

INSTALLMENT SALE AGREEMENT

BY AND BETWEEN

PARISH OF ST. CHARLES, STATE OF LOUISIANA

AND

MHH PROPERTIES, LLC

DATED AS OF NOVEMBER 1, 2007

\$2,750,000
PARISH OF ST. CHARLES, STATE OF LOUISIANA
REVENUE BONDS
(RAM TOOL PROJECT)
SERIES 2007

INSTALLMENT SALE AGREEMENT

This **INSTALLMENT SALE AGREEMENT** dated as of November 1, 2007, by and between the **PARISH OF ST. CHARLES, STATE OF LOUISIANA**, a political subdivision of the State of Louisiana (the "Issuer"), and **MHH PROPERTIES, LLC.**, an Alabama limited liability company (the "Company"),

WITNESSETH:

WHEREAS, the Issuer is authorized and empowered under the laws of the State of Louisiana, including particularly Sections 991 through 1001, inclusive, of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the "Act"), to acquire, purchase, construct or improve and sell, lease or otherwise dispose of industrial plant sites and industrial plant buildings and necessary property and appurtenances thereto; and

WHEREAS, the Issuer has agreed to finance a project for the purpose of acquiring, constructing, reconstructing, renovating, furnishing and developing a warehouse and distribution facility to be located on Airline Highway in St. Charles Parish, in the Gulf Opportunity Zone as provided in the Gulf Opportunity Zone Act of 2005 (the "Project") as described in Exhibit C hereto, and paying the costs of issuance of the Bonds, and the Issuer has determined to issue \$2,750,000 in original aggregate principal amount of its Revenue Bonds (Ram Tool Project) Series 2007 (the "Bonds") pursuant to the Trust Indenture (the "Indenture") dated as of November 1, 2007 between the Issuer and The Bank of New York Trust Company, N.A., as trustee (the "Trustee"), the proceeds of which Bonds are to be loaned to the Company pursuant to this Installment Sale Agreement); and

WHEREAS, the Bonds are issued for the benefit of the Company; and

WHEREAS, the Company will sell the Project to the Issuer and immediately repurchase the Project from the Issuer, all upon the terms and conditions hereinafter set forth; and

WHEREAS, Ram Tool & Supply Company, Inc., (the "Guarantor") has executed and delivered a Corporate Guaranty Agreement dated the date hereof pursuant to which the Guarantor, as an inducement to the Issuer to issue the Bonds and to the Purchaser to purchase the same, unconditionally guarantees the full and prompt payment of the principal of, premium, if any, and interest on the Bonds when and as the same shall become due; and

WHEREAS, the Issuer has taken official actions authorizing the sale and the issuance of the Bonds, the execution and delivery of instruments pertaining to the issuance thereof and authorizing other actions to be taken by the officials of the Issuer in connection with the authorization, issuance, sale and delivery of the Bonds and the application of the proceeds thereof; and

WHEREAS, all acts, conditions and things required by the laws of the State and the rules and regulations of the Issuer and the Company to happen, exist and be performed precedent to and in the execution and delivery of the Bonds, the Note (herein defined) and this Agreement have happened, exist and have been performed as so required in order to make the Bonds, the Note and this Agreement valid and binding agreements in accordance with their terms; and

WHEREAS, the Note will be secured by the Mortgage – TO COME]; and

WHEREAS, the execution and delivery of this Agreement have been duly authorized by resolutions adopted by the Board of Trustees of the Issuer and by the Company; and

WHEREAS, each of the parties hereto represent that it is fully authorized to enter into and perform and fulfill the obligations imposed upon it under this Agreement and the parties are now prepared to execute and deliver this Agreement; and

NOW, THEREFORE, for and in consideration of the premises and the mutual representations and agreements hereinafter contained, and subject to the conditions herein set forth, the Issuer and the Company DO HEREBY AGREE as follows (provided that any obligation of the Issuer created by or arising out of this Agreement will not constitute a debt or a general obligation or a pledge of the faith and credit of the Issuer, the State of Louisiana or any political subdivision thereof, and the Owners (as defined in the Indenture) of the Bonds will have no right to compel the exercise of the taxing powers of the Issuer, the State of Louisiana or any political subdivision thereof for the payment of principal of or any interest on the Bonds):

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

SECTION 1.1. Definitions of Words and Terms. In addition to words and terms elsewhere defined herein, all words and terms as used in this Agreement shall have the meanings ascribed thereto in the Indenture and Section 1.1 of the Indenture entitled "Definitions" is incorporated herein by reference as fully as if such Section were repeated verbatim hereinafter, unless some other meaning is plainly intended.

SECTION 1.2. Rules of Construction. (a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

(b) All references in this Agreement to designated "Articles", "Sections" and other subdivisions are to be designated Articles, Sections and other subdivisions of this instrument as originally executed. The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision unless the context indicates otherwise.

(c) The table of contents hereto and the headings and captions herein are not a part of this Agreement and are included for convenience only.

(d) Accounting terms used herein and not otherwise defined shall have the meaning ascribed to them by generally accepted principles of accounting.

ARTICLE II
REPRESENTATIONS

SECTION 2.1. Representations by the Issuer. The Issuer represents to the Company that:

(a) The Issuer is a duly created and validly existing governmental and political subdivision of the State, and has the power to enter into the transactions contemplated by, and to carry out its obligations under, this Agreement, the Tax Regulatory Agreement and the Indenture and will do or cause to be done all things necessary to keep the Issuer in existence and in good standing so long as necessary for the purposes thereof. The Issuer is not in breach of or in default under any of the provisions contained in said Indenture of Trust or of the laws of the State or in any other instrument by which it is bound, which breach or default would have a materially adverse affect on the transactions contemplated under this Agreement. By proper action of its governing body the Issuer has been duly authorized to execute and deliver this Agreement, the Indenture and the Bonds;

(b) The execution and delivery of the Bonds, the Indenture, the Tax Regulatory Agreement and this Agreement, and compliance with the provisions thereof and hereof, will not conflict with or constitute on the part of the Issuer a violation of, breach of, or default under any statute, indenture, mortgage, declaration or deed of trust, Installment Sale Agreement or other agreement or instrument to which the Issuer is a party or by which the Issuer is bound, or, to the knowledge of the Issuer, any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Issuer or any of its activities or properties; and all consents, approvals, authorizations which are required of the Issuer for the consummation of the transactions contemplated thereby and hereby have been or timely will be obtained;

(c) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or threatened against or affecting the Issuer, wherein an unfavorable decision, ruling or finding would materially and adversely affect the transactions contemplated hereunder or which in any way would adversely affect the validity or enforceability of the Bonds, the Indenture, the Tax Regulatory Agreement or this Agreement or any agreement or instrument to which the Issuer is a party, used or contemplated for use in the consummation of the transactions contemplated hereby; and

(d) The Issuer will issue the Bonds pursuant to the provisions of the Indenture and apply the proceeds thereof for the benefit of the Company as provided in the Indenture to pay the Cost of the Project.

SECTION 2.2. Representations by the Company. The Company represents as follows:

(a) The Company is a limited liability company duly organized and existing in good standing under the laws of the state of Alabama, duly qualified to do business in the State;

(b) The Company has the power to execute and deliver the Note, the Tax Regulatory Agreement, the Mortgage and this Agreement, and by proper action has been duly authorized to execute and deliver the Note, the Tax Regulatory Agreement, the Mortgage and this Agreement.

(c) Each of the statements made with respect to the Company in the recitals of this Agreement is true, correct and complete;

(d) The Company is not in breach of or in default under any of the provisions of (i) its organizational documents, (ii) any judgment, decree, order, statute, rule or regulation applicable to it or to its properties, (iii) any provision of any indenture, mortgage, Installment Sale Agreement or other contract or instrument to which it is a party or by which it or any of its properties is bound, or (iv) the Mortgage;

(e) It is not required in connection with the transactions contemplated by this Agreement to obtain any consent not already obtained;

(f) It has or timely will obtain as required all Issuer, permits, licenses, consents and authorizations as are necessary to own, lease and operate its properties and to carry on its business and to carry out and consummate all the transactions contemplated by this Agreement;

(g) This Agreement, the Tax Regulatory Agreement, the Note and the Mortgage are each in accordance with their respective terms, legal, valid and binding obligations of the Company, and the authorization, execution and delivery hereof and thereof and compliance with the provisions hereof and thereof do not conflict with or constitute on the part of the Company, a violation of, breach of, or default under (i) any provision of any indenture, mortgage (including the Mortgage), deed of trust, Installment Sale Agreement or other contract or instrument to which the Company is a party or by which it or any of its properties is bound, (ii) any order, injunction or decree of any court or governmental Issuer, or (iii) the provisions of its organizational documents;

(h) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against the Company wherein an unfavorable decision, ruling or finding would materially and adversely affect its respective properties, business, prospects, profits or condition or which is not adequately covered by insurance, or which would adversely affect the validity or enforceability of this Agreement, the Note, the Tax Regulatory Agreement, the Mortgage or any other agreement or instrument to which the Company is a party used in consummation of the transactions contemplated hereunder;

(i) The Company has good and marketable title to the Mortgaged Property; and the Mortgaged Property is free and clear of liens, except as permitted in the Mortgage; and

(j) the acquisition, construction and installation of the Project commenced after February 1, 2007, and no costs of the Project to be paid or reimbursed to the Company from the proceeds of the Bonds were paid or incurred by or on behalf of the Company prior to such date;

(k) the Project will be located entirely within geographical limits of the Issuer.

ARTICLE III

TERM, NATURE AND BENEFITS OF AGREEMENT

SECTION 3.1. Term. The term of this Agreement shall commence on the Closing Date, and shall terminate (unless discharged upon prepayment of all sums due hereunder by the Company prior thereto as hereinafter provided) on the date on which the Bonds and all other sums secured hereunder shall have been paid or provision for their payment shall have been made in accordance herewith; provided, however, the indemnification provisions of this Agreement shall survive the termination thereof, the defeasance of the Bonds under the Indenture, and the resignation or removal of the Trustee.

SECTION 3.2. Nature and Benefits. The Mortgage, the Note and this Agreement have been executed and delivered in part to induce concurrently herewith the purchase by others of the Bonds, and, accordingly, all covenants and agreements on the part of the Company and the Issuer, are hereby declared to be for the benefit of the Trustee for the Owners from time to time of the Bonds. The Company consents and agrees to the assignment by the Issuer to the Trustee under the Indenture of all of the Issuer's right, title and interest (except for certain Reserved Rights) in, to and under the Mortgage, the Note and this Agreement and agrees that the provisions thereof may be enforced by the Trustee under the provisions of the Indenture. The Company agrees to do all things within its power in order to comply with, and to enable the Issuer to comply with, all requirements and to fulfill, and to enable the Issuer to fulfill, all covenants of the Indenture and the Bonds.

SECTION 3.3. No Superior Debt. The Company shall issue no debt secured by a lien on the Mortgaged Property superior to that of the Mortgage, other than permitted encumbrances, if any, set forth in the Mortgage. No additional indebtedness of the Company secured by a lien on the Mortgaged Property may be incurred without the consent of the Owner of each Bond the security of which may be affected by such additional indebtedness.

ARTICLE IV

COMPLETION OF THE PROJECT; CONVEYANCE OF PROJECT; ISSUANCE OF BONDS

SECTION 4.1. Acquisition, Construction and Installation. The Company agrees that it has caused or will cause the Project to be acquired, constructed and installed on the Project Site, substantially in accordance with the Project Description and in conformance in all material respects with all applicable zoning, planning, building and other similar regulations of all governmental authorities having jurisdiction over the Project; provided that the Company reserves, for itself and other parties in interest (including the Company), the right to contest in good faith any such permits, variances or orders, and will use commercially reasonable efforts to cause the acquisition, construction and installation of other facilities and real and personal property deemed necessary in connection with the Project to the end that the Project will fulfill the Project Purposes.

SECTION 4.2. Project Description. The Project Description may be changed from time to time by, or with the consent of, the Company provided that any such change shall also be filed with the Trustee and provided further that no change in the Project Description shall make a material change in the function of the Project or a material addition to or deletion from the Project Description unless the Trustee shall have received a Favorable Opinion or ruling of the Internal Revenue Service to the effect that such amendment or modification will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

SECTION 4.3. Issuance of Bonds; Conveyance to the Issuer; Application of Proceeds. To provide funds for purposes of acquiring the Project from the Company and paying the Project Costs, the Issuer will issue, sell and deliver the Bonds to the Purchaser. The Bonds will be issued pursuant to the Indenture in the aggregate principal amount, bearing interest, maturing and being redeemable as set forth in the Indenture. The Company hereby acknowledges its approval of the terms and conditions under which the Bonds are being issued, sold and delivered. In consideration of the conveyance by the Company to the Issuer of the Company's right, title and interest in the Project as provided in this Section 4.3, the Issuer agrees that the proceeds of the Bonds shall be applied as set forth in Section 4.4 hereof.

The Company agrees to cause the Company to sell and convey, and the Issuer agrees to purchase, upon the terms and conditions of, and at the times specified in, this Agreement, all of the Company's right, title and interest in the Project for a purchase price equal to the proceeds of the Bonds deposited in the Project Account and applied as provided in Section 4.4 hereof.

The Company shall from time to time, upon written notification to the Issuer and the Trustee specifying a transfer date, transfer to the Issuer that portion of the Project constructed prior to such transfer date and not previously conveyed to the Issuer and the Company shall receive payment therefor. Such transfer and payment shall occur on the transfer date upon the submission to the Issuer and the Trustee of the following:

- (a) a requisition pursuant to Section 4.4 of this Agreement; and
- (b) a Company Deed with respect to the portion of the Project for which such requisition is being submitted.

All transactions required to be done by the Company and the Issuer on a transfer date, including those enumerated in Article V, shall be deemed to take place simultaneously, and none of such transactions shall be deemed to be completed until all such transactions have been completed.

The net proceeds from the sale of the Bonds shall be paid to the Trustee and deposited in the Project Account. Pending disbursement pursuant to Section 4.4 hereof, proceeds so deposited in the Project Account together with any investment earnings thereon, shall constitute a part of the amounts assigned by the Issuer to the payment of Bond Service Charges as provided in the Indenture.

SECTION 4.4. Disbursements from the Project Account.

(a) Disbursements from the Project Account shall be made only to reimburse (if incurred prior to February 1, 2007) or pay the Company, or any Person designated by the Company, for the following Project Costs incurred by the Company or the Company:

(i) Costs incurred directly or indirectly for or in connection with the acquisition, construction or installation of the Project, including but not limited to those costs incurred for preliminary planning and studies, architectural, legal, engineering and supervisory services, labor, services, materials, acquisition, construction and installation, recording of documents and title work relating to the Project Site;

(ii) Premiums attributable to all insurance required to be taken out and maintained during the Construction Period with respect to the Project and the premium on each surety bond, if any, required with respect to work on the Project;

(iii) Taxes, assessments and other charges in respect of the Project that may become due and payable during the Construction Period for the Project;

(iv) Costs incurred directly or indirectly in seeking to enforce any remedy against any contractor or subcontractor in respect of any default under any contract relating to the Project;

(v) Financial, legal, accounting, appraisal, printing and engraving fees, charges and expenses, title insurance premiums, if any, and all other such fees, charges and expenses incurred in connection with the authorization, sale, issuance and delivery of the Bonds and the preparation and delivery of this Agreement, the Indenture and other related documents;

(vi) Fees and expenses of the Trustee, including reasonable counsel fees and expenses, properly incurred under the Indenture that may become due and payable during the Construction Period;

(vii) Any other incidental and necessary costs including without limitation, any expenses, fees and charges relating to the acquisition, construction or installation of the Project;

(viii) Interest on the Bonds during the Construction Period; and

(ix) Any other expense permissible, as set forth in the Favorable Opinion, under the Act.

(b) Any disbursements from the Project Account for the payment of Project Costs shall be made by the Trustee only upon the written order of the Authorized Company Representative. Each such written order shall be in the form of the disbursement request attached hereto as **Exhibit C** and shall be consecutively numbered and shall be accompanied by a Company Deed and an Issuer Deed substantially in the form of **Exhibits D and E** attached hereto, respectively. In the case of any contract providing for the retention of a portion of the contract price, there shall be paid initially from the Project Account only the net amount remaining after deduction of any such portion, and when the amount of any such retention is due and payable, then such retention may be paid from the Project Account. In addition, other than for payment of Issuance Costs, the Company shall not request or authorize any disbursements from the Project Account prior to the Completion Date for any Project Cost which is not a Qualifying Cost until the total Issuance Costs paid from the Net Proceeds of the Bonds divided by the aggregate of such Issuance Costs and the Qualifying Costs so paid no longer exceeds two percent, and thereafter, unless such disbursement would not result in more than five percent of the Net Proceeds of the Bonds requisitioned in the aggregate after such disbursement being requisitioned for Project Costs which are not Qualifying Costs, unless in connection with any such disbursement request the Company provides the Trustee with a favorable opinion of bond counsel or ruling of the Internal Revenue Service to the effect that such disbursement will not cause the interest on the Bonds to be included in the gross income of the Owners for federal income tax purposes.

(c) Any moneys in the Project Account remaining after the Completion Date and payment, or provision for payment, in full of the Project Costs at the written direction of the Authorized Company Representative promptly shall be (i) used to acquire, construct or install such additional real and personal property comprising non-residential real property, including fixed improvements associated with such property and which are Qualifying Costs for use in connection with the Project as designated by the Authorized Company Representative and the acquisition, construction, equipment, installation and improvement of which will be such as permitted under the Act, (ii) used for the early redemption of Bonds, (iii) paid into the Bond Service Charge Account to be applied to the payment of Bond Service Charges on the Bonds or the redemption of Bonds or (iv) used for a combination of the foregoing as is provided in that direction or for any other purposes as permitted under the Act; provided that, in all such cases, (A) those moneys shall be so used or applied only to the extent that such use or application will not, in the favorable opinion of bond counsel or under a ruling of the Internal Revenue Service, adversely affect the exclusion of the interest on the Bonds from the gross income of the Owners thereof and (B) any money remaining in the Project Account following the Completion Date shall be invested by the Trustee at the written direction of the Company as provided in the Indenture either at a yield not in excess of the yield on the Bonds or in obligations the interest on which is excluded from gross income for federal income tax purposes unless the Company shall provide the Trustee with a favorable opinion of bond counsel to the effect that failure to so invest such moneys will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds.

SECTION 4.5. Company Required to Pay Costs in Event Project Account Insufficient. If moneys in the Project Account are not sufficient to pay all Project Costs, the Company shall, nonetheless, complete the Project substantially in accordance with the Project Description in order to fulfill the Project Purposes and shall cause the Company to pay all such additional Project Costs from its own funds. The Company shall not be entitled to any reimbursement for any such additional Project Costs from the Issuer, the Trustee or the Owners of any of the Bonds, nor shall it be entitled to any abatement, diminution or postponement of the Payments.

SECTION 4.6. Investment of Account Moneys. Any moneys held as part of the Bond Service Charge Account or the Project Account shall, at the written direction of the Authorized Company Representative, be invested or reinvested by the Trustee in investments specified in Permitted Investments.

SECTION 4.7. Use of Project. The Issuer does hereby covenant and agree that it will not take any action, or cause any action to be taken, during the term of this Agreement, other than pursuant to the specific terms of this Agreement or the Indenture, to interfere with the Company's ownership of the Project or to prevent the Company from having possession, custody, use and enjoyment of the Project, except such action as is requested by the Trustee in enforcing any remedies available to it under this Agreement or the Indenture or except any action or the exercise of any remedies which the Issuer is authorized or permitted to take or exercise under any other agreement between the Issuer and the Company relating to the use of the Project. Except as otherwise provided herein, the Company shall retain all benefits and burdens of ownership of the Project, including risk of loss and maintenance of insurance.

SECTION 4.8. Administrative Fee. The Company acknowledges and agrees that the Issuer will charge an administrative fee payable to the Trustee, in an amount set forth in **Exhibit** ___ to the Indenture, for the purpose of paying or reimbursing the Issuer for its reasonable administrative expenses incurred by the Issuer in connection with the issuance of the Bonds, representing the legal fee and expenses of Bond Counsel and legal fee and expenses of Issuer counsel and Purchaser counsel, which administrative fee shall be deposited by the Company with the Trustee pursuant to Section 5.4 of the Indenture and applied to pay the fees set forth in **Exhibit** ___ to the Indenture.

SECTION 4.9. Agreement as to Ownership of Project. Except as provided in Sections 4.3 and 5.1 with respect to the conveyance and immediate reconveyance of the Project by the Company and the Issuer, the Issuer agrees that it shall not have any interest in, title to or ownership of the Project or the Project Site as a result of this Agreement or because the Issuer has financed a portion of the cost of the Project.

ARTICLE V

SALE AND PURCHASE OF THE PROJECT; PAYMENTS; ADDITIONAL PAYMENTS; SECURITY

SECTION 5.1. Sale and Purchase of the Project; Delivery of the Note. The Issuer agrees to sell and convey to the Company, immediately upon the Company's conveyance in Article IV, without warranty of any kind whatsoever, the right, title and interest in the Project acquired by the Issuer under Section 4.3 hereof, and the Company agrees to pay the Issuer for such conveyance, upon the terms and conditions of, and at the times specified in, this Agreement. The price to be paid by the Company as the purchase price of the Project shall be an amount equal to the Payments required to be made by the Company under this Section 5.1.

On each transfer date on which a portion of the Project is conveyed to the Issuer pursuant to Section 4.3 hereof, the Issuer shall simultaneously reconvey to the Company by an Issuer Deed the portion of the Project so conveyed to it by the Company on such date, shall cause to be paid to the Company or its designee by the Trustee the amount of the requisition submitted by the Company or the amount remaining in the Project Account, whichever is less, and shall cause the Trustee to make disbursements from the Project Account in accordance with Section 5.5 of the Indenture and Section 4.4 of this Agreement.

All transactions required to be done by the Company, the Company and the Issuer under this Article V and Article IV on a transfer date shall be deemed to take place simultaneously, and none of such transactions shall be deemed to be completed until all such transactions have been completed.

Each transfer by the Issuer to the Company hereunder shall be subject to those liens and encumbrances existing prior to acquisition by the Issuer of the Company's right, title and interest in such item or items or portion or portions of the Project or created by the Company or to the creation or suffering of which the Company consented.

The Company shall pay all expenses, taxes, fees and charges applicable to or arising from the delivery of any deed delivered pursuant hereto.

Concurrently with the issuance of the Bonds, the Company agrees to and shall execute and deliver the Note in substantially the form attached hereto as **Exhibit A**, evidencing the obligation of the Company to make the Payments. All such Payments shall be paid to the Trustee and shall be held and disbursed in accordance with the provisions of the Indenture and this Agreement for application to the payment of Bond Service Charges on the Bonds. The Note shall be dated the date of issuance of the Bonds and shall mature and bear interest as set forth in **Exhibit A** hereto. Such amounts of principal and interest shall together constitute the Payments. The Note shall contain substantially the other terms and provisions, and shall be subject to prepayment, as set forth in **Exhibit A**.

The Company shall make the Payments under this Agreement and the Note on or before each Payment Date by paying an amount equal to the total sum which when added to the balance then in the Bond Service Charge Account and available for such shall be the amount payable as Bond Service Charges on the Bonds on such Payment Date. The Company shall be entitled to a credit against the Payments to be made on the next Payment Date to the extent that the balance of the Bond Service Charge Account is in excess of amounts required (i) for the payment of Bond Service Charges on the Bonds theretofore matured or theretofore called for redemption, and (ii) to be deposited in the Bond Service Charge Account by the Indenture for use for other than the payment of Bond Service Charges on the Bonds on such Payment Date. In any event, however, if on any Payment Date, the balance then available in the Bond Service Charge

Account is insufficient to make required payments of Bond Service Charges on the Bonds, the Company will forthwith pay to the Trustee for deposit into the Bond Service Charge Account any such deficiency.

All amounts payable under this Section are assigned by the Issuer to the Trustee pursuant to the Indenture for the benefit of the Owners. The Company consents to such assignment. Accordingly, the Company will pay directly to the Trustee all Payments payable by the Company pursuant to this Section.

Upon payment in full, in accordance with the Indenture, of the Bond Service Charges on any or all Bonds, whether at maturity or by redemption or otherwise, or upon provision for the payment thereof having been made in accordance with the provisions of the Indenture, an appropriate notation shall be endorsed thereon evidencing the date and amount of the principal payment or prepayment equal to the Bonds so paid, or with respect to which provision for payment has been made, and the Note shall be surrendered by the Issuer or the Trustee to the Company for cancellation if all Bonds shall have been paid (or provision made therefor in accordance with the Indenture) and canceled. Unless the Company is entitled to a credit under the express terms of this Agreement or the Note, all payments on the Note shall be in the full amount required thereunder.

Except for such interest of the Company as may hereafter arise pursuant to Section 8.2 hereof, the Company and the Issuer each acknowledge that neither the Company nor the Issuer has any interest in the Bond Service Charge Account, and any moneys deposited therein shall be in the custody of and held by the Trustee in trust for the benefit of the Owners.

SECTION 5.2. Additional Payments; Interest on Delinquent Payments. The Company shall pay to the Issuer as Additional Payments hereunder, any and all costs and expenses incurred or to be paid by the Issuer in connection with the issuance and delivery of the Bonds or otherwise related to actions taken by the Issuer under this Agreement or the Indenture. The Company shall pay the Administration Expenses to the Trustee as Additional Payments hereunder. The Company may, without creating a default hereunder, contest in good faith the reasonableness of any such cost or expense incurred or to be paid by the Issuer and any Administration Expenses claimed to be due to the Trustee.

In the event the Company should fail to pay any Payments, Additional Payments or Administration Expenses when due, the payment in default shall continue as an obligation of the Company until the amount in default shall have been fully paid, together with interest thereon during the default period at the Interest Rate then due on the Bonds for such period.

SECTION 5.3. Place of Payments. The Company shall make all Payments directly to the Trustee at its office listed in Section 13.4 of this Agreement or such other place as the Trustee may require. Additional Payments shall be made directly to the Person to whom or to which they are due.

SECTION 5.4. Obligations Unconditional. The obligations of the Company to make Payments and, subject to Section 5.2 hereof, Additional Payments, shall be absolute and unconditional and the Company shall make such payments without abatement, diminution or deduction regardless of any cause or circumstances whatsoever including, without limitation, any defense (other than payment), set-off, recoupment or counterclaim which the Company may have or assert against the Issuer, the Trustee or any other Person, damage to or destruction of the Project or the Plant, failure of consideration, commercial impracticability or any other reason.

SECTION 5.5. Assignment of Revenues and Agreement. To secure the payment of Bond Service Charges, the Issuer shall, by the Indenture, absolutely and irrevocably assign to the Trustee, its successors in trust and its and their assigns forever, (1) all right, title and interest of the Issuer in and to all moneys and

investments in the Project Account and the Bond Service Charge Account and the income and profit from the investment of such moneys, (2) all of the Issuer's rights and remedies under this Agreement and the Note (except for the Reserved Rights), and (3) all of its rights to and interest in the amounts paid under the Agreement including, without limitation, all Payments and other amounts receivable by or on behalf of the Issuer under this Agreement and the Note in respect of the Payments. The Company hereby agrees and consents to those assignments.

SECTION 5.6. Option to Prepay Payments. The Company shall have the option to prepay the Payments and the Note as set forth in Sections 3.1 and 3.3 of the Indenture.

ARTICLE VI

ADDITIONAL AGREEMENTS

SECTION 6.1. Right of Inspection. Subject to reasonable security and safety regulations and upon reasonable notice, the Issuer and its duly authorized agents, shall have the right at all reasonable times upon not less than three days' prior written notice to enter upon the Project Site to examine and inspect the Project.

SECTION 6.2. Removal of Portion of the Project. The Issuer and the Company agree that the Company shall not be under any obligation to renew, repair or replace any inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary portions of the Project. The Issuer and the Company further agree that the Company shall have the right from time to time to substitute personal property or fixtures for any portions of the Project. Any such substituted property or fixtures shall, when so substituted, become a part of the Project. The Company shall also have the right to remove any portions of the Project, without substitution therefor.

SECTION 6.3. Damage; Destruction and Eminent Domain. If, during the term of this Agreement, the Project or any substantial portion thereof is destroyed or damaged in whole or in part by fire or other casualty, or title to, or the temporary use of, the Project or any portion thereof shall have been taken by the exercise of the power of eminent domain, the Company shall (unless it shall have exercised its option to prepay the Bonds pursuant to the Indenture) promptly repair, rebuild or restore the portion of the Project so damaged, destroyed or taken with such changes, alterations and modifications (including the substitution and addition of other property) as may be necessary or desirable for the administration and operation of the Project and as shall not impair the character or significance of the Project as furthering the purposes of the Act.

SECTION 6.4. Indemnification. The Company releases the Issuer from, agrees that the Issuer shall not be liable for, and indemnifies the Issuer against, all liabilities, claims, costs and out-of-pocket expenses imposed upon or asserted against the Issuer on account of (a) any loss or damage to property or injury to or death of or loss by any Person that may be occasioned by any cause whatsoever pertaining to the maintenance, operation and use of the Project; (b) any breach or default on the part of the Company in the performance of any covenant or agreement of the Company under this Agreement or any related document, or arising from any act or failure to act by the Company, or any of its agents, contractors, servants, employees or licensees; (c) the authorization, issuance and sale of the Bonds, and the provision of any information furnished in connection therewith concerning the Project or the Company (including, without limitation, any information furnished by the Company for inclusion in any certifications made by the Issuer or for inclusion in, or as a basis for preparation of, the information statements filed by the Issuer pursuant to the Code or otherwise included in the Preliminary Official Statement or the Official Statement relating to the Bonds (except for information regarding the Issuer)); and (d) any claim or action or proceeding with respect to the matters set forth in (a), (b) and (c) above brought thereon. The Company shall not be liable for any of the foregoing arising from the Issuer's gross negligence or bad faith.

The Company covenants and agrees to indemnify and hold the Trustee and its directors, officers, agents and employees (collectively, the "Indemnitees") harmless from and against any and all liabilities, losses, damages, fines, suits, actions, demands, penalties, costs and expenses, including out-of-pocket, incidental expenses, legal fees and expenses, the allocated costs and expenses of in-house counsel and legal staff and the costs and expenses defending or preparing to defend against any claim ("Losses") that may be imposed on, incurred by, or asserted against, the Indemnitees or any of them for following any instruction or other direction upon which the Trustee is authorized to rely pursuant to the terms of this Agreement and the Indenture. In addition to and not in limitation of the immediately preceding sentence, the Company also

covenants and agrees to indemnify and hold the Indemnitees and each of them harmless from and against any and all Losses that may be imposed on, incurred by, or asserted against the Indemnitees or any of them in connection with or arising out of the Trustee's performance under this Agreement and the Indenture provided the Trustee or the Bond Registrar has not acted with negligence or engaged in willful misconduct. The provisions of this Section 6.4 shall survive the termination of this Agreement and the Indenture, the defeasance of the Bonds and the resignation or removal of the Trustee or the Bond Registrar for any reason.

In case any action or proceeding is brought against the Issuer and the Trustee in respect of which indemnity may be sought hereunder, the party seeking indemnity promptly shall give notice of that action or proceeding to the Company, and the Company, upon receipt of such notice, shall have the obligation and the right to assume the defense of the action or proceeding; provided, that failure of a party to give such notice shall not relieve the Company from any of its obligations under this Section unless such failure prejudices the defense of the action or proceeding by the Company. The Company agrees that in the case of any action or proceeding involving the Issuer or the Trustee, any counsel employed by the Company shall be reasonably acceptable to the Issuer and Trustee. At its own expense, an indemnified party may employ separate counsel and participate in the defense; provided, however, where it is ethically inappropriate for one firm to represent the interests of the Issuer and any other indemnified party or parties, the Company shall pay such indemnified party's reasonable legal expenses in connection with the its retention of separate counsel. The Company shall not be liable for any settlement made without its written consent.

The indemnification set forth above is intended to and shall include the indemnification of all affected officials, directors, officers and employees of the Issuer and the Trustee, respectively. That indemnification is intended to and shall be enforceable by the Issuer and the Trustee, respectively, to the full extent permitted by law.

SECTION 6.5. Environmental Representations. The Company shall not permit the Company to engage in any activities that will result in the material violation of any current or future Environmental Regulations. The Company shall obtain from time to time all permits required under any current or future environmental laws so that the operations of the Company will be in accordance with such laws, except where the failure to so obtain would not result in a material adverse effect on the Project or the Company's ability to meet its obligations hereunder.

The Company shall indemnify the Trustee and the Issuer and shall hold the Trustee and the Issuer harmless from, and shall reimburse the Trustee and the Issuer for, any and all claims, demands, judgments, penalties, liabilities, costs or damages imposed upon and out-of-pocket expenses incurred, including court costs and attorneys' fees directly or indirectly incurred by the Trustee or the Issuer and the payee and Owner of any Bond (prior to trial, at trial and on appeal) in any action against or involving the Trustee or the Issuer, resulting from any breach of the foregoing covenants, or from the discovery of any hazardous substance, in, upon, under or over, or emanating from, the Project, whether or not the Company is responsible therefor, it being the intent of the Company that the Trustee and the Issuer shall have no liability or responsibility for damage or injury to human health, the environment or natural resources caused by, for abatement and/or clean-up of, or other with respect to, hazardous substances by virtue of their interests, if any, in the Project created by the Indenture and this Agreement or otherwise, or hereafter created, or as the result of the Trustee or the Issuer exercising any instrument, including but not limited to becoming the owner thereof. The foregoing representations, warranties and covenants shall be deemed continuing covenants, representations and warranties for the benefit of the Trustee and the Issuer and any successors and assigns thereof, including but not limited to any transferee of the title of the Trustee and any subsequent owner of the Project, and shall survive the satisfaction and release of the Indenture and this Agreement, or under any other instrument.

In case any action or proceeding is brought against the Issuer or the Trustee in respect of which indemnity may be sought hereunder, the party seeking indemnity promptly shall give notice of that action or proceeding to the Company, and the Company, upon receipt of such notice, shall have the obligation and the right to assume the defense of the action or proceeding; provided, that failure of a party to give such notice shall not relieve the Company from any of its obligations under this Section unless such failure prejudices the defense of the action or proceeding by the Company. The Company agrees that in the case of any action or proceeding involving the Issuer or the Trustee, any counsel employed by the Company shall be reasonably acceptable to the Issuer and Trustee. At its own expense, an indemnified party may employ separate counsel and participate in the defense; provided, however, where it is ethically inappropriate for one firm to represent the interests of the Issuer and any other indemnified party or parties, the Company shall pay such indemnified party's reasonable legal expenses in connection with its retention of separate counsel. The Company shall not be liable for any settlement made without its written consent.

ARTICLE VII

GENERAL COVENANTS OF THE COMPANY

SECTION 7.1. General Covenants of the Company. The Company further expressly covenants and agrees as follows:

(a) To comply with the terms, covenants and provisions expressed or implied, of all franchises, licenses and contracts pertaining to, affecting or involving the Project or the business of the Company the violation or breach of which would reasonably be expected to materially and adversely affect the ability of the Company to fulfill its obligations hereunder;

(b) Whenever and so often as requested so to do by the Trustee or the Issuer, promptly to execute and deliver or cause to be executed and delivered all such other and further instruments and documents, and to promptly do or cause to be done all such other and further things, as may be necessary or reasonably required in order to further and more fully vest in the Issuer, the Trustee and the Owners of the Bonds all rights, interests, powers, benefits, privileges and advantages conferred upon them by this Agreement and by the Indenture;

(c) To take such action as may be necessary or proper to remedy or cure any material defect in or cloud upon the title to the Project or any part thereof, whether now existing or hereafter developing, and to prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and to indemnify and save the Issuer and the Trustee harmless from all loss, cost, damage and expense, including attorney's fees, which they or either of them may ever incur by reason of any such defect, cloud, suit, action or proceeding;

(d) To defend against every suit, action, investigation, audit or proceeding at any time brought against the Issuer or the Trustee based on any claim arising out of the receipt, application or disbursement of any of the Trust Estate or revenues from the Project, or the Issuance of the Bonds, or involving the Issuer's or the Trustee's rights under this Agreement or under the Indenture; to indemnify and save harmless the Issuer and the Trustee against any and all liability claimed or asserted by any person whomsoever, arising out of such receipt, application or disbursement or the Project, or the Bonds except willful misconduct or negligence on the part of the Trustee; provided, further, that the Trustee at its election and expense may appear in and defend against any such suit, action or proceeding; and notwithstanding any contrary provision hereof, this covenant shall continue and remain in full force and effect until all indebtedness, liabilities, obligations and other sums secured hereby shall have been satisfied and discharged;

(e) At all times to maintain the rights of the Company to carry on its business and to duly procure all licenses, franchises and other authorizations required for the operation of the Project and to provide all renewals and replacements and improvements to, and extensions of, the Project and to diligently maintain, preserve and renew all the rights, powers, privileges, approvals, licenses and franchises required for the operation of the Project as now owned or hereafter acquired;

(f) To fulfill its obligations and to perform punctually its duties and obligations under this Agreement and the Mortgage and to otherwise operate the Project in accordance with the terms hereof to assure the continued proper operation, management, repair and maintenance of the Project and the payment of the Note and the Payments and all other amounts due and payable under this Agreement in accordance with the terms of this Agreement;

(g) To cause compliance with all material provisions of applicable Federal, State and local laws;

(h) To pay and discharge and indemnify and save the Issuer harmless of, from and against any and all costs, claims, damages, expenses, liabilities, liens, obligations, penalties and taxes of every character and nature, by or on behalf of any person, firm, company, entity or governmental Issuer regardless of by whom advanced, asserted, held, imposed or made, which may be imposed upon, incurred by or asserted against the Issuer arising out of, resulting from or in any way connected with this Agreement, the Bonds or the Indenture excepting gross negligence, willful malfeasance or bad faith on the part of the Issuer. The Company also covenants and agrees, at its expense, to pay and to indemnify and to save the Issuer harmless of, from and against, all costs, reasonable counsel fees, expenses and liabilities incurred in any action or proceeding brought by reason of any such claim or demand;

(i) To pay and discharge and indemnify and save the Trustee harmless of, from and against any and all costs, claims, damages, expenses, liabilities, liens, obligations, penalties and taxes of every character and nature, by or on behalf of any person, firm, Company, entity or governmental Issuer regardless of by whom advanced, asserted, held, imposed or made, which may be imposed upon, incurred by or asserted against the Trustee arising out of, resulting from or in any way connected with this Agreement, the Bonds or the Indenture excepting negligence, willful malfeasance or bad faith on the part of the Trustee. The Company also covenants and agrees, at its expense, to pay and to indemnify and to save the Trustee harmless of, from and against, all costs, reasonable counsel fees, expenses and liabilities incurred in any action or proceeding brought by reason of any such claim or demand;

(j) Not to commit or permit the commission of any action within its control which would cause interest on the Bonds to become subject to Federal income taxes;

(k) Not to fail to take any action within its control necessary to be taken in order that interest on the Bonds will continue to be exempt from Federal income taxes;

(l) With regard to the Mortgaged Property and the Bond Documents to file appropriate financing statements in the appropriate filing offices within three (3) months after each change in name, identity, corporate structure, principal place of business, or employer identification number of the Company, and take all other actions necessary or appropriate in order to maintain the perfection and priority of the security interest created under the Mortgage, the Indenture or herein; and

(m) To reinscribe, acknowledge, file continuation statements or take whatever action is necessary or appropriate in connection with the Mortgage or any related documents in order to maintain the validity, perfection, priority and enforceability of each such document.

SECTION 7.2. Covenants Regarding Operation and Maintenance. The Company acknowledges and agrees that it shall pay during the term hereof all Payments and other sums required hereunder and all operation and maintenance expenses. The Company also expressly covenants and agrees as follows:

(a) That it shall operate and maintain the Project and each and every portion thereof, including all additions and improvements and all facilities adjoining and/or appurtenant thereto, in good operating order and condition, reasonable and ordinary wear and tear alone excepted, and make

all necessary repairs thereto, interior and exterior, structural and non-structural, ordinary and extraordinary, foreseen and unforeseen, and otherwise to make all replacements, alterations, improvements and modifications to the Project necessary to insure that the same at all times shall be suitable for the efficient operation thereof for the purpose intended;

(b) That it shall have full and sole responsibility for the condition, operation, repair, replacement, maintenance and management of the Project; provided, however, the Issuer, the Trustee and their agents shall have the right to inspect the Project at any reasonable time in a manner which will not interfere unreasonably with the Company's use thereof;

(c) That no construction undertakings, including the acquisition, construction and installation of the Project, shall be commenced until it shall have first procured, so far as the same may be required from time to time, all necessary approvals and authorizations from municipal departments and governmental subdivisions having jurisdiction, and all construction undertakings shall be made and effected promptly and in a good and workmanlike manner and in full compliance with all applicable permits, authorizations and laws and in accordance with all such requirements as insurers of the Project, and all portions thereof, may reasonably establish;

(d) That it shall pay, as the same respectively become due, all taxes and assessments, whether general or special, and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Project. It shall not allow any part of the Project to become and remain subjected to any mechanics' or materialmen's liens of record. It may contest any item of tax, assessment, other governmental charge or lien and, in the event of such contest, may permit the item so contested to remain unpaid during the period of such contest and any appeal therefrom if the Company shall first notify the Issuer and the Trustee of its intention to do so and, with respect to each of such items that in the aggregate at any one time do not exceed the amount of \$100,000, shall first furnish each of them with substantiation in satisfactory form that, notwithstanding the nonpayment of any such item, either the Project or any substantial part thereof will not be subject to loss or forfeiture or that any portion of the Project subject to loss or forfeiture will not materially and adversely affect the revenues and financial condition of the Company; otherwise it shall promptly pay or bond such item. In the event it fails to do so, the Issuer or the Trustee may, but shall be under no obligation to, pay any such item and any amounts so advanced therefor by the Issuer or the Trustee shall become an additional obligation of the Company to the one making the advancement, which amount the Company agrees to pay together with interest thereon at the rate of the Trustee's prime lending rate or maximum legal rate, whichever is less;

(e) That it shall comply promptly with all material provisions of present and future laws, ordinances, orders, rules, regulations and requirements of every duly constituted governmental Issuer or agency and all material orders, rules and regulations of any regulatory, licensing, insurance underwriting or rating organization or other body exercising similar functions. It shall likewise perform and comply with all duties and obligations of any kind imposed by law, covenant, condition, agreement or easement and the requirements of all policies of insurance at any time in force with respect to the Project;

(f) That it shall not use or allow the Project to be used or occupied for any unlawful purpose or in violation of any private covenant, restriction, condition, easement or agreement covering or affecting the use of the Project. It likewise shall not suffer any act to be done or any condition to exist in the Project or any article to be brought therein or thereon which may be dangerous, unless safeguarded as required by law, or which, under law, constitutes a nuisance, public or private, or which may make void or voidable any insurance then in force with respect thereto;

(g) That it shall provide all equipment, furnishings, supplies, facilities, services and personnel required for the proper operation, management, repair and maintenance of the Project in an economical and efficient manner, consistent with standards of operation and administration generally acceptable for facilities of comparable size and scope of operations;

(h) That it shall take all action, if any, that may be required to obtain such consents, exceptions, exemptions or approvals of governmental authorities as may be necessary to permit it to comply fully with all covenants, stipulations, obligations and agreements of the Company contained in this Agreement and the Mortgage;

(i) That it shall maintain or cause to be maintained insurance coverages on the Project before, during and after construction naming the Trustee as an additional insured in accordance with the terms of the Mortgage;

(j) That it shall maintain the Project budget approved by the Purchaser, and that deviations from this budget must be approved in advance in writing by the Trustee, or if there is only one Owner, by such Owner;

(k) That prior to the final disbursement of proceeds from the Project Account it will obtain the final certificate of approval of the various governmental authorities having jurisdiction over the Project, including without limitation, a certificate of occupancy, any necessary construction certificates, and certificates of the full payment and discharge of all costs, expenses, contract payments and charges relating to construction, and that if any such certificates cannot be obtained, that it will expend such funds as may be necessary to obtain such final certificates of approval;

(l) That it shall not create, incur, assume or permit to exist any lien on any of the Mortgaged Property now owned or hereafter acquired, without the consent of the Trustee, or if there is only one Owner, such Owner, except for:

(1) The pledge of the collateral and any other liens on the collateral in favor of the initial purchaser,

(2) Liens for taxes, assessments and other governmental charges not yet due or which are being contested in good faith, or

(3) Liens of landlords, vendors, carriers, warehouseman, mechanics, laborers and materialmen arising by law in the ordinary course of business for sums either not yet due or being contested in good faith;

(m) That it:

(1) shall not enter into any contract or agreement with any Guarantor, or with any other parent, subsidiary or related company, except on terms or conditions that are intrinsically fair and substantially similar to those that would be available on an arm's-length basis with third parties other than a Guarantor or a parent, subsidiary or related company;

(2) shall not make any loans or advances to any person other than loans to employees in the ordinary course of business;

(3) shall continue to be solvent (in accordance with generally accepted accounting principles) and to pay its debts from its assets as such debts shall become due;

(4) shall do all things necessary to preserve its separate existence as an entity in the form set forth in Section 2.2 (a) hereof;

(5) shall maintain books and records and bank accounts separate from those of its affiliates and file its own tax returns, to the extent required by the Internal Revenue Service and the State;

(6) shall at all times hold itself out to be to the public as a legal entity separate and distinct from any other entity (including any affiliate);

(7) shall maintain adequate capital for its normal obligations reasonably foreseeable in a business of its size and character and in light of its proposed operations;

(8) shall not commingle its funds or other assets with those of any other person;

(9) shall maintain its assets in such a manner that it would not be costly or difficult to ascertain or identify the Company's assets or segregate them from those of any other person;

(10) shall not hold itself out to be responsible for the debts or obligations of any other person; and

(11) shall maintain in full force and effect, and abide by and satisfy the material terms and conditions of, all laws, rules and regulations from time to time applicable to the Company or the Project; and

(n) That it will not acquire, merge with or consolidate with any person (whether or not such acquisition, merger, or consolidation requires any capital expenditures on the part of the Borrower), nor will it sell, assign, exchange, transfer, convey or otherwise dispose of all or substantially all of its property to any person, without consent of the Trustee, or if there is only one Owner, by such Owner.

ARTICLE VIII

FINANCIAL STATEMENTS; CERTIFICATIONS

SECTION 8.1. Annual Financial Statements. The Company shall cause its business and affairs to be reviewed annually by an Accountant and a copy of such report and certified opinion to be submitted within 120 days after the end of each Fiscal Year, or within three (3) days of receipt by the Company, whichever is sooner, to the Issuer and to the Trustee (or if there is only one Owner, to such Owner).

SECTION 8.2. Annual Certificate. The Company shall cause to be submitted to the Issuer and the Trustee (or if there is only one Owner, to such Owner) within 120 days after the end of each Fiscal Year a certification which shall be given by an Authorized Company Representative after consultation with its general counsel to the effect that the Company has complied during the preceding Fiscal Year with all of the terms, conditions, covenants and provisions of the Mortgage and this Agreement and that as of the date of such certification no event of nonperformance or default exists thereunder or hereunder.

SECTION 8.3. Financial Statements of Guarantor. The Company agrees that it will during the term of this Agreement furnish to the Trustee (or if there is only one Owner, to such Owner) the financial statements of the Guarantor, as required in the Individual Guaranty Agreement and Corporate Guaranty Agreement.

SECTION 8.4. Other Financial Information. The Company shall also cause to be submitted to the Trustee (or if there is only one Owner, to such Owner) the following items:

- (a) Not later than 45 days after the end of each semi-annual fiscal period, financial statements (including a balance sheet and the related statements of income, cash flows and retained earnings) of the Company prepared in accordance with generally accepted accounting principles for such period and for the period beginning on the first day of the fiscal year and ending on the last day of such period, together with statements in comparative form for the corresponding periods in the preceding fiscal year, and certified by an authorized representative of the Company; and
- (b) Such other information regarding the Project or the financial condition or operations of the Company, the Guarantor, or the Project as the Lender shall reasonably request, including, without limitation, copies of Federal income tax statements of the Company and/or the Guarantor.

ARTICLE IX

CONSTRUCTION OF PROJECT; PROJECT ACCOUNT; COMPLETION

SECTION 9.1. General. Construction and acquisition of the Project and payment of Project Costs therefor shall be governed by the provisions of this Article IX. Moneys which shall be deposited in the Project Account established pursuant to Article V of the Indenture shall be held by the Trustee in trust and shall be applied to the payment of the Cost of the Project and, pending such application, shall be subject to a lien and charge in favor of the Owners of the Bonds issued for the Project and for the further security of such Owners until paid out or transferred as herein provided. Notwithstanding any other provisions of this Article, to the extent that other moneys are not available therefor, amounts in the Project Account shall be applied to the payment or principal of and interest on such Bonds when due.

SECTION 9.2. Construction and Installation of the Project. The Project shall be constructed in conformity with the budget, plans and specifications in effect therefor, as the same may be supplemented or revised by the Company with the approval of the Authorized Company Representative, who shall be responsible for coordination of all matters involving the Project. If the proceeds of any such Bonds are not sufficient to complete the Project or for any other reason there are not sufficient moneys available for such purpose in the Project Account, the Company agrees that it shall expend its own funds for such purpose. The Company covenants and agrees that it shall seek to realize upon any performance bonds prior to the expenditure of its own funds. If the proceeds of such Bonds are not sufficient to cover any cost overruns, additions or extras or to discharge any liens filed against the Project or if at any time prior to the completion of the Project the Issuer or the Trustee determines that funds on deposit in the Project Account are insufficient for the payment of remaining Cost of the Project, the Company either (a) shall demonstrate to the satisfaction of the Issuer and the Trustee that adequate provisions have been made for payment of the remaining Cost of the Project, or (b) shall pay into the Project Account prior to any further disbursement of funds therefrom such sum or sums which, when added to the funds then on deposit, shall be sufficient in the judgment of the Trustee to pay the remaining Cost of the Project. All payments of Cost of the Project from the Project Account shall be made in the manner and according to the requisition procedure provided in Section 9.3 of this Agreement. In connection herewith, no Cost of the Project shall be approved for payment from the Project Account, as provided in Section 9.3 hereof, until the Company shall have furnished the Issuer and the Trustee a detailed costs breakdown of such Project which breakdown shall be used by the Issuer, the Authorized Company Representative and the Trustee to verify progress and cost category disbursements and which shall be amended as necessary by the Company in the event of change of orders, additions, extras or anticipated cost overruns to or of the Project or Cost of the Project; or such portion of either as shall be appropriate.

SECTION 9.3. Requisition Procedure. All Project Costs, except as shall be paid on date of delivery of Bonds pursuant to the closing order of the Issuer, shall be paid by the Trustee to the Company only after satisfaction of the following conditions:

- A. A requisition in substantially the form attached hereto as **Exhibit A** duly executed by the Authorized Company Representative stating with respect to each payment to be made:
1. The item number of each such payment;
 2. The name of the person, firm or corporation to whom each such payment is owed by the Company;

3. The respective amounts to be paid;

4. The purpose by general budgeted classification of Project Costs for which each obligation to be paid was incurred, the cost theretofore paid in each classification and the remainder of the budgeted costs within each classification;

5. That obligations in the stated amounts have been incurred and are presently due and payable and that each item thereof is a proper charge against the Project Account and has not been paid;

6. That the payment set forth therein is to be or was made or incurred in connection with the improvement, expansion or rehabilitation of the Project and in accordance with the plans and specifications and therefor currently in effect.

7. That each item to be paid (or reimbursed) from the amount of this Requisition constitutes a Project Cost for a portion of the Project described in the plans and specifications in effect therefor.

8. That there has not been filed with or served upon the Company notice of any lien, right to lien or attachment upon, or claim affecting the right of any such persons, firms or corporation to receive payment of, the respective amounts stated in such requisition which has not been released or will not be released simultaneously with the payment of such obligation;

9. That such requisition contains no item representing payment on account of any retained percentage which at the date of such requisition is entitled to be retained; and

10. The dollar amount which will remain on deposit in the Project Account after payment of such requisition and a statement to the effect that such amount, together with investment income estimated to be derived therefrom, is estimated to be sufficient to pay the remaining Cost of the Project as the same are then estimated.

B. If there is only one Owner of the Bonds, the written consent of such Owner;

C. As to obligations payable to a general contractor under a construction and/or installation contract, a certificate signed by an engineer and/or construction consultant approving the payment thereof; and

D. If the Company, or any other person, firm or corporation acting on behalf of the Company, is seeking reimbursement for payment of items qualifying as Project Costs hereunder, evidence of prior payment of the same.

Upon receipt of such requisition and accompanying certificates, the Trustee shall pay each such item from the Project Account by a check or draft payable to the person to whom payment is to be made and shall provide copies of the processed requisition and evidence of payment thereof to the Authorized Company Representative. All requisitions, statements, certificates and opinions received by the Trustee as required in this Article as conditions of payment from the Project Account, may be relied upon by and shall be retained in the possession of the Trustee, subject at all times to the inspection of the Issuer, the Company and their agents and representatives. The Trustee shall provide a monthly recapitulation of all expenditures from

the Project Account during the preceding month which shall be sent by the Trustee by first class mail to the Issuer, the Company and the Authorized Company Representative.

Money in the Project Account shall be invested and reinvested by the Trustee, to the extent reasonably practical and at the written direction of the Company, only in Permitted Investments. It shall be the duty of the Company to furnish the Trustee with estimated schedules of demands for funds, but if the Company fails to do so the Trustee may invest sums in the Project Account only in Permitted Investments in accordance with the provisions of the Indenture.

SECTION 9.4. Establishment of Completion Date. The Completion Date of the Project shall occur prior to _____, 20__, and shall be evidenced to the Issuer and the Trustee, by a certificate signed by the Authorized Company Representative stating that: (i) construction and installation of those components of the Project that the Company chose to commence have been completed substantially in accordance with the plans and specifications in effect therefor, and all labor, services, materials and supplies used in such construction have been paid for and the statutory lien period for all of same has expired without any liens having been filed, (ii) all other facilities and services necessary in connection therewith have been constructed or installed, as the case may be, in accordance with the specifications therefor and all costs and expenses incurred in such connection have been paid, (iii) those components of the Project that the Company chose to construct have been constructed and installed in such manner as to conform with all applicable zoning, planning and building regulations of the governmental authorities having jurisdiction of the Project, (iv) at least 95% of the proceeds of the Bonds were spent on Qualifying Costs, and (v) those components of the Project that the Company chose to construct have been constructed and installed to the satisfaction of the Company, are undamaged and available for regular use and are suitable and sufficient for operation. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

ARTICLE X

CONDITIONS AND LIMITATIONS

SECTION 10.1. Documentation of Authorization. Simultaneously with the execution of this Agreement, the Company shall deliver to the Issuer and the Trustee the Note, duly executed by the Company and authenticated by the Trustee.

SECTION 10.2. Bonds are Limited Obligations. Bonds shall be limited obligations of the Issuer, payable solely out of the revenues derived from or in connection with this Agreement (including all sums deposited in any Fund (other than the Rebate Fund) from time to time pursuant to this Agreement, the Indenture, and the Note) and, in certain events, out of amounts attributable to Bond proceeds or amounts obtained through the exercise of any remedy provided for in the Indenture. The Bonds shall never be paid out of any other funds of the Issuer except such revenues. No recourse under the Bonds shall be had against any past, present or future Authority Officer or elected official of the Issuer. The Bonds shall never be paid in whole or in part out of any funds raised or to be raised by taxation or out of any other revenues or assets of the Issuer or the State except those Revenues pledged by the Indenture. The principal of, and premium, if any, and interest on the Bonds are secured, as set forth in the Indenture, by an assignment by the Issuer of certain of its rights under this Agreement and the Note, including a pledge of certain of the revenues derived from and in connection with this Agreement.

SECTION 10.3. Warranty of the Project. The Issuer makes no express or implied warranty of any kind whatsoever with respect to the Project, including, but not limited to, the merchantability thereof or the fitness thereof for any particular purposes; the design or condition thereof; the workmanship, quality or capacity thereof; compliance thereof with the requirements of any law, rule, specification or contract pertaining thereto; patent infringement; latent defects; or that the proceeds derived from the sale of the Bonds will be sufficient to pay in full for same.

ARTICLE XI

ADDITIONAL AGREEMENTS AND AMENDMENTS

SECTION 11.1. Tax Covenants. The Company acknowledges and agrees that the Issuer is issuing the Bonds on behalf of the Company and at the request of the Company. Based on representations of the Company contained in the Tax Regulatory Agreement, it is anticipated that interest on the Bonds will be excluded from gross income of the Owners thereof for federal income tax purposes. The Company further recognizes that (i) the Company's Note has been delivered to the Issuer and to the extent issued constitutes security for the Bonds and (ii) the holders of the Bonds bought such Bonds in reliance upon the representations of the Company that the Company would comply with certain covenants in order to maintain the exclusion from gross income of the interest on the Bonds for federal income tax purposes and the Owners were induced to purchase such Bonds based on the tax exempt status of the Bonds. Accordingly, the tax covenants contained in the Tax Regulatory Agreement are for the benefit of the holders of the Note and the Bonds. The Company hereby covenants and agrees that to the extent permitted by the laws of the State of Louisiana, it will comply with the requirements of the Code in order to establish, maintain and preserve the exclusion from gross income of interest on the Bonds from federal income taxation under the Code. The Company further covenants and agrees that it will not take any action, fail to take any action, or permit any action within its control to be taken, or permit at any time or times any of the proceeds of the Bonds, the Note or any other funds of the Company to be used directly or indirectly in any manner, the effect of which would be to cause the Bonds to be "arbitrage bonds" or would result in the inclusion of the interest on any of the Bonds in gross income under the Code, including, without limitation, the failure to comply with the limitation on investment of the Bonds proceeds or to pay any required rebate of arbitrage earnings to the United States of America as provided hereinafter and in the Tax Regulatory Agreement.

The Company covenants and agrees that it will take all necessary and appropriate actions reasonably within its control, including (i) rebating any excess investment earnings to the government of the United States (the "Rebate Payments") and (ii) taking all necessary steps to satisfy the exceptions to arbitrage rebate requirements contained in the Code, as hereafter may be required to assure the continuing exclusion of interest on the Bonds from the gross income of the Owners thereof for the purposes of federal income taxation. The Rebate Payments shall be paid directly to the Trustee. The Company further covenants and agrees not to act in any other manner which would adversely affect the exclusion of interest on any Bonds from gross income for purposes of federal income taxation.

The Company further covenants and agrees to comply with the tax covenants contained in the Tax Regulatory Agreement and to hire or cause to be hired such professionals as may be necessary to calculate the rebate amounts owing to the United States government in connection with the Bonds, provided such professionals are acceptable to the Issuer and the Trustee.

SECTION 11.2. Additional Tax Representations and Covenants. The Company hereby represents and covenants as follows:

- (a) Qualifying Costs. At least 95 percent of the proceeds of the Bonds actually expended will be expended for Qualifying Costs.
- (b) Limit on Costs of Issuance. No portion of the proceeds of the Bonds in excess of 2 percent of the sale proceeds of the Bonds, within the meaning of section 147(g) of the Code, will be expended to pay Issuance Costs with respect to the Bonds.

(c) Limitation on Maturities. The term of the Bonds will not exceed 120 percent of the average reasonably expected economic life of the Project to be financed by the Bonds, weighted in proportion to the respective cost of each item comprising the Project, the cost of which has been or will be financed, directly or indirectly, with the Proceeds of the Bonds. For purposes of the preceding sentence, the reasonably expected economic life of property shall be determined as of the later of (i) the Issue Date for the Bonds or (ii) the date on which such property is placed in service (or expected to be placed in service). In addition, land shall not be taken into account in determining the reasonably expected economic life of property, except that, in the event 25 percent or more of the collective net proceeds of the Bonds, directly or indirectly, have been expended for land, such land shall be treated as having an economic life of 30 years and shall be taken into account for purposes of determining the reasonably expected economic life of such property.

(d) Rebate. The Company agrees to take all steps necessary to compute and pay any rebatable arbitrage in accordance with section 148(f) of the Code and section 1.148-3 of the Regulations, including:

(i) Delivery of Documents and Money on Computation Dates. The Company shall deliver to the Trustee, within 45 days after each Computation Date,

(A) a statement, signed by an Authorized Representative of the Company, stating the Rebate Amount as of such Computation Date; and

(B) (1) if such Computation Date is not the Final Computation Date, an amount which, together with any amount then held for the credit of the Rebate Fund, is equal to at least 90 percent of the Rebate Amount in respect of such issue of Bonds as of such Computation Date, less the future value as of such date, of any prior payments made to the United States pursuant to section 148(f) of the Code in respect of the Bonds, and (2) if such Computation Date is the Final Computation Date, an amount which, together with any amount then held for the credit of the Rebate Fund in respect of the Bonds, is equal to the Rebate Amount as of such Final Computation Date, less the future value as of such date, of any prior payments made to the United States pursuant to section 148(f) of the Code in respect of the Bonds; and

(C) to the extent any Rebate Amount is due, an Internal Revenue Service Form 8038-T completed as of such Computation Date.

(ii) Correction of Underpayments. If the Trustee or the Company shall discover or be notified as of any date that any payment paid to the United States Treasury pursuant to Section 8.4 of the Indenture of an amount described in Section 8.12(d)(i) above shall have failed to satisfy any requirement of section 1.148-3(f) of the Regulations (whether or not such failure shall be due to any default by the Company, the Issuer, or the Trustee), the Company shall (1) deliver to the Trustee a brief written explanation of such failure and any basis for concluding that such failure was innocent and (2) pay to the Trustee (for deposit to the Rebate Fund) and cause the Trustee to pay to the United States Treasury from the Rebate Fund the penalty in respect thereof and as specified in section 1.148-3(h) of the Regulations, within 45 days after any discovery or notice.

(iii) Records. The Company shall retain all of its accounting records relating to the Project Account, the Bond Service Charge Account and the Rebate Fund and all

calculations made in preparing the statements described in this Section 8.12(d) for at least six years after the date on which no Bonds are outstanding.

(iv) Fees and Expenses. The Company agrees to pay all of the reasonable fees and expenses of Bond Counsel, a certified public accountant and any other necessary consultant employed by the Company, the Trustee or the Issuer in connection with computing the Rebate Amount.

(v) No Diversion of Rebatable Arbitrage. The Company will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the Gross Proceeds of the Bonds that is not purchased at fair market value or includes terms that the Company would not have included if the Bonds were not subject to section 148(f) of the Code.

(vi) Investment of Rebate Fund. In the event funds are deposited to the Rebate Fund, the Company shall give the Trustee written instructions as to the investment of such funds upon deposit of such funds.

(vii) Definitions. As used herein, the term "Computation Date" shall mean the fifth anniversary of the issuance of the Bonds until the Final Computation Date. "Final Computation Date" shall mean the date on which they payment obligation for the last bond is retired.

(e) Prohibited Facilities. None of the Proceeds of the Bonds will be used to provide any health club facility, airplane, sky-box or other private luxury box, facility primarily used for gambling, or store the principal business of which is the sale of alcoholic beverages for consumption off premises.

(f) Information Reporting Requirements. The Company will provide the Issuer with the information required for it to comply with the information reporting requirements of section 149(e)(2) of the Code requiring certain information regarding the Bonds to be filed with the Internal Revenue Service within prescribed time limits.

(g) "Federally Guaranteed" Obligations. The Company covenants and agrees not to take any action, or knowingly omit to take any action within its control, that, if taken or omitted, respectively, would cause the Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code and applicable regulations thereunder, except as permitted by section 149(b)(3) of the Code and such regulations.

(h) Bonds Are Not Hedge Bonds. The Company covenants and agrees that none of the proceeds of the Bonds will be invested in Nonpurpose Investments having a substantially guaranteed Yield for four years or more within the meaning of section 149(g)(3)(A)(ii) of the Code, and the Company reasonably expects that all of the spendable proceeds of the Bonds will be used to carry out the governmental purposes of the Bonds within the three-year period beginning on the Issue Date.

(i) Yield on Investment of Gross Proceeds. The Company will restrict the cumulative, blended Yield on the investment of the Gross Proceeds of the Bonds, to the Yield of the Bonds, other than amounts (i) not subject to yield restriction because of (A) the availability of any applicable

temporary period under section 148(c) of the Code and section 1.148-2(e) of the Regulations, (B) their deposit in a reasonably required reserve or replacement fund described in section 148(d) of the Code and section 1.148-2(f)(2) of the Regulations or a bona fide Bond Service Charge Account described in section 1.148-1(b) of the Regulations (including the Bond Service Charge Account) or (C) the minor portion exception described in section 1.148-2(g) of the Regulations, or (ii) invested in obligations described in section 103(a) of the Code.

(j) No Arbitrage. The Company will not use or invest the proceeds of the Bonds such that the Bonds become "arbitrage bonds" within the meaning of section 148 of the Code, and as evidence of this intent, a representative of the Company has reviewed the No-Arbitrage Certificate of the Issuer prepared in connection and delivered concurrently with the Bonds and the Company understands, and will take (or request the Trustee or the Issuer to take), the actions described therein.

(k) Acquisition of Land. Less than 25 percent of the net proceeds of the Bonds actually expended will be used, directly or indirectly, for the acquisition of land or an interest therein. Notwithstanding the immediately preceding sentence, no portion of the net proceeds of the Bonds will be used, directly or indirectly, for the acquisition of land or an interest therein to be used for farming purposes.

(l) Used Property. No portion of the net proceeds of the Bonds will be used for the acquisition of any existing property or an interest therein unless (i) the first use of such property is pursuant to such acquisition or (ii) the rehabilitation expenditures with respect to any building and immovable equipment therefor equal or exceed 50 percent of the cost of acquiring such building financed with the proceeds of the Bonds (with respect to structures other than buildings, this clause shall be applied by substituting 100 percent for 50 percent). For purposes of the preceding sentence, the term "rehabilitation expenditures" shall have the meaning set forth in section 147(d)(3) of the Code.

(m) Modification of Requirements. If at any time during the term of this Agreement, the Issuer, the Trustee or the Company desires to take any action or omit to take any action that would otherwise be prohibited by the terms of this Section, such person shall be permitted to take such action or omit to take such action if it shall first obtain and provide to the other persons named herein an opinion of Bond Counsel to the effect that (i) such action or omission shall not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds and (ii) such action or omission otherwise is in compliance with the laws of the State and the terms of the Indenture and this Agreement.

The Company will not knowingly take any action, or knowingly omit to take any action, which action or omission will adversely affect the exclusion from gross income of the holders thereof for federal income tax purposes of interest on the Bonds (other than holders who are substantial users of the Project or related persons within the meaning of section 147(a) of the Code), and in the event of such action or omission (whether taken with knowledge or not) will promptly, upon receiving knowledge thereof, take all lawful actions, based on advice of Bond Counsel and at the Company's expense, as may rescind or otherwise negate such action or omission.

SECTION 11.3. Amendments, Changes and Modifications. Subsequent to the issuance of the Bonds and prior to their payment in full (or provision for their payment in accordance with the provisions of Article XI of the Indenture), and except as otherwise herein expressly provided, this Agreement may not

be effectively amended, changed, modified, altered or terminated without the written consent of the Trustee in accordance with the provisions of Article X of the Indenture.

SECTION 11.4. Issuer Rights with Respect to the Mortgage. The Company covenants that:

(a) It will deliver to the Issuer and the Trustee all reports, opinions and other documents required by the Mortgage to be submitted to the Trustee at the time said reports, opinions or other documents are required to be submitted to the Trustee.

(b) Except to the extent that the Mortgage may be supplemented or amended in accordance with its terms without the consent of the holder of the Note, it will not modify or amend the Mortgage without the prior written consent of the Issuer and the Trustee and except in accordance with the Mortgage and Article X of the Indenture.

ARTICLE XII

NONPERFORMANCE; REMEDIES

SECTION 12.1. Nonperformance. Each of the following shall constitute an "event of nonperformance" by the Company under this Agreement:

A. Failure of the Company to pay the full amount of any installment of the Payments as required by Section 5.1 of this Agreement on the date such installment is due and any such failure shall continue for one Business Day;

B. Failure of the Company to pay all other amounts required by Article V hereof when due and any such failure shall continue for one Business Day;

C. If the Company shall fail to perform, observe or comply with any other of the terms, covenants, conditions or provisions contained in this Agreement binding upon the Company, and any such failure shall continue for a period of thirty (30) days after written notice thereof shall have been given to the Company by the Issuer or the Trustee; provided, however, that if the Company shall proceed timely to cure such failure which, if begun and pursued with due diligence, cannot be completed within a period of thirty (30) days, then such period shall be increased to such extent as shall be necessary to enable the Company to begin and complete any remedy necessary to cure such failure through the exercise of due diligence;

D. The entry of a decree or order for relief by a court having jurisdiction in the premises in respect of the Company in an involuntary case under the Federal bankruptcy laws, as now or hereafter constituted, or any other applicable Federal or state bankruptcy, insolvency or other similar law, or appointing a receiver, liquidatory, assignee, custodian, trustee, examiner, sequestrator (or similar official) of the Company or for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and the continuance of any such decree or order unstayed and in effect for a period of sixty (60) consecutive days;

E. The commencement by the Company of a voluntary case under the Federal bankruptcy laws, as now constituted or hereafter amended, or any other applicable Federal or state bankruptcy, insolvency or other similar law, or the consent by it to the appointment of or taking possession by a receiver, liquidatory, assignee, trustee, examiner, custodian, sequestrator (or similar official) of the Company or the making by it of any assignment for the benefit of creditors, or the failure of the Company generally to pay its debts as such debts become due, or the taking of action by the Company in furtherance of any of the foregoing;

F. A final judgment for the payment of any money in excess of \$250,000 (which is not covered by proceeds available under an insurance policy) shall be rendered against the Company and any such judgment shall not be discharged within sixty (60) days from the entry thereof or an appeal shall not be taken therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, in such manner as to stay the execution of or levy under such judgment, order, decree or process or the enforcement thereof;

G. There shall have occurred an Event of Default under the terms of any of the Indenture, the Tax Regulatory Agreement, the Guaranty Agreement or the Mortgage; or

H. There shall have occurred, and not been cured within any applicable grace period, a default in the payment of the principal of or interest on any bond, note or other evidence of indebtedness of the Company for borrowed money in an original principal amount in excess of \$250,000.

The provisions of paragraph (C) of this Section are subject to the following limitations: If by reason of acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders of any kind of the government of the United States of America or the State or any of their departments, agencies, political subdivisions or officials, or any civil or military Issuer; insurrections; riots; acts of terrorists; epidemics; landslides; lightning; earthquakes; fires; hurricanes; storms; floods; wash-outs; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery, transmission pipes or canals; partial or entire failure of utilities; or any other cause or event not reasonably within the control of the Company, the Company is unable in whole or in part to carry out its agreements on its part herein contained, the Company shall not be deemed in default during the continuance of such inability.

SECTION 12.2. Remedies. Whenever any event of nonperformance shall have occurred and be continuing, any one or more of the following remedial steps may be taken:

A. The Issuer or the Trustee may declare all installments of Payments under Section 5.1 hereof to be immediately due and payable, whereupon the same shall become immediately due and payable;

B. The Issuer or the Trustee may declare the Note to be immediately due and payable whereupon it shall become forthwith due and payable without presentment, demand, protest or further notice of any kind, and the Issuer or the Trustee shall be entitled to proceed simultaneously or selectively and successively to enforce their rights under the Note and this Agreement, or either of them;

C. The Trustee may take any actions necessary to enforce the Guaranty Agreement against the Guarantor;

D. The Issuer or the Trustee may take whatever action at law or in equity may appear necessary or desirable to collect the Payments then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Company under the Note and this Agreement, or either of them;

E. The Issuer or the Trustee may have access to and inspect, examine and make copies of any and all books, accounts and records of the Company; and/or

F. The Issuer or the Trustee (or the Owners of the Bonds in the circumstances permitted by the Indenture) may exercise any option and pursue any remedy provided by the Indenture.

In addition, the Trustee shall have the right to declare an event of default and exercise remedies under the Mortgage to the extent an event of default has occurred thereunder.

SECTION 12.3. No Remedy Exclusive; Selective Enforcement. No remedy conferred upon or reserved to the Issuer or the Trustee by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement and as now or hereafter existing at law or in equity. No delay or

omission to exercise any right or power accruing upon any event of nonperformance shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer or the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required. In the event the Issuer or the Trustee shall elect to selectively and successively enforce its rights under the Mortgage, the Note and this Agreement, such action shall not be deemed a waiver or discharge of any other lien, encumbrance or security interest securing payment of the indebtedness evidenced or secured hereby or thereby until such time that it shall have been paid in full all sums evidenced or secured hereunder and thereunder. The foreclosure of any lien provided in accordance with this Agreement without the simultaneous foreclosure of all such liens shall not merge the liens granted which are not foreclosed with any interest which the Issuer or the Trustee might obtain as a result of such selective and successive foreclosure.

SECTION 12.4. Agreement to Pay Attorneys' Fees and Expenses. If a Default should occur and the Issuer or the Trustee should employ attorneys or incur other expenses for the enforcement of an obligation or agreement contained herein or in the Note, the Company shall on demand therefor reimburse the reasonable fees and expenses of such attorneys and such other expenses so incurred.

SECTION 12.5. Indenture Overriding. All of the provisions of this Article XII are subject to and subordinate to the rights and remedies of the Bondholders and the Trustee pursuant to the Indenture. The Issuer shall have no power to waive any event of nonperformance hereunder, except with respect to indemnification and its Administrative Payments, without the consent of the Trustee to such waiver.

ARTICLE XIII

MISCELLANEOUS

SECTION 13.1. Effect of Breach. Failure on the part of the Issuer in any instance or under any circumstance to observe or fully perform any obligation assumed by or imposed upon it by this Agreement or by law shall not make the Issuer liable in damages to the Company or relieve the Company from paying any Note or fully performing any other obligation required of it under this Agreement. If the Company defaults under any provision of this Agreement, the Issuer shall have and may pursue any and all remedies provided by law or equity.

SECTION 13.2. Pledge and Assignment. The Company acknowledges and agrees that the Issuer pursuant to the Indenture has assigned and pledged to the Trustee for the benefit and security of the Owners of the Bonds the Note and all of its rights under the provisions of this Agreement, and that the Note will be registered in the name of the Trustee, as registered Owner, to be held for the benefit of the registered Owners of the Bonds and will not be assigned except to a successor trustee under the Indenture or except as permitted by Section 6.7 of the Indenture. There shall be no further assignment or pledge of the Note or the rights of the Issuer under this Agreement without the prior written consent of the Company, provided, however, no such prior written consent shall be required if an event of nonperformance has occurred hereunder or if an Event of Default has occurred under the Indenture.

SECTION 13.3. Severability. In the event that any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 13.4. Notices. All notices, demands and requests to be given or made hereunder to or by the Issuer, the Trustee or the Company, or their designated successors, shall be in writing and shall be properly made if hand delivered or sent by United States mail, postage prepaid or by a nationally recognized overnight courier service. Notices to the Issuer, the Company and the Trustee may also be given via facsimile and shall be directed as follows:

If to the Issuer: Parish of St. Charles, State of Louisiana
15045 River Road
Hahnville, LA. 70057

Attention: Tim Vial
FAX: (985) 783-2067

If to the Company: MHH Properties, LLC
3620 Eighth Avenue South
Birmingham, AL 35222

Attention: Mr. Bev Head
FAX: (205) 322-6348

If to the Trustee: The Bank of New York Trust Company, N.A.
505 North 20th Street, Suite 950
Birmingham, AL 35203

Attention: Mr. Stuart Statham
FAX: (205) 328-7169

Duplicate copies of each notice, demand or request given hereunder to any of such parties also shall be given to the others. The foregoing parties may designate, by written notice given hereunder, any further or different addresses to which any subsequent notice, request, complaint, demand or other instrument or document shall be sent. Notice hereunder shall be deemed effective on the date of its receipt by the addressee. The above addresses may be changed at any time upon written notice of such change sent by United States mail, postage prepaid, to the other parties by the party effecting the change.

SECTION 13.5. Exculpatory Provision. In the exercise of the powers of the Issuer under this Agreement and the Indenture, the Issuer and its trustees, officers, employees and agents shall not be accountable or liable to the Company (i) for any actions taken or omitted by it or its trustees, officers, employees or agents in good faith and believed by it or them to be authorized or within their discretion or rights or powers conferred upon them, or (ii) for any claims based on this Agreement against any officer, employee, agent or trustee of the Issuer in his or her personal capacity, all such liability, if any, being expressly waived by the Company by the execution of this Agreement.

SECTION 13.6. Counterparts. This Agreement is being executed in any number of counterparts, each of which is an original and all of which are identical. Each counterpart of this Agreement is to be deemed an original hereof and all counterparts collectively are to be deemed but one instrument.

SECTION 13.7. Governing Law. It is the intention of the parties hereto that this Agreement and the rights and obligations of the parties hereunder shall be governed by and construed and enforced in accordance with the laws of the State of Louisiana.

SECTION 13.8. Compliance with the Mortgage. The Company covenants that it will comply with each and every covenant and agreement contained in the Mortgage.

SECTION 13.9. Amounts Remaining in Accounts. It is agreed by the parties hereto that any

amounts remaining in the Accounts existing pursuant to the Indenture upon the expiration or sooner cancellation or termination of this Agreement, as provided herein, after payment in full of all Bonds then outstanding under the Indenture (or provisions for payment thereof having been made in accordance with the provisions of the Indenture), and after the payment of all the fees, charges and expenses of the Issuer and the Trustee and all other amounts required to be paid hereunder and under the Indenture, shall belong to and be paid to the Company.

SECTION 13.10. Binding Effect. This Agreement shall inure to the benefit and shall be binding upon the Issuer, the Company and their respective successors and assigns, subject to the limitation that any obligation of the Issuer created by or arising out of this Agreement shall not be a general debt of the Issuer, but shall be payable solely out of the proceeds derived from this Agreement and the sale of the Bonds under the Indenture.

SECTION 13.11. Captions. The captions or headings in this Agreement are for convenience only and in no way are intended to define, limit or describe the scope or intent of any provision of this Agreement.

SECTION 13.12. Consents and Approvals. Whenever the consent or approval of the Issuer, the Owner or the Trustee shall be required under the provisions of this Agreement, such consent or approval shall not be unreasonably withheld or delayed.

IN WITNESS WHEREOF, the Issuer and the Company, acting through the undersigned duly authorized officers, have caused this Installment Sale Agreement to be executed as of the date set forth in the first paragraph of this Installment Sale Agreement.

PARISH OF ST. CHARLES, STATE OF LOUISIANA

By: _____
Parish President

ATTEST:

[SEAL]

By: _____
Council Secretary

MHH PROPERTIES, LLC

By: _____
Title:

FORM OF PROJECT REQUISITION

\$2,750,000

**PARISH OF ST. CHARLES, STATE OF LOUISIANA
REVENUE BONDS
(RAM TOOL PROJECT)
SERIES 2007**

The Bank of New York Trust Company, N.A.,
as Trustee
Corporate Trust Department

_____, _____

Date: _____

Requisition Number: _____

The undersigned duly appointed Authorized Company Representative acting for and on behalf of MHH Properties, LLC., an Alabama limited liability company (the "Company"), pursuant to the Installment Sale Agreement by and between the Company and the Parish of St. Charles, State of Louisiana (the "Issuer") dated as of November 1, 2007 (the "Installment Sale Agreement"), and the Trust Indenture dated as of November 1, 2007, by and between the Issuer and The Bank of New York Trust Company, N.A., as trustee (the "Indenture") relating to the above captioned issue of Bonds, hereby requests payment be made from amounts on deposit in the Project Account held by the Trustee pursuant to Section 5.5 of the Indenture and Section 9.3 of the Installment Sale Agreement to the Company in the amount and for the purpose set forth below (capitalized terms used, but not defined herein, shall have the meanings provided in the Indenture):

Item No. _____

Name of person, firm or corporation to whom such payment
is owed by the Company:

Amount of Payment: \$ _____

Purpose of Payment by general budgeted classification of Project Costs for which this obligation was incurred, the costs heretofore paid in each classification and remainder of budgeted costs in each classification:

The undersigned Authorized Company Representative further certifies with respect to this Requisition as follows:

1. That the payment set forth herein is to be or was made or incurred in connection with the improvement, expansion or rehabilitation of the Project in accordance with the plans and specifications therefor currently in effect.
2. That the amount paid or to be paid, as set forth herein, is reasonable, is presently due and payable, and is a proper charge against the Project Account and has not been paid.
3. That each item to be paid (or reimbursed) from the amount of this Requisition constitutes a Project Cost for a portion of the Project.
4. That there has not been filed with or served upon the Company notice of any lien, right to lien or attachment upon, or claim affecting the right of any such persons, firm or corporations to receive payment of, the amount stated in this Requisition which has not been released or will not be released simultaneously with the payment of this obligation.
5. That this Requisition contains no item representing payment on account of any retained percentage which on the date hereof is entitled to be retained.
6. That the amount on deposit in the Project Account after payment of such amount, together with investment income, is expected to be sufficient to pay the remaining Cost of the Project, as the same are now estimated.
7. That if the amount of this Requisition is payable to a general contractor under a construction and/or installation contract, a certificate signed by an engineer approving the payment of this Requisition is attached hereto.
8. That if the Company, or any other person, firm or corporation acting on behalf of the Company, is seeking reimbursement for payment of items qualifying as Project Costs under the Indenture (other than amounts described in paragraph 9 hereinafter), evidence of prior payment is attached hereto.
9. That, with respect to each item representing a request for reimbursement for costs of the Company for professional services performed by in-house professionals and laborers employed by the Company, each such item (i) is requested hereby in an amount equal to the true cost of such services and labor to the Company and without any add ons or profit margins and (ii) complies with each applicable certification of this Requisition, including, without limitation, under paragraphs numbered 1, 2, 3, 4, 6 and 7 hereinabove.
10. That at least 95% of all bond proceeds previously disbursed plus the amounts hereby requested to be disbursed from the Project Account have been and will be used to pay Qualifying Costs.

MHH PROPERTIES, LLC.

By: _____
Authorized Company Representative

Approved for payment and paid: _____

Authorized Officer of Trustee: _____

Reviewed and Approved by:

Name: _____

By: _____

Its: _____

Date: _____

FORM OF PROMISSORY NOTE

This Promissory Note has not been registered under the Securities Act of 1933. Its transferability is restricted by the Trust Indenture.

MHH PROPERTIES, LLC.

NOTE

MHH Properties, LLC, an Alabama limited liability company (the "Company"), for value received, promises to pay to **THE BANK OF NEW YORK TRUST COMPANY, N.A.**, as trustee (the "Trustee"), as assignee of the Parish of St. Charles, State of Louisiana (the "Issuer"), under the Indenture hereinafter referred to, the principal sum of

Two Million Seven Hundred Fifty Thousand Dollars (\$2,750,000.00)

with a final maturity on _____, 20__, and to pay interest on the unpaid balance of the principal sum hereof from the date hereof at the rate or rates of interest borne by the Bonds, as hereinafter defined, until the payment of the principal sum has been made or provided for.

This Note is issued pursuant to the Installment Sale Agreement dated as of November 1, 2007 (the "Agreement"), between the Issuer and the Company, pursuant to which the Issuer has loaned to the Company proceeds received from the sale of the Issuer's \$2,750,000 of Revenue Bonds (Ram Tool Project), Series 2007 (the "Bonds"), to assist in the financing of a portion of the costs of acquisition, construction and equipping of the Project (as defined in the Agreement) and paying the costs of issuing the Bonds. This Note evidences the Company's obligation to make Payments (as defined in the Agreement), required to pay the principal of, premium, if any, and interest on the Bonds as and when due, and is entitled to the benefits and subject to the provisions of the Agreement. The Bonds have been issued concurrently with the execution and delivery of this Note, pursuant to, and are secured by, the Trust Indenture dated as of November 1, 2007 (the "Indenture"), between the Issuer and the Trustee. All capitalized terms used herein and not defined herein shall have the meaning ascribed thereto in the Agreement or the Indenture.

The Bonds bear interest from their date at the rate and payable on each Interest Payment Date as specified in the Indenture. The Bonds mature in the amount of \$ _____ on _____.

To provide funds to pay the principal of, premium, if any, and interest on the Bonds as and when due, the Company hereby agrees to make Payments on each date in an amount equal to the amount payable as principal of, premium, if any, and interest on the Bonds on such date.

All payments made under this Note shall be in lawful money of the United States of America and shall be made to the Trustee at its Principal Office in _____, and deposited in the Bond Service Charge Account created by the Indenture. Except as otherwise provided in the Indenture and the Agreement, such payments shall be used by the Trustee to pay the principal of, premium, if any, and interest on the Bonds as and when due.

Whenever payment or provision therefor has been made in respect of the principal of, premium, if any, or interest on, all or any portion of the Bonds in accordance with the Indenture, this Note shall be

deemed paid to the extent such payment or provision therefor has been made. If Bonds are thereby deemed paid in full, this Note shall be canceled and returned to the Company. The Company shall receive a credit against its obligation to make payments hereunder to the extent of moneys available in the Bond Service Charge Account for payment of principal of, premium, if any, and interest on the Bonds pursuant to the Agreement. Subject to the foregoing, all payments shall be in the full amount required under this Note.

The obligation of the Company to make the Payments shall be absolute and unconditional as provided in the Agreement.

This Note is subject to optional prepayment in the manner and to the extent provided in Article V of the Agreement for the purpose of redemption of the Bonds.

Whenever a Default under Section 7.1 of the Indenture shall have occurred and, as a result thereof, the principal of and any premium on all Bonds then Outstanding and interest accrued thereon shall have been declared to be immediately due and payable pursuant to Section 7.2 of the Indenture, the unpaid principal amount of and any premium and accrued interest on this Note shall be due and payable on the date on which the principal of and premium and interest on the Bonds shall have been declared due and payable; provided that the annulment of a declaration of acceleration with respect to the Bonds shall also constitute an annulment of any corresponding declaration with respect to this Note.

IN WITNESS WHEREOF, the Company has caused this Note to be executed in its name by its duly authorized officer this _____ day of November, 2007.

MHH PROPERTIES, LLC.

By: _____

EXHIBIT C
DESCRIPTION OF PROJECT

EXHIBIT D

COMPANY DEED

DEED AND BILL OF SALE

STATE OF LOUISIANA

PARISH OF ST. CHARLES

KNOW ALL MEN BY THESE PRESENTS, that MHH Properties, LLC, an Alabama limited liability company (hereinafter called the "Company"), appearing herein through and represented by _____, who is the _____ of the Company, duly authorized by a consent resolution adopted by its owners on _____, 200____, does by these presents grant, bargain, sell, convey, transfer, assign, set over, abandon and deliver with all legal warranties, and with full substitution and subrogation in and to all rights and actions of warranty which it has or may have against all preceding owners and vendors, unto:

The Parish of St. Charles, State of Louisiana, a political subdivision of the State of Louisiana (the "Parish"), appearing herein through and represented by _____ and _____, who are respectively the Parish President and the Acting Secretary of the St. Charles Parish Council, acting on behalf of the Parish by the authority of ordinances adopted by the St. Charles Parish Council at meetings held on June 18, 2007 and November 5, 2007, said Parish being here present, accepting and purchasing for itself, its successors and assigns, and acknowledging due delivery and possession thereof, all and singular the property described on Schedule 1 attached hereto.

TO HAVE AND TO HOLD the above described property unto the Parish, its successors and assigns, forever.

This sale is made and accepted for and in consideration of the sum of \$ _____ cash, payable to MHH Properties, LLC, receipt of which is hereby acknowledged, pursuant to the terms and conditions contained in the Installment Sale Agreement dated as of November 1, 2007 (the "Sale Agreement") between the Company and the Parish.

All State, Parish and local taxes have been paid by the Company, as appropriate. Taxes for the current year will be paid by the Company, as appropriate.

WITNESS THE SIGNATURES of the parties this ____ day of _____, 20____.

MHH PROPERTIES, LLC

By: _____
Title: _____

PARISH OF ST. CHARLES,
STATE OF LOUISIANA

By: _____
Parish President

By: _____
Acting Secretary
St. Charles Parish Council

EXHIBIT E

ISSUER DEED

DEED AND BILL OF SALE

STATE OF LOUISIANA

PARISH OF ST. CHARLES

KNOW ALL MEN BY THESE PRESENTS, that the Parish of St. Charles, State of Louisiana, a political subdivision of the State of Louisiana (the "Parish"), appearing herein through and represented by _____ and _____, who are respectively the Parish President and the Acting Secretary of the St. Charles Parish Council, acting on behalf of the Parish by the authority of ordinances adopted by the St. Charles Parish Council at meetings held on June 18, 2007 and November 5, 2007, do by these presents grant, bargain, sell, convey, transfer, assign, set over, abandon and deliver without any warranty whatsoever of any nature or description, even for the return of the purchase price, but with full substitution and subrogation in and to the all rights and actions of warranty which it has or may have against all preceding owners and vendors, unto:

MHH Properties, LLC, an Alabama limited liability company (hereinafter called the "Company"), appearing herein through and represented by _____, who is the _____ of the Company, duly authorized by a consent resolution adopted by its owners on _____, 200____ said Company being here present, accepting and purchasing for itself, its successors and assigns, and acknowledging due delivery and possession thereof, all and singular the property described on Schedule 1 attached hereto.

TO HAVE AND TO HOLD the above described property unto the Company, its successors and assigns, forever.

This sale is made and accepted for and in consideration of the sum of \$ _____, in representation of which the Company binds and obligates itself to pay all sums, whether of principal or interest on \$2,750,000 aggregate principal amount of Parish of St. Charles, State of Louisiana Revenue Bonds (Ram Tool Project) Series 2007, issued by the Parish pursuant to the terms of an Installment Sale Agreement dated as of November 1, 2007 between the Parish and the Company (the "Sale Agreement"), and a Trust Indenture dated as of November 1, 2007 between the Parish and The Bank of New York Trust Company, N.A., as trustee; the obligations of the Company under the Sale Agreement being incorporated herein as if fully set forth herein.

It is expressly understood and agreed that no lien and/or privilege of any kind, including without limitation, the vendor's lien and/or privilege, is retained by or granted to the Parish in connection herewith, or shall result herefrom; and the Parish does further hereby specifically waive, release, relinquish, renounce and disclaim to the extent permitted by law (a) any and all liens and/or privileges on, in, over or in anywise with respect to the property herein sold and conveyed and any and all portions thereof (with respect to both movable and immovable components and parts thereof), including without limitation any vendor's lien and/or privilege thereon or with respect thereto, (b) any and all right to a rescission, dissolution, revocation or cancellation of this sale and conveyance, whether for non-payment of the purchase price (or any part thereof) or any other reason, and (c) any and all rights to assert any and all resolatory conditions whatsoever, whether express, implied, resulting from operation of law, or otherwise, with respect to this sale and conveyance.

All State, Parish and local taxes have been paid by the Company, as applicable. Taxes for the current year will be paid by the Company, as applicable.

WITNESS THE SIGNATURES of the parties this _____ day of _____, 20____.

PARISH OF ST. CHARLES,
STATE OF LOUISIANA

By: _____
Parish President

By: _____
Acting Secretary
St. Charles Parish Council

MHH PROPERTIES, LLC

By: _____
Title:

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