ASSERT ANY SUCH DEFENSE, COUNTERCLAIM OR SETOFF.

LESSEE:

City of Clinton, Mississippi

By: Billy R Smith
Title: Mayor
Date: 4/12/93

EXHIBIT C

EQUIPMENT DESCRIPTION

1 - New Emergency One Model C866 Triple Combination Custom Pumper Mounted on a
1993 Emergency One Model H210 Custom Chassis
VIN#

10

APPLICATION TO THE MAYOR AND BOARD OF ALDERMEN
OF CLINTON, MISSISSIPPI
FOR EXEMPTION FROM AD VALOREM TAXES

APPLICATION OF RIVERWOOD INTERNATIONAL USA, INC.,
AS AN OPERATOR OF A FREE PORT WAREHOUSE, FOR
EXEMPTION FROM AD VALOREM TAXES, AS AUTHORIZED
BY §§ 27-31-51 ET SEQ., OF THE MISSISSIPPI CODE OF 1972,
AS AMENDED BY MISSISSIPPI GENERAL LAWS OF 1981, CHAPTER 419

TO THE HONORABLE MAYOR AND BOARD OF
ALDERMEN OF CLINTON, MISSISSIPPI:

COMES NOW Riverwood International USA, Inc. (the "Applicant"),
by and through Steven L. Edwards, its Comptroller, and files, in
triplicate and under oath, this its Application for exemption from
ad valorem taxation pursuant to §§ 27-31-51, et seq., of the
Mississippi Code of 1972, as amended (the "Code"), and respectfully
represents unto the Honorable Mayor and Board of Aldermen of
Clinton, Mississippi (the "Mayor and Board") as follows:

I.

Applicant is a Delaware corporation which is duly qualified
to do and is conducting a manufacturing business in the City of
Clinton, Mississippi ("Clinton"), Hinds County (the "County"),
State of Mississippi (the "State"), with its national
administrative headquarters being located at 3350 Cumberland Circle
#1600, Atlanta, Georgia 30339.

II.

Applicant owns a private warehouse/distribution facility which
contains approximately 30,000 square feet of warehouse/distribution
space at Applicant's manufacturing facility located at 1021 Clinton
Industrial Park Road, Clinton, Mississippi 39056 (the
"Warehouse"). The Warehouse regularly engages in the handling and
storage of Applicant's personal property (finished goods) in the
structure located at such address.

III.

A minimum of fifty percent (50%) of the actual value of all
such personal property (finished goods) handled by the Warehouse
will be consigned or transferred to such Warehouse for storage and

handling in transit to a final destination outside the State of Mississippi. Such Warehouse is neither a natural or artificial cave or cavity in the earth, nor is any of the storage area not physically separated by a barrier from any manufacturing, assembly, disassembly, or processing operations. Consequently, such Warehouse is eligible for licensing under the provisions of §§ 27-31-51, et. seq., of the Code, as a "free port warehouse."

IV.

On September 1, 1991, Applicant made an addition to its manufacturing machinery and equipment, and such expansion of the manufacturing facility eliminated space available for the storage of finished products. Such expansion made secure and supported approximately fifty-five (55) additional jobs with an estimated annual payroll of \$1,021,000.00 at the Clinton, Mississippi plant. Such expansion compelled Applicant to locate off premises warehouse space for its finished products and, thus, in 1991, Applicant acquired warehouse space in Jackson, Mississippi, which is the subject of another sought for Free Port Warehouse exemption; the exemption being sought hereby is for the old warehouse space at the manufacturing facility.

V.

Applicant has applied for and received a Free Port Warehouse Privilege License from the Ad Valorem Division of the Mississippi State Tax Commission (the "Commission"), and its Warehouse, thus, qualifies under the definition of a "free port warehouse" as set forth in § 27-31-51 of the Code, and the Warehouse is authorized to be operated as a "free port warehouse" according to the provisions of §§ 27-31-51, et seq., of the Code and the Free Port Warehouse Rules and Regulations of the Tax Commission. A photocopy of Applicant's "License to Operate a Free Port Warehouse," is attached hereto as Exhibit "A", and incorporated herein by reference, and expressly made a part hereof for all purposes as if fully copied herein. The Hinds County Board of Supervisors on December 7, 1992, adopted its Resolution granting exemption from

ad valorem taxes to Applicant as the operator of a free port warehouse for its qualifying inventory therein, a copy of which is attached hereto as Exhibit "B", and incorporated herein by reference, and expressly made a part hereof for all purposes as if fully copied herein, for the ten year period beginning January 1, 1992.

VI.

As authorized by § 27-31-53 of the *Code*, all of Applicant's personal property (finished product) in transit through the State of Mississippi which is (1) moving in interstate commerce through or over the territory of the State of Mississippi, or (2) consigned or transferred to Applicant's private "free port warehouse" located at the Warehouse in the State of Mississippi for storage in transit to a final destination outside the State of Mississippi, whether specified when transportation begins or afterwards (collectively the "Inventory"), may, in the discretion of, and for such period of time as prescribed by, the Mayor and Board, be exempt from all ad valorem taxes, including ad valorem taxes for school district purposes, imposed thereon by the City of Clinton (the "Free Port Exemption"). Furthermore, such Inventory exempted therefrom should not be deemed to have acquired a situs in the State for the purposes of such taxation. Finally, such Inventory should not be deprived of exemption because, while in the Warehouse, the Inventory is bound, divided, broken in bulk, labeled, relabeled, or repackaged.

VII.

Pursuant to § 27-31-55 of the *Code*, and the Rules of the Mississippi State Tax Commission, Applicant will keep and will file with the specified taxing authorities the required records and inventories which the taxing authorities can utilize in making a determination of ad valorem taxes, if any, to be paid by Applicant at the conclusion of each applicable calendar year.

VIII.

On January 1, 1992, Applicant's personal property (finished products) eligible for the Free Port Exemption, as described in Paragraph VI above, totalled approximately \$2,184,858 in true value, with approximately one hundred percent (100%) of such Inventory to be shipped outside the State. On January 1, 1993, Applicant estimates that its personal property eligible for the Free Port Exemption, as described in Paragraph VI above, totalled approximately \$1,000,000 in true value, with approximately one hundred percent (100%) of such Inventory also to be shipped outside the State.

IX.

Applicant as aforesaid is providing employment at its manufacturing facility and in the Warehouse in Clinton, for approximately one hundred ninety (190) persons, with an approximate annual payroll of \$4,500,000, or more; through which Applicant will make a major contribution and commitment to the economic development of the City of Clinton.

X.

Therefore, Applicant respectfully requests that the Mayor and Board grant to Applicant a Free Port Exemption from all ad valorem taxes, including ad valorem taxes for school district purposes, imposed on the Inventory of finished goods of Applicant at the Warehouse by the City of Clinton for a period of ten (10) years, with such Free Port Exemption to begin with the calendar year 1992 and continue through and include the calendar year 2001.

WHEREFORE, PREMISES CONSIDERED, Applicant prays (1) that this Application be received, filed, reviewed and approved by all the appropriate City of Clinton authorities and placed in line for consideration on the agenda of the appropriate Mayor and Board meeting; and (2) that, upon its approval of this Application, the Mayor and Board will spread upon its Minutes an order or resolution which:

(A) Makes the findings that Applicant's Warehouse is a "free port warehouse," under the provisions of §§ 27-31-51, et seq., of the Code, and is, therefore, both eligible for and entitled to a Free Port Exemption from all such ad valorem taxes, including ad valorem taxes for school district purposes, imposed by the City of Clinton, Mississippi, on its Inventory therein in an amount annually determined by the appropriate taxing authorities, as provided by Mississippi law, for a period of ten (10) years commencing with the calendar year 1992 and continuing through and including the calendar year 2001;

(B) Grants the Free Port Exemption sought herein for a period of ten (10) years beginning with the calendar year 1992 and continuing through and including the calendar year 2001;

(C) Declares that the Inventory therein, which is subject to the Free Port Exemption:

(i) is exempt from all such ad valorem taxation, including ad valorem taxes for school district purposes, beginning with the calendar year 1992 and continuing through and including the calendar year 2001;

(ii) shall not be deemed to have acquired a situs in the State for the purpose of such taxation; and

(iii) shall not be deprived of such exemption because it is bound, divided, broken in bulk, labeled, relabeled, or repackaged;

(D) Directs that a certified copy of this filed Application and a certified transcript of such approval of this Application be forwarded to the Ad Valorem Division of the Mississippi State Tax Commission and to the Tax Assessor for the City of Clinton.

(E) Directs that such Tax Assessor take all necessary and appropriate actions in preparation of the tax rolls necessary to implement such Free Port Exemption, beginning

with the calendar year 1992 and continuing through and including the calendar year 2001.

RESPECTFULLY SUBMITTED, on this the 29th day of January, 1993.

RIVERWOOD INTERNATIONAL USA, INC.

BY: 
STEVEN L. EDWARDS
ITS: COMPTROLLER

STATE OF MISSISSIPPI

COUNTY OF HINDS

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and for the said County and State, within my jurisdiction, the within named STEVEN L. EDWARDS, who, after being first duly sworn by me, on oath states that he is the Comptroller of Riverwood International USA, Inc., a Delaware corporation, and that for and on behalf of the said corporation, and as its act and deed, he signed, executed and delivered the above and foregoing Application both for the purposes and on the date and year therein mentioned, after having first been duly authorized by said corporation so to do.


STEVEN L. EDWARDS

SWORN TO AND SUBSCRIBED BEFORE ME, under my hand and official seal of office, this the 29th day of January, 1993.


NOTARY PUBLIC

My Commission Expires:

My Commission Expires Sept. 1, 1993

G:\GB\WP\JGGF\RIVERWOD.AP4

71-030

STATE OF MISSISSIPPI
FREE PORT WAREHOUSE
PRIVILEGE LICENSE

NO. 1349

Issued to Riverwood International USA, Inc.
Trade Name
Address Clinton Hinds MISSISSIPPI
City County

Received of the above Free Port Warehouse the sum of \$10.00 for the privilege of operating a free port warehouse in the State of Mississippi. This Free Port Warehouse is to be operated according to the provisions of Section 27-31-51 to 27-31-61, Mississippi Code of 1972.

This license shall not make lawful any act or thing declared to be unlawful by the State of Mississippi.

This license is not transferable. If the warehouse changes ownership prior to the expiration of the license, a new license must be applied for and obtained.

Dated at Jackson, Mississippi January 5 19 93

APP. Rec'd 8-18-92 FOR YEAR 1993

STATE TAX COMMISSION

By *Robert L. Dargatzis*

THIS LICENSE MUST BE PUBLICLY DISPLAYED AND AVAILABLE FOR INSPECTION AT ALL TIMES

RESOLUTION OF THE BOARD OF SUPERVISORS OF
HINDS COUNTY, MISSISSIPPI GRANTING EXEMPTION FROM
AD VALOREM TAXES TO RIVERWOOD INTERNATIONAL USA, INC.
AS THE OPERATOR OF A FREE PORT WAREHOUSE

The Board next took up for consideration the matter of granting a certain tax exemption from ad valorem taxes for Riverwood International USA, Inc., and the following Resolution having first been reduced to writing was introduced:

RESOLUTION OF THE BOARD OF SUPERVISORS OF HINDS COUNTY, MISSISSIPPI GRANTING TAX EXEMPTION FROM AD VALOREM TAXES TO RIVERWOOD INTERNATIONAL USA, INC., AS AUTHORIZED BY §§ 27-31-51, ET SEQ., OF THE MISSISSIPPI CODE OF 1972, AS AMENDED BY MISSISSIPPI GENERAL LAWS OF 1981, CHAPTER 419.

WHEREAS, this Board finds as a fact that Riverwood International USA, Inc., Applicant, is a Delaware corporation which is duly qualified to do and is doing business in the Cities of Jackson and Clinton, Hinds County (the "County"), State of Mississippi (the "State"), with its national administrative headquarters being located at 3350 Cumberland Circle #1600, Atlanta, Georgia 30339.

WHEREAS, this Board finds as a fact that Applicant owns a private warehouse/distribution facility (the "Warehouse"), which contains approximately 30,000 square feet of warehouse/distribution space at applicant's manufacturing facility located at 1021 Clinton Industrial Park Road, Clinton, Mississippi 39056. The Warehouse regularly engages in the handling and storage of Applicant's personal property (finished goods) in the structure located at such address.

WHEREAS, this Board finds as a fact that a minimum of fifty percent (50%) of the actual value of all such personal property (finished goods) handled by the Warehouse will be consigned or transferred to such Warehouse for storage and handling in transit to a final destination outside the State of Mississippi. Such Warehouse is neither a natural or artificial cave or cavity in the earth, nor is any of the storage area not physically separated by a barrier from any manufacturing, assembly, disassembly, or processing operations. Consequently, such Warehouse is eligible

for licensing under the provisions of §§ 27-31-51, et. seq., of the Code, as a "free port warehouse."

WHEREAS, this Board finds as a fact that on July 2, 1992, Applicant filed with this Honorable Board its Application for Exemption from Ad Valorem Taxes for September 1, 1991, Additions whereby an exemption is being sought for the \$5,978,734.00 addition of manufacturing machinery to its plant. Such additional manufacturing machinery increased the amount of finished product being manufactured by 39.3%. Such expansion made secure and supported approximately fifty-five (55) additional jobs with an estimated annual payroll of \$1,021,000.00 at the Clinton, Mississippi plant. Such expansion compelled Applicant to locate off premises warehouse space for its finished products and, thus, in 1991, Applicant acquired warehouse space which is the subject of another Free Port Warehouse exemption being granted; this exemption being granted for the old warehouse space at the manufacturing facility.

WHEREAS, this Board finds as a fact that Applicant has filed in triplicate with this Board its Application, under oath, for a Free Port Warehouse exemption from ad valorem taxation on August 18, 1992.

WHEREAS, this Board finds as a fact that Applicant has produced appropriate written verification and documentation satisfactory to this Board as to the authenticity and correctness of its Application which establishes that Applicant's pertinent business facility, presently located at 1021 Clinton Industrial Park Road, Clinton, Mississippi, in Hinds County (the "Warehouse") qualifies under the definition of, and is entitled to be licensed by the Mississippi State Tax Commission (the "Commission") to operate as, a "free port warehouse" as set forth in § 27-31-51, Mississippi Code of 1972, as amended (the "Code"); and

WHEREAS, this Board finds as a fact that as authorized by §27-31-53 of the Code, all of Applicant's personal property (finished product) in transit through the State of Mississippi which is both

eligible for and entitled to the Free Port Exemption from all ad valorem taxes, including ad valorem taxes for school district purposes, which may be imposed by the County on all of Applicant's personal property in transit through this state which is: (1) moving in interstate commerce through or over the territory of the State of Mississippi, or (2) consigned or transferred to Applicant's private "free port warehouse" located at the Warehouse in the State of Mississippi for storage in transit to a final destination outside the State of Mississippi, whether specified when transportation begins or afterwards (collectively the "Inventory"), for a period of ten (10) years in an amount annually determined by the appropriate taxing authorities, as provided by Mississippi law. That, furthermore, the Inventory to be exempted therefrom should not be deemed to have acquired a situs in the State of Mississippi for the purposes of such taxation. That, finally, such Inventory should not be deprived of exemption because, while in the Warehouse, the Inventory is bound, divided, broken in bulk, labeled, relabeled, or repackaged.

WHEREAS, this Board finds as a fact that pursuant to § 27-31-55 of the Code, and the Rules, Applicant will be required to keep and will be required to file with the specified taxing authorities the required records and inventories which the taxing authorities can utilize in making a determination of ad valorem taxes, if any, to be paid by Applicant at the conclusion of each applicable calendar year.

WHEREAS, this Board finds as a fact that Applicant is providing employment and a payroll in the County, and also finds that it should acknowledge Applicant's major contribution and commitment to the economic development of the County; and further finds that it should exercise its discretionary authority to grant Applicant such requested Free Port Exemption; and

WHEREAS, all of such conditions and qualifications contained in the Resolution for the granting of the Free Port Exemption have now been satisfied by the Applicant.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Hinds, State of Mississippi, as follows:

1. That the Application for the Free Port Exemption submitted by the Applicant, as a licensed "free port warehouse," at 1021 Clinton Industrial Park Road, Clinton, Mississippi, for a period of ten (10) years beginning with the calendar year 1992, and continuing through and including the calendar year 2001, on such Inventory to be determined annually at the end of each applicable calendar year by the appropriate taxing authorities, as provided by Mississippi law and pursuant to §§ 27-31-51 et seq. of the Code, be and the same is hereby approved.
2. That this Board grants to Applicant tax exemption from all such ad valorem taxes, including ad valorem taxes for school district purposes, on all of its Inventory, pursuant to §§ 27-31-51 et seq. of the Code, for a period of ten (10) years beginning with the calendar year 1992, and continuing through and including the calendar year 2001.
3. That this Board:
 - a. Finds that Applicant's warehouse at 1021 Clinton Industrial Park Road, CLinton, Mississippi, is a "free port warehouse," under the provisions of §§27-31-51, et seq., of the Code, and is, therefore, both eligible for and entitled to a Free Port Exemption from all such ad valorem taxes, including ad valorem taxes for school district purposes, imposed by the County on its Inventory therein in an amount annually determined by the appropriate taxing authorities, as provided by Mississippi law, for a period of ten (10) years commencing with the calendar year 1992 and continuing through and including the calendar year 2001;

- b. Grants the Free Port Exemption sought herein for a period of ten (10) years beginning with the calendar year 1992 and continuing through and including the calendar year 2001;
 - c. Declares that the Inventory therein, which is subject to the Free Port Exemption:
 - (i) is exempt from all such ad valorem taxation, including ad valorem taxes for school district purposes, beginning with the calendar year 1992 and continuing through and including the calendar year 2001;
 - (ii) shall not be deemed to have acquired a situs in the State for the purpose of such taxation; and
 - (iii) shall not be deprived of such exemption because it is bound, divided, broken in bulk, labeled, relabeled, or repackaged.
4. That this Board directs that:
- a. A certified copy of such filed Application and a certified transcript of this approval of such Application be forwarded to the Ad Valorem Division of the Mississippi State Tax Commission and to the Tax Assessor of Hinds County and the City of Jackson.
 - b. Such Tax Assessor take all necessary and appropriate actions in preparation of the tax rolls necessary to implement such Free Port Exemption, beginning with the calendar year 1992 and continuing through and including the calendar year 2001.
5. That the Clerk of this Board be, and she is hereby, directed to spread a copy of this Resolution on the Minutes of this Board.

DEC 1992

6. After a full discussion of this matter, Louise Chappell moved that the foregoing Resolution be adopted, and said Motion was seconded by Peggy Hobson, and upon the question being put to a vote, the Resolution was unanimously adopted by the affirmative vote of the members of the Board of Supervisors present. Whereupon, the foregoing Resolution was declared passed and adopted at a regular meeting of the Board of Supervisors of the County of Hinds, State of Mississippi, on the 7th day of December, 1992.

BOARD OF SUPERVISORS
HINDS COUNTY, MISSISSIPPI

By: Barry Vickery
BARRY VICKERY, PRESIDENT

(SEAL)

ATTEST:

ALICE JAMES, CHANCERY CLERK
HINDS COUNTY, MISSISSIPPI

By: Dianne Carr, D.C.

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**RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN
OF CLINTON, MISSISSIPPI GRANTING EXEMPTION FROM
AD VALOREM TAXES TO RIVERWOOD INTERNATIONAL USA, INC.
AS THE OPERATOR OF A FREE PORT WAREHOUSE**

The Mayor and Board of Aldermen next took up for consideration the matter of granting a certain tax exemption from ad valorem taxes for Riverwood International USA, Inc., and the following Resolution having first been reduced to writing was introduced:

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF CLINTON, MISSISSIPPI GRANTING TAX EXEMPTION FROM AD VALOREM TAXES TO RIVERWOOD INTERNATIONAL USA, INC., AS AUTHORIZED BY §§ 27-31-51, ET SEQ., OF THE MISSISSIPPI CODE OF 1972, AS AMENDED BY MISSISSIPPI GENERAL LAWS OF 1981, CHAPTER 419.

WHEREAS, the Mayor and Board of Aldermen (the "Board") finds as a fact that Riverwood International USA, Inc., Applicant, is a Delaware corporation which is duly qualified to do and is doing business in the City of Clinton ("Clinton"), Hinds County (the "County"), State of Mississippi (the "State"), with its national administrative headquarters being located at 3350 Cumberland Circle #1600, Atlanta, Georgia 30339.

WHEREAS, this Board finds as a fact that Applicant owns a private warehouse/distribution facility, which contains approximately 30,000 square feet of warehouse/distribution space at applicant's manufacturing facility located at 1021 Clinton Industrial Park Road, Clinton, Mississippi 39056 (the "Warehouse"). The Warehouse regularly engages in the handling and storage of Applicant's personal property (finished goods) in the structure located at such address.

WHEREAS, this Board finds as a fact that a minimum of fifty percent (50%) of the actual value of all such personal property (finished goods) handled by the Warehouse will be consigned or transferred to such Warehouse for storage and handling in transit to a final destination outside the State of Mississippi. Such Warehouse is neither a natural or artificial cave or cavity in the earth, nor is any of the storage area not physically separated by a barrier from any manufacturing, assembly, disassembly, or processing operations. Consequently, such Warehouse is eligible

for licensing under the provisions of §§ 27-31-51, et. seq., of the Code, as a "free port warehouse."

WHEREAS, this Board finds as a fact that on September 1, 1991, Applicant made an addition to its manufacturing machinery and equipment, and such expansion of the manufacturing facility eliminated space available for the storage of finished products. Such expansion made secure and supported approximately fifty-five (55) additional jobs with an estimated annual payroll of \$1,021,000.00 at the Clinton, Mississippi plant. Such expansion compelled Applicant to locate off premises warehouse space for its finished products and, thus, in 1991, Applicant acquired warehouse space in Jackson, Mississippi, which is the subject of another sought for Free Port Warehouse exemption; this exemption being granted for the old warehouse space at the manufacturing facility.

WHEREAS, this Board finds as a fact that Applicant has filed in triplicate with this Board its Application, under oath, for a Free Port Warehouse exemption from ad valorem taxation.

WHEREAS, this Board finds as a fact that Applicant has produced appropriate written verification and documentation satisfactory to this Board which establishes that Applicant's pertinent business facility, presently located at 1021 Clinton Industrial Park Road, Clinton, Mississippi (the "Warehouse"), qualifies under the definition of, and is licensed by the Mississippi State Tax Commission (the "Commission") to operate as, a "free port warehouse" as set forth in § 27-31-51, Mississippi Code of 1972, as amended (the "Code"); and

WHEREAS, this Board finds as a fact that as authorized by §27-31-53 of the Code, all of Applicant's personal property (finished product) in transit through the State of Mississippi which is both eligible for and entitled to the Free Port Exemption from all ad valorem taxes, including ad valorem taxes for school district purposes, which may be imposed by the City of Clinton on all of Applicant's personal property in transit through this state which is: (1) moving in interstate commerce through or over the

territory of the State of Mississippi, or (2) consigned or transferred to Applicant's private "free port warehouse" located at the Warehouse in the State of Mississippi for storage in transit to a final destination outside the State of Mississippi, whether specified when transportation begins or afterwards (collectively the "Inventory"), for a period of ten (10) years in an amount annually determined by the appropriate taxing authorities, as provided by Mississippi law. That, furthermore, the Inventory to be exempted therefrom should not be deemed to have acquired a situs in the State of Mississippi for the purposes of such taxation. That, finally, such Inventory should not be deprived of exemption because, while in the Warehouse, the Inventory is bound, divided, broken in bulk, labeled, relabeled, or repackaged.

WHEREAS, this Board finds as a fact that pursuant to § 27-31-55 of the Code, and the Rules of the Mississippi State Tax Commission, Applicant will be required to keep and will be required to file with the specified taxing authorities the required records and inventories which the taxing authorities can utilize in making a determination of ad valorem taxes, if any, to be paid by Applicant at the conclusion of each applicable calendar year.

WHEREAS, this Board finds as a fact that Applicant is providing employment and a payroll in the City of Clinton, and also finds that it should acknowledge Applicant's major contribution and commitment to the economic development of the City of Clinton; and further finds that it should exercise its discretionary authority to grant Applicant such requested Free Port Exemption; and

WHEREAS, all of such conditions and qualifications contained in the Resolution for the granting of the Free Port Exemption have now been satisfied by the Applicant.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Board of Aldermen of Clinton, Mississippi, as follows:

1. That the Application for the Free Port Exemption submitted by the Applicant, as a licensed "free port warehouse," at 1021 Clinton Industrial Park Road,

Clinton, Mississippi, for a period of ten (10) years beginning with the calendar year 1992, and continuing through and including the calendar year 2001, on such Inventory to be determined annually at the end of each applicable calendar year by the appropriate taxing authorities, as provided by Mississippi law and pursuant to §§ 27-31-51 et seq. of the *Code*, be and the same is hereby approved.

2. That this Board grants to Applicant tax exemption from all such ad valorem taxes, including ad valorem taxes for school district purposes, on all of its Inventory, pursuant to §§ 27-31-51 et seq. of the *Code*, for a period of ten (10) years beginning with the calendar year 1992, and continuing through and including the calendar year 2001.
3. That this Board:
 - a. Finds that Applicant's warehouse at 1021 Clinton Industrial Park Road, Clinton, Mississippi, is a "free port warehouse," under the provisions of §§27-31-51, et seq., of the *Code*, and is, therefore, both eligible for and entitled to a Free Port Exemption from all such ad valorem taxes, including ad valorem taxes for school district purposes, imposed by the City of Clinton on its Inventory therein in an amount annually determined by the appropriate taxing authorities, as provided by Mississippi law, for a period of ten (10) years commencing with the calendar year 1992 and continuing through and including the calendar year 2001;
 - b. Grants the Free Port Exemption sought herein for a period of ten (10) years beginning with the calendar year 1992 and continuing through and including the calendar year 2001;

- c. Declares that the Inventory therein, which is subject to the Free Port Exemption:
- (i) is exempt from all such ad valorem taxation, including ad valorem taxes for school district purposes, beginning with the calendar year 1992 and continuing through and including the calendar year 2001;
 - (ii) shall not be deemed to have acquired a situs in the State for the purpose of such taxation; and
 - (iii) shall not be deprived of such exemption because it is bound, divided, broken in bulk, labeled, relabeled, or repackaged.
4. That this Board directs that:
- a. A certified copy of such filed Application and a certified transcript of this approval of such Application be forwarded to the Ad Valorem Division of the Mississippi State Tax Commission and to the Tax Assessor of the City of Clinton.
 - b. Such Tax Assessor take all necessary and appropriate actions in preparation of the tax rolls necessary to implement such Free Port Exemption, beginning with the calendar year 1992 and continuing through and including the calendar year 2001.
5. That the Clerk of this Board be, and he is hereby, directed to spread a copy of this Resolution on the Minutes of this Board.
6. After a full discussion of this matter, _____ moved that the foregoing Resolution be adopted, and said Motion was seconded by _____, and upon the question being put to a vote, the Resolution was unanimously adopted by the affirmative vote of the Mayor and members of the Board of Aldermen present. Whereupon,

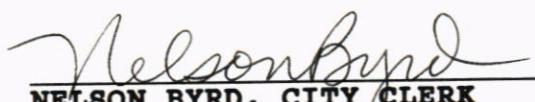
the foregoing Resolution was declared passed and adopted
at a regular meeting of the Mayor and Board of Aldermen
of the City of Clinton, Mississippi, on the 6th day of
APRIL, 1993.



BILLY RAY SMITH, MAYOR
CITY OF CLINTON, MISSISSIPPI

(SEAL)

ATTEST:



NELSON BYRD, CITY CLERK
CITY OF CLINTON, MISSISSIPPI

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