

EXCERPTS FROM THE MINUTES OF
A REGULAR MEETING OF THE
BALDWIN COUNTY COMMISSION
HELD ON JUNE 18, 2024

The Baldwin County Commission (the "Commission") met in regular session in in the Baldwin County Fairhope Satellite Courthouse, County Commission Meeting Chambers, 2nd Floor, 1100 Fairhope Avenue, Fairhope, Alabama 36532 on June 18, 2024, at 10:00 o'clock, a.m., Central Time. The following members of the Commission were:

| PRESENT | ABSENT |
|----------------------------------|--------|
| Commissioner James E. Ball | |
| Commissioner Matthew P. McKenzie | |
| Commissioner Billie Jo Underwood | |
| Commissioner Charles F. Gruber | |

Commissioner Underwood acted as chairman of the meeting and Roger Rendleman, County Administrator, acted as clerk of the meeting. The Chairman stated that due notice of the time, place and purpose of the meeting having been posted as required by law, and a quorum being present, the meeting was open for the transaction of business.

* * * * *

The Chairman then stated that it would be in order to consider the issuance of up to \$37,500,000, in aggregate principal amount of the County's General Obligation Economic Development Warrants, Series 2024, for the purpose of funding certain of the County's capital improvement projects and paying the costs of the issuance of such warrants, as described in such resolution. The Chairman noted that notice of the proposed actions regarding the issuance of such Warrants to finance the economic development improvements was published in *The Baldwin Times* on June 7, 2024. The following resolution and order was thereupon introduced in writing by Commissioner Ball:

RESOLUTION NO. 2024-122

**RESOLUTION AND ORDER AUTHORIZING THE ISSUANCE OF UP TO
\$37,500,000 PRINCIPAL AMOUNT OF
GENERAL OBLIGATION ECONOMIC DEVELOPMENT WARRANTS, SERIES 2024**

BE IT RESOLVED and ORDERED by the County Commission (the “Commission”) of Baldwin County, Alabama (the “County”), as follows:

ARTICLE I

**DEFINITIONS, USE OF WORDS AND
PHRASES, AND FINDINGS BY THE COUNTY**

Section 1. Definitions. The following words and phrases and others evidently intended as the equivalent thereof shall, in the absence of clear implication herein otherwise, be given the following respective interpretations:

“**Additional Warrants**” means those warrants authorized to be issued pursuant to Section 3.5 hereof.

“**Bank**” means Regions Bank, a state banking corporation having a principal corporate trust office in Birmingham, Alabama, in its role as Warrant Registrar and Paying Agent and Depository for certain funds and accounts established hereunder.

“**Beneficial Owner**” means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Warrants (including persons holding Warrants through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Warrants for federal income tax purposes.

“**Business Day**” means any day other than a Saturday, Sunday or day on which banking institutions are required or authorized to close in the city in which the designated corporate trust agency office of the Bank is located, or on which the Federal Reserve Bank is closed.

“**Code**” means the Internal Revenue Code of 1986 as amended.

“**Commission**” means the governing body of the County as from time to time constituted.

“**County**” means the political subdivision of the State of Alabama known as Baldwin County as it now exists, and any political subdivision resulting from any merger or consolidation thereof with any other political subdivision.

“Direct Participant” means securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations which participate in the Securities Depository with respect to the Warrants.

“Economic Development Amendment” means Amendment 772 to the Constitution of Alabama of 1901, as amended by the amendment proposed by Act No. 2022-286 adopted at the 2022 Regular Session of the Legislature of Alabama and ratified on November 8, 2022 (codified as Section 94.01 of the Constitution of Alabama of 2022).

“Fiscal Year” means the period beginning on October 1 of one calendar year and ending on September 30 of the next succeeding calendar year.

“Government Obligations” means direct obligations of the United States of America and obligations unconditionally guaranteed by the United States of America.

“Improvements” means the improvements described in Section 1.3(b) hereof (as such description may be amended by the Commission pursuant to Section 8.4 hereof), the costs of which are to be paid, in whole or in part, out of the proceeds of the sale of the Warrants.

“Improvements Fund” means the special account of the County created under Section 7.1 hereof.

“Interest Payment Date” means any April 1 or October 1, commencing on the April 1 or October 1 as shall be specified in the Supplemental Resolution, prior to payment of the Warrants.

“Overdue Interest” means interest due but not paid on the Interest Payment Date on which such interest is required to be paid.

“Overdue Interest Payment Date” means interest due but not paid on the Interest Payment Date on which such interest is required to be paid.

“Record Date” means, as to any Interest Payment Date, the March 15 or September 15 immediately preceding such Interest Payment Date.

“Redemption Date” means the date on which Warrants shall be called for redemption prior to their stated maturities under any of the provisions hereof.

“Securities Depository” has the meaning given that term in Section 2.10 hereof.

“Supplemental Resolution” means the resolution and order to be adopted by the Commission as contemplated by Section 6.2 hereof.

“Tax Increment” means, in accordance with the TIF Statute, the amount obtained by multiplying the total revenue derived from the TIF Ad Valorem Taxes levied by all taxing authorities on all taxable property within TIF District 1 in any tax year by a fraction having a numerator equal to that tax year’s market value of all taxable property in TIF District 1 minus the Tax Increment Base

and a denominator equal to that tax year's equalized value of all taxable property within TIF District 1.

"Tax Increment Base" means the aggregate value, as equalized by the Alabama Department of Revenue, of all taxable property located within TIF District 1 on the date TIF District 1 was created, determined as provided in the TIF Statute.

"TIF Ad Valorem Taxes" means all ad valorem taxes levied on all taxable property within TIF District 1 except for (a) 12.0 mills of ad valorem taxes levied by the County for educational purposes, and (b) 2.0 mills of ad valorem taxes levied by the County for public hospital purposes.

"TIF District 1" shall have the meaning given that term in Section 1.3(h).

"TIF Fund" means the special account created pursuant Section 7.3 hereof in accordance with the TIF Statute and to be maintained by the Bank, its successors and assigns, or any successor designated by the County.

"TIF Statute" means Chapter 99 of Title 11 of the Code of Alabama, 1975, as amended.

"Warrant Authorizing Law" means Chapter 28 of Title 11, Code of Alabama, 1975, as amended.

"Warrant Fund" means the special account of the County created under Section 7.2 hereof.

"Warrant Holder" or **"Holder"** means the registered holder, from time to time, of any of the Warrants.

"Warrants" unless otherwise indicated, means up to \$37,500,000 in aggregate principal amount of the County's General Obligation Economic Development Warrants, Series 2024, as more particularly described in Section 2.2 hereof and issued hereunder.

Section 1.2. Use of Words and Phrases. The following provisions shall be applied wherever appropriate herein:

Whenever used herein, any pronoun or pronouns shall be deemed to include both singular and plural and to cover all genders.

"Hereby", "herein", "hereinafter", "hereof", "hereunder" and other equivalent words refer to this Resolution as a whole and not solely to any particular portion thereof in which any such word is used.

The definitions set forth in Section 1 hereof shall be deemed applicable whether the words defined are herein used in the singular or plural.

Section 1.3. Findings of Commission. Having made due and proper investigation of the matters hereinafter referred to, the Commission hereby finds and determines:

- (a) The County has determined that it is necessary and in the interest of the public that the County provide financing for various capital improvements, including acquisition of right-of-way property, construction of new roads and related drainage and bridges, improvement of existing roads and installation of infrastructure facilities for economic development, for use in serving the citizens of the County.
- (b) The Improvements financed with the proceeds of the Warrants consist of various public infrastructure improvements intended to advance economic development, including improvements related to a low-carbon aluminum recycling and rolling facility being constructed for the use of Novelis Corporation located in Bay Minette, Alabama. The planned improvements include improvements to Willie Cooper Road, construction of Novelis Drive and Aluminum Way, reconstruction of SR-287 intersection improvements to serve Novelis Drive and Aluminum Way, realignment of Shipp Road with Novelis Drive's signalized intersection, construction of the Novelis Rail Spur and the Novelis Rail Spur Bridge and installation of a new water tower to provide additional potable water distribution capacity and services within the project area, including the Novelis project (collectively, the "Improvements").
- (c) Pursuant to the Economic Development Amendment the County is authorized to grant public funds and things of value in aid of or to any individual, firm, corporation or business entity, public or private, for the purpose of promoting the economic and industrial development of the County and to become indebted and issue bonds, warrants, notes or other obligations to a principal amount not exceeding 50% of the assessed value of taxable property in the County.
- (d) Pursuant to the TIF Statute the County is authorized to issue warrants as "Tax Increment Obligations" in order to finance infrastructure improvements within a Major 21st Century Manufacturing Zone.
- (e) The County has heretofore found and declared that the Improvements will promote the economic and industrial development of the County by (i) providing infrastructure improvements to benefit County citizens and businesses, (ii) enhancing the County by attracting additional businesses and residents to locate within the County and (iii) creating economic growth and increased tax revenues in the County, and will thereby serve a valid and sufficient public purpose notwithstanding any benefit to any private business or person.
- (f) The County has determined that the total costs of the Improvements, the costs of issuance of the Warrants herein authorized and other costs and expenses related thereto are expected to be not less than \$37,500,000, to be determined prior to issuance of the Warrants by the Supplemental Resolution adopted by the Commission as contemplated by Section 6.2 hereof.
- (g) The County does not have and does not expect to have in the near future, funds sufficient to enable it to pay all the costs of acquisition, construction and installation of the Improvements. Since such improvements are needed in the County, the County has determined to issue its General Obligation Economic Development

Warrants, Series 2024, in an aggregate principal amount not to exceed \$37,500,000 (the "Warrants"), as and when needed for the purpose of providing funds necessary to pay costs of such Improvements.

- (h) The County has heretofore created pursuant to the TIF Statute a tax increment financing district named "Tax Increment Financing District 1" in the area of the North Baldwin County Mega Site to assist in funding needed improvements, effective May 1, 2024 ("TIF District 1").
- (i) Pursuant to the Warrant Authorizing Law and the Economic Development Amendment the County is authorized to issue its Warrants in order to finance the cost of the Improvements and to pledge for the security thereof the general faith and credit of the County. Pursuant to the TIF Statute the County is authorized to issue its Warrants in order to finance the cost of the Improvements and to pledge for the security thereof the Tax Increment of TIF District 1 and, in order to increase the security and marketability of the Warrants, to pledge its full faith and credit to secure the Warrants.
- (j) Immediately after the issuance of the Warrants, the total indebtedness of the County issued under authority of the Economic Development Amendment will not be more than 50% of the assessed valuation of taxable property within the boundaries of the County for the last fiscal year (ended September 30, 2023).

ARTICLE II

AUTHORIZATION, DESCRIPTION, EXECUTION, PAYMENT AND FORM OF THE WARRANTS

Section 2.1 Authorization of the Warrants. Pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly the Authorizing Law, the TIF Statute, and the Economic Development Amendment, and for the purposes of providing the funds needed to acquire, construct and install the Improvements described above and paying the costs of the issuance thereof, there is hereby authorized to be issued by the County not in excess of \$37,500,000 in aggregate principal amount of its General Obligation Economic Development Warrants, Series 2024.

Section 2.2 Description of the Warrants. The Warrants shall be issued only in fully registered form, without coupons, shall be dated the date of their initial issuance and delivery, shall be issued in principal amounts of \$5,000 or any integral multiple thereof, and shall be numbered from R-1 upwards in the order of their issuance and delivery. The Warrants shall bear interest from their date (or in the case of a Warrant registered in the name of a Holder on or after the first Interest Payment Date, from the Interest Payment Date next preceding the date of such registration or, if the date of such registration is an Interest Payment Date, from the date of registration) at rates specified and provided in the Supplemental Resolution duly adopted by the Commission, not to exceed 5.0% per annum (calculated on the basis of a 360-day year of twelve 30-day months), payable on each April 1 and October 1 until payment of the principal amount thereof, beginning October 1, 2024 or

April 1, 2025, as shall be specified in the Supplemental Resolution, and shall mature in the years 2025 through 2054, or some of such years, as shall be specified and in such amounts as shall be provided in the Supplemental Resolution duly adopted by the Commission.

Section 2.3 Execution of the Warrants. The Warrants shall be executed in the name of the County by the manual or facsimile signatures of the Chairman of the Commission and each member of the Commission and the County Administrator of the County inscribed or printed or otherwise reproduced thereon (it being herein provided that a condition to the validity of each Warrant is the manual execution on behalf of the Bank of the Registration Certificate endorsed on each Warrant). The seal of the Commission, as the official seal of the County, shall be impressed or printed or otherwise reproduced thereon and shall be attested by the aforementioned signature of the County Administrator of the County. The said officers are hereby directed to cause the Warrants to be executed and sealed in the manner provided by this section.

Section 2.4 Places and Medium of Payment of the Warrants. Principal of and interest on the Warrants shall be payable in lawful money of the United States of America. The principal of the Warrants shall be payable at the principal office of the Bank in Birmingham, Alabama, upon presentation and surrender of the Warrants as the same become due and payable. Interest on the Warrants shall be payable by check or draft mailed by the Bank to the lawful holders of the Warrants at the address shown on the registry books of the Bank pertaining to the Warrants as of the Record Date and shall be deemed timely made if so mailed on the Interest Payment Date (or if such Interest Payment Date is not a Business Day, on the Business Day next following such Interest Payment Date).

Section 2.5 Form of the Warrants and Related Certificates. The Warrants, the certificate of registration thereof, the registration thereof as a claim against the Warrant Fund, and the form of assignment thereof shall be in substantially the following form, with appropriate changes therein to conform to the applicable provisions hereof and the Supplemental Resolution:

(Form of Warrant)

[FORM OF CAPTION FOR WARRANTS HELD
IN BOOK ENTRY FORM]

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the County or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. _____

\$ _____

UNITED STATES OF AMERICA
STATE OF ALABAMA
COUNTY OF BALDWIN
GENERAL OBLIGATION ECONOMIC DEVELOPMENT WARRANTS,
SERIES 2024

MATURITY DATE

CUSIP NUMBER

INTEREST RATE

BALDWIN COUNTY, ALABAMA, a political subdivision of the State of Alabama (the "County"), for value received, hereby acknowledges that it is indebted in the principal sum of

_____ Dollars

and hereby directs the County Depository of the County, or any person or entity which may succeed to its duties, to pay (but solely out of the Warrant Fund referred to below) such principal sum to

or registered assigns, on the maturity date specified above, or such earlier day as this Warrant may be called for redemption, and to pay (but solely out of the Warrant Fund) interest on such principal sum from the date hereof (or in the case of a Warrant registered in the name of the registered Holder hereof on or after _____, as evidenced by the Certificate of Registration attached hereto, from the Interest Payment Date next preceding the date of such registration or, if the date of such registration is an Interest Payment Date, from the date of registration), until such principal sum shall become due and payable, at the per annum rate of interest specified above. Interest shall be payable on April 1 and October 1 in each year, beginning _____ (each such date herein called an "Interest Payment Date"), and shall be computed on the basis of a 360-day year with 12 months of 30 days each. Interest shall be payable on overdue principal (and premium, if any) on this Warrant

and (to the extent legally enforceable) on any overdue installment of interest on this Warrant at the rate borne hereby.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Authorizing Resolution hereinafter described, be paid to the person in whose name this Warrant is registered at the close of business on the fifteenth (15th) day of the month next preceding such Interest Payment Date.

The Warrants are being issued by means of a book-entry system with no physical distribution of warrant certificates to be made except as provided in the Authorizing Resolution (as hereinafter defined). One warrant certificate, in the aggregate principal amount of each maturity of the Warrants, registered in the name of Cede & Co. as nominee of the DTC, is being issued and required to be deposited with DTC (or an authorized banking institution acceptable to DTC) and immobilized in its custody. The book-entry system will evidence ownership of the Warrants, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Transfer of principal, interest and any redemption premium payments to Beneficial Owners of the Warrants by participants of DTC will be the responsibility of such participants and other nominees of such Beneficial Owners. The County will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by DTC, and to participants or persons acting through such participants. While Cede & Co. is the registered owner of this Warrant, notwithstanding the provisions herein contained, payment of principal, interest and any redemption premium on this Warrant will be made in accordance with the existing arrangements between the Paying Agent and DTC.

Subject to the foregoing paragraph payment of interest on this Warrant due on each Interest Payment Date shall be made by check or draft mailed by the Paying Agent to the person entitled thereto at his address appearing in the Warrant Register maintained with respect to the Warrants. Such payments of interest shall be deemed timely made if so mailed on the Interest Payment Date (or, if such Interest Payment Date is not a Business Day, on the Business Day next following such Interest Payment Date). Payment of the principal of (and premium, if any, on) this Warrant and payment of accrued interest on this Warrant due upon redemption shall be made only upon surrender of this Warrant at a principal corporate trust office of the hereinafter described Bank in Birmingham, Alabama. Upon the terms and conditions provided in the Authorizing Resolution, the Holder of any Warrant or Warrants in an aggregate principal amount of not less than \$500,000 may request that payment of interest on such Warrant or Warrants be made by wire transfer to an account of such Holder maintained at a bank in the continental United States or by any other method providing for same-day funds that is acceptable to the Bank. All such payments shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

This Warrant is one of the duly authorized issue of warrants of the County, aggregating \$ _____ in principal amount, entitled "General Obligation Economic Development Warrants, Series 2024" (the "Warrants") and issued under and pursuant to a resolution and order duly adopted by the governing body of the County on [June 18], 2024, as supplemented by a supplemental resolution adopted by the Baldwin County Commission on _____ (collectively, the "Authorizing Resolution") and the constitution and laws of the State of Alabama, including particularly Chapter 28 of Title 11 of the Code of Alabama, 1975, as amended, Chapter 99 of Title

11 of the Code of Alabama, 1975, as amended, and the amendment to the Constitution of Alabama proposed by Act No. 2004-94, adopted at the 2004 Regular Session of the Legislature of Alabama and ratified on November 2, 2004, as amended, codified as Section 94.01 of the Constitution of Alabama of 2022. Capitalized terms not otherwise defined herein shall have the meanings assigned in the Authorizing Resolution.

The Authorizing Resolution provides that Regions Bank, a state banking corporation with a principal corporate trust office in the City of Birmingham, Alabama (the "Bank"), will serve as Paying Agent and Registrar with respect to the Warrants unless and until a successor is appointed pursuant to the terms and conditions of the Authorizing Resolution. For purposes of this Warrant and the Authorizing Resolution, the principal office of the Bank shall mean the office where the Bank maintains its principal corporate trust office in Birmingham, Alabama, or such other office as shall be designated by the Bank by written notice to the County and the Holders of the Warrants.

The indebtedness evidenced by the Warrants is a general obligation of the County for the payment of which the full faith and credit of the County have been irrevocably pledged, pro rata and without preference or priority of one Warrant over another. As additional security for the Warrants, the County has pledged the Tax Increment, as defined in the Authorizing Resolution, and the TIF Fund created in accordance with Chapter 99 of Title 11 of the Code of Alabama, 1975 and maintained in accordance with the Authorizing Resolution. Pursuant to the Authorizing Resolution, the County has reserved the right to issue additional warrants secured by a pledge of the Tax Increment and the TIF Fund on a parity of lien with the Warrants.

Pursuant to the Authorizing Resolution, the County has established a special fund for the payment of debt service on the Warrants (the "Warrant Fund") that will be held by the Paying Agent. The County has obligated itself to pay or cause to be paid into the Warrant Fund from the Tax Increment or from taxes or from other revenues or general funds of the County sums sufficient to provide for the payment of debt service on the Warrants as the same becomes due and payable.

[Insert Mandatory and Optional Redemption language, as authorized]

Written notice of the call for redemption of this Warrant (or portion of the principal thereof) shall be forwarded by registered or certified mail to the registered owner hereof, not less than thirty (30) or more than (60) days prior to the date fixed for redemption. In the event that less than all the outstanding principal of this Warrant is to be redeemed, the registered Holder hereof shall surrender this Warrant to the Bank in exchange for a new Warrant of like tenor herewith except in a principal amount equal to the unredeemed portion hereof. Upon the giving of notice of redemption in accordance with the provisions of the Authorizing Resolution, the Warrants (or principal portions thereof) so called for redemption and prepayment shall become due and payable on the date specified in such notice, anything herein or in the Authorizing Resolution to the contrary notwithstanding, and the Holders thereof shall then and there surrender them for payment, and all future interest on the Warrants (or principal portion thereof) so called for prepayment shall cease to accrue after the date specified in such notice, whether or not the Warrants are so presented.

This Warrant is transferable by the registered holder hereof, in person or by authorized attorney, only on the books of the Bank, as Registrar and Transfer Agent of the County, and only upon surrender of this Warrant to such Registrar for cancellation, and upon any such transfer a new

Warrant of like tenor herewith will be issued to the transferee in exchange therefor, all as more particularly described in the Authorizing Resolution. Each Holder hereof, by receiving or accepting this Warrant, shall consent and agree and shall be estopped to deny that this Warrant may be transferred only in accordance with the provisions of the Authorizing Resolution. Provision is also made in the Authorizing Resolution for the exchange of Warrants for a like aggregate principal amount and in authorized denominations, all upon the terms and subject to the conditions set forth in the Authorizing Resolution.

If this Warrant is called for redemption pursuant to the provisions of the Authorizing Resolution the Registrar shall not be required to register or transfer this Warrant during the period of sixty (60) days next preceding the date fixed for redemption.

Registration, transfer and exchange of Warrants, other than to replace mutilated, lost, stolen or destroyed Warrants, shall be without expense to the Holder or transferee, but the Holder shall pay all taxes and other governmental charges, if any, required to be paid in connection with such transfer, registration or exchange.

It has been ascertained and found, and it is hereby certified and recited, that all conditions, actions and things required by the constitution and laws of Alabama to exist, be performed or happen precedent to or in the issuance of this Warrant and the creation of the indebtedness evidenced and ordered paid hereby exist, have been performed and have happened, that such indebtedness has been registered as a claim against the Warrant Fund and is lawfully due without condition, and that the indebtedness evidenced and ordered paid by this Warrant, together with all other indebtedness of the County, was when incurred and is now within every applicable debt and other limit prescribed by the constitution and laws of Alabama.

Unless the Registration Certificate hereon has been executed by the Bank, as Registrar for the Warrants, by manual signature, this Warrant shall not be entitled to any benefit under the Authorizing Resolution or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the County has caused this Warrant to be executed with the signatures of the Chairman and each member of the County Commission and by the County Administrator of the County, has caused its corporate seal to be hereunto impressed, and has caused this Warrant to be dated _____, 2024.

BALDWIN COUNTY, ALABAMA

(SEAL)

By _____
Chairman of the County Commission

Member of the County Commission

Member of the County Commission

Member of the County Commission

County Administrator of the County

(Form of Registration as Claim Against Warrant Fund)

I hereby certify that this Warrant has been registered by me as a claim against the Warrant Fund referred to in this Warrant.

Chairman, Baldwin County Commission

(Form of Registration Certificate)

DATE OF REGISTRATION: _____

This Warrant was registered in the name of the above-registered owner on the registration date set forth above.

REGIONS BANK, Birmingham, Alabama

By: _____
Its Authorized Officer

(Form of Validation Certificate)

Validated and confirmed by judgment of the Circuit Court of Baldwin County, State of Alabama, entered on the ____ day of _____, 2024.

Clerk of Circuit Court of Baldwin County,
State of Alabama

The following abbreviations, when used in the inscription on this Warrant or in the assignment below, shall be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM - As tenants in common
- TEN ENT - As tenants by the entireties
- JT TEN - As joint tenants with right of survivorship and not as tenants in common and not as community property

- UNIF TRANS MIN ACT - _____

(Custodian) (Minor)
under Uniform Transfer to Minors Act _____
(State)

Additional abbreviations may be used although not in the above list.

(Form of Assignment)

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

Dated this the ____ day of _____, _____.

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Warrant in every particular, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

(Bank or Trust Company)

By _____
(Authorized Officer)

Its Medallion Number _____
Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP)

Section 2.6 Home Office Payment Agreement. Upon the written request of the Holder of any Warrant or Warrants having an aggregate principal amount of not less than \$500,000, the Bank will make payment of interest due on such Warrant or Warrants upon any Interest Payment Date by wire transfer to an account of such Holder maintained at a bank in the continental United States or by any other method providing for payment in same day funds that is acceptable to the Bank, provided that payment of the principal of and redemption premium (if any) on such Warrant or Warrants shall be made only upon surrender of such Warrant or Warrants to the Bank, as Paying Agent.

Section 2.7 Interest After Payment Due Date. The Warrants, any premium thereon and, to the extent legally enforceable, overdue installments of interest thereon, shall bear interest after the maturity dates thereof until paid or until money sufficient for the payment thereof shall have been deposited for that purpose with the Bank, at the respective rates borne thereby.

Any provision hereof to the contrary notwithstanding, Overdue Interest shall not be payable to the Warrant Holder solely by reason of such Warrant Holder having been the Holder on the Record Date next preceding the Interest Payment Date on which such interest became due and payable, but shall be payable by the Bank as follows:

(a) Not less than ten (10) days following receipt by the Bank of immediately available funds in an amount sufficient to enable the Bank to pay all Overdue Interest, the Bank shall fix an Overdue Interest Payment Date for payment of such Overdue Interest, which date shall be not more than twenty (20) days following the expiration of the ten-day period after receipt of funds by the Bank;

(b) Overdue Interest shall be paid by check or draft mailed by the Bank to the persons in whose names the Warrants were registered in the registry books of the Bank pertaining to the Warrants on the Overdue Interest Payment Date.

Payment of Overdue Interest in the manner herein prescribed to the persons in whose names the Warrants were registered on the Overdue Interest Payment Date shall fully discharge and satisfy all liability for the same.

Section 2.8 Temporary Warrants. Pending the preparation of definitive Warrants the County may execute, and upon request of the County, the Bank shall register and deliver, temporary Warrants which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Warrants in lieu of which they are issued, but numbered from T-1 upwards, without other identification numbers, and with such other appropriate insertions, omissions, substitutions and other variations as the officers executing such Warrants may determine, as evidenced by their execution of such Warrants.

Any such temporary Warrants shall be executed by the manual signatures of each member of the Commission as required in Article II of this Resolution and be executed and attested by the

County Administrator of the County. All such temporary Warrants shall have impressed thereon the seal of the County.

If temporary Warrants are issued, the County will cause definitive Warrants to be prepared without unreasonable delay. After the preparation of definitive Warrants, the temporary Warrants shall be exchangeable for definitive Warrants upon surrender of the temporary Warrants at the principal office of the Bank, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Warrants the County shall execute and the Bank shall authenticate and deliver in exchange therefor a like principal amount of definitive Warrants of authorized denominations. Until so exchanged, temporary Warrants shall in all respects be entitled to the security and benefits of this Authorizing Resolution.

Section 2.9 Payments Due on a Day Other Than a Business Day. If any payment on the Warrants is due on a day which is not a Business Day, such payment shall be made on the first succeeding date which is a Business Day with the same effect as if made on the day such payment was due.

Section 2.10 Book Entry System. The County may from time to time enter into, and discontinue, an agreement with a "clearing agency" (securities depository) registered under Section 17A of the Securities Exchange Act of 1934, as amended (a "Securities Depository"), which is the owner of the Warrants, to establish procedures with respect to the Warrants, not inconsistent with the provisions of this Authorizing Resolution; provided, however, that any such agreement may provide:

- (a) that such Securities Depository is not required to present a Warrant to the Bank in order to receive a partial payment of principal;
- (b) that a legend shall appear on each Warrant so long as the Warrants are subject to such agreement; and
- (c) that different provisions for notice to such Securities Depository may be set forth therein.

So long as an agreement with a Securities Depository is in effect, the County, the Bank and any paying agent or bond registrar shall not have any responsibility or liability with respect to the payment of principal, purchase price, premium, if any, or interest on the Warrants to the Beneficial Owners or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests or any payments made to such Beneficial Owners.

ARTICLE III

GENERAL OBLIGATION; PROVISION FOR PAYMENT OF WARRANTS

Section 3.1 General Obligation; Pledge of Tax Increment. The indebtedness evidenced by the Warrants is and shall be a general obligation of the County and the full faith and credit of the County are hereby irrevocably pledged to the payment of the principal thereof and interest thereon. In addition, there is hereby irrevocably pledged to the payment of the Warrants so much as shall be necessary of the Tax Increment and the TIF Fund.

Section 3.2 Continued Levy of Taxes and Collection of TIF Revenues; Maintenance of Warrant Fund. The County agrees that, so long as the principal of or interest on any of the Warrants remains unpaid, the County will annually levy and collect taxes, insofar as such taxes may be permitted by the present or any future provisions of the Constitution and laws of Alabama, in such amounts as may be necessary, when added to the amounts in the TIF Fund available for such purpose, to provide for the payment of the principal of and interest on the Warrants. The County further agrees that so long as the principal of or interest on any of the Warrants remains unpaid it will deposit in the Warrant Fund with respect to such Warrants, not later than the Business Day next preceding an Interest Payment Date, an amount which, when added to the amounts then on deposit in such Warrant Fund, will equal the principal and interest due with respect to the Warrants on such Interest Payment Date.

Section 3.3 Provision for Payment of Warrants.

(a) If the principal of and interest on the Warrants is paid in accordance with the terms of the Warrants and this Resolution, then all covenants, agreements and other obligations of the County to the Holders of such Warrants shall thereupon cease, terminate and become void and be discharged and satisfied. In such event the Bank shall pay to the County any surplus remaining in the Warrant Fund.

(b) Warrants shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section 3.3 if

- (1) the County and the Bank (or another bank acting as trustee) enter into an appropriate trust agreement under which there shall be deposited, for payment or redemption of such Warrants and for payment of the interest to accrue thereon until maturity or redemption, and any redemption premium thereon, Government Obligations and cash or any combination of cash and Government Obligations which, together with the income to be derived from such, will produce monies sufficient to provide for the payment, redemption and retirement of such Warrants as and when the same become due;

- (2) the County shall have adopted all necessary proceedings providing for the redemption of any such Warrants that are required to be redeemed prior to their respective maturities and shall have instructed the Bank or other trustee under the aforesaid trust agreement to provide such notices of redemption as are required under this Resolution;
- (3) The County and the Bank shall have been furnished with an opinion of nationally recognized bond counsel to the effect that the creation of any such trust will not result in subjecting to federal income taxation the interest on any of the Warrants that are to be paid in accordance with such trust; and
- (4) The County and the Bank shall have been furnished a certificate of a firm of certified public accountants satisfactory to the Bank stating that such trust will produce monies sufficient to provide for the full payment and retirement of such Warrants as and when the principal of and interest and redemption premium (if any) on such Warrants shall come due.

Section 3.4. Retention of Moneys for Payment of Warrants. The amounts held by the Bank for the payment of the principal of and interest on any Warrants due on any date shall, pending such payment, be held in trust by the Bank for the holders of the Warrants entitled thereto, and for the purposes of this Resolution the principal of and interest on such Warrants shall no longer be considered to be unpaid. All liability of the County to the Holders of such Warrants and all rights of such Holders against the County under the Warrants or under this Resolution shall thereupon cease and terminate, and the sole right of such Holders shall thereafter be against such funds. If any Warrant shall not be presented for payment within a period of five (5) years following the date when such Warrant becomes due, whether by maturity, redemption or otherwise, or if the check or draft providing for any payment of interest on any Warrant shall not have been negotiated within such period, the Bank shall return to the County any moneys theretofore held by it for payment of such Warrant or such interest, subject to applicable laws of escheat.

Section 3.5. Additional Warrants. At any time and from time to time while it is not in default in the payment of the principal of or interest on any of the Warrants or any Additional Warrants, and for any one or more purposes specified in this Section, the County shall have the right and privilege, hereby expressly reserved, of issuing other warrants (herein called "Additional Warrants") secured on a parity of lien with the Warrants and any Additional Warrants theretofore issued and then outstanding by a pledge of the Tax Increment and TIF Fund within the limitations of and upon compliance with the provisions of this Section. The Additional Warrants shall have stated maturities on April 1 or October 1 in each of the years that may be fixed for their maturities, shall bear interest at such rate or rates, payable semiannually on April 1 and October 1, as may be fixed by the County prior to their issuance, shall contain an appropriate series designation, may be in such denomination or denominations, and may contain such provisions for redemption prior to their respective maturities as may be provided in the resolution pursuant to which they are issued. The Additional Warrants may be issued as either (a) general obligations of the County secured by the full faith and credit of the County and additionally secured by a pledge of the Tax Increment and TIF

Fund, or (b) limited obligations of the County payable solely from and secured by a pledge of the Tax Increment and TIF Fund. Additional Warrants may be issued to pay any "project costs" permitted to be paid from the Tax Increment pursuant to the TIF Statute and for the purpose of refunding any of the Warrants or any Additional Warrants theretofore issued.

ARTICLE IV

REDEMPTION PROVISIONS

Section 4.1 Redemption of the Warrants. The Warrants shall be subject to redemption prior to maturity at the times and under the terms provided in this Article IV and otherwise as shall be provided in a Supplemental Resolution. Without limiting the generality of the foregoing, Warrants of a particular maturity or maturities may be designated for mandatory redemption (herein referred to as "Term Warrants"), and all Warrants may be made subject to redemption at the option of the County from and after a specified date, all as shall be set forth in such Supplemental Resolution.

Section 4.2 Procedure for Redemption; Resolution Authorizing Redemption. Not more than sixty (60) or less than thirty (30) days prior to the Redemption Date, the County (or the Bank on behalf of the County) shall give, or cause to be given, written notice of such redemption and prepayment by United States mail, registered or certified, to the Holders of each of the Warrants to be redeemed, in whole or in part, at the address of such registered Holder as such address appears on the registry books of the Registrar, stating that the Warrants (or principal portions thereof) have been called for redemption and will become due and payable at the Redemption Price, on a specified Redemption Date and that all interest thereon will cease to accrue after the Redemption Date. Such notice shall also contain the warrant numbers and any identification numbers of the Warrants or portions thereof to be redeemed and the place where such Warrants are to be surrendered for payment. The holders of any of the Warrants to be redeemed may waive the requirements for notice with respect to the Warrants held by them without affecting the validity of the call for redemption of any other Warrants. The County shall cause to be paid and made available at the office of the Bank, on or prior to the Redemption Date the total Redemption Price of the Warrants (or portions thereof) so called for redemption on such date. Out of the moneys so deposited with it, the Bank shall make provision for payment of the Warrants (or principal portions thereof) so called for redemption at the Redemption Price and on the Redemption Date.

In addition to the foregoing notice, further notice shall be given by or on behalf of the County to all registered securities depositories and to one or more national information services that disseminate notices of redemption of obligations such as the Warrants. No defect in the further notice required in this paragraph, and no failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as described in the first paragraph of this Section 4.2.

Any optional redemption or prepayment of the Warrants or any portion thereof shall be effected upon a call by the County, as evidenced by a Resolution of the Commission, for redemption

and prepayment of the Warrants to be so redeemed, which Resolution shall state (i) that the County is not in default in the payment of the principal of or interest on any of the Warrants or (ii) that all of the Warrants then outstanding are to be retired on the Redemption Date.

Section 4.3 Result of Redemption of Warrants. Upon compliance with the requirements set forth in this Article IV, and if the County is not on the Redemption Date in default in the payment of the principal of or interest on the Warrants, the Warrants (or principal portions thereof) called for redemption shall become due and payable at the Redemption Price and on the Redemption Date specified in the notice provided for in Section 4.2, and the Holders thereof shall then and there surrender them for redemption; provided, however, that in the event that less than all of the outstanding principal of any Warrant is to be redeemed, the registered Holder thereof shall surrender the Warrant that is to be prepaid in part to the Bank in exchange, without expense to the Holder, for a new Warrant of like tenor except in a principal amount equal to the unredeemed portion of the Warrant. All future interest on the Warrants (or principal portions thereof) so called for redemption shall cease to accrue after the Redemption Date.

ARTICLE V

REGISTRATION AND TRANSFER OF THE WARRANTS

Section 5.1 Registration and Transfer of the Warrants. The Warrants shall be registered as to both principal and interest. Each Warrant shall have endorsed thereon a registration certificate substantially in the form provided in Section 2.5 hereof, and a condition to the validity of each Warrant shall be the manual execution of such certificate on behalf of the Bank. The Bank is hereby appointed as the Registrar and Transfer Agent for the Warrants and shall be authorized to keep at its office proper registry books in which it shall register the Warrants, as to both principal and interest, noting the registry on the Warrants so presented. Such registration shall conclusively designate the Warrant Holder as the sole person to whom or on whose order the payment of the principal of and interest on the Warrants so registered may be made. After such registration no transfer of a Warrant so registered shall be valid unless it is presented at the said office with written power to transfer, properly stamped if required, in form and with guaranty of signature satisfactory to the Registrar, and such new registration noted thereon by the Registrar. If any Warrant shall be duly called for redemption pursuant to the provisions hereof, the Registrar shall not be required to transfer such Warrant during the period of sixty (60) days next preceding the date fixed for its redemption.

Section 5.2 Exchange of Warrants. Upon request of the Holder of any Warrant, the County shall execute, and the Bank shall register and deliver, upon surrender to the Bank of the Warrant or Warrants, in exchange therefor, a Warrant or Warrants of like tenor in different authorized principal amounts (of \$5,000 or integral multiples thereof), together aggregating the same principal amount as the then unpaid principal of the Warrant or Warrants so surrendered, all as may be requested by the persons surrendering such Warrant or Warrants.

Section 5.3 Costs of Registration, Transfer and Exchange. The registration, transfer and exchange of Warrants (other than pursuant to Section 5.5 hereof) shall be without expense to the Holder or transferee. In every case involving a transfer, registration or exchange, such Holder shall pay all taxes and other governmental charges, if any, required to be paid in connection with such transfer, registration or exchange.

Section 5.4 Effect of Registration. The County, the Registrar, and the Paying Agent may deem and treat the person in whose name a Warrant is registered on the books of the Registrar as the absolute owner thereof for all purposes; they shall not be affected by notice to the contrary; and all payments by any of them to the person in whose name a Warrant is registered shall, to the extent of such payment, fully discharge all liability thereof.

Section 5.5 Replacement of Mutilated, Lost, Stolen or Destroyed Warrants. In the event that any Warrant is mutilated, lost, stolen or destroyed, the County may execute and deliver a new Warrant of like tenor as that mutilated, lost, stolen or destroyed; provided, that (a) in the case of any such mutilated Warrant, such Warrant is first surrendered to the County and the Bank, and (b) in the case of any such lost, stolen or destroyed Warrant, there is first furnished to the County and the Bank evidence of such loss, theft or destruction satisfactory to each of them, together with indemnity satisfactory to each of them. The County may charge the Holder with the expense of issuing any such new Warrant.

Section 5.6 Provisions with Respect to Bank. (a) Appointment of Bank and Acceptance of Duties. The Bank is herein designated and appointed and shall act as registrar, transfer agent, payment agent and depository with respect to the Warrants. By its acceptance of such duties hereunder, the Bank shall accept and agree to perform the duties required by this Resolution, subject, however, to the following conditions:

- (i). The Bank shall undertake to perform such duties and only such duties as are specifically set forth in this Resolution, and no implied covenants or obligations shall be read into this Resolution against the Bank.
- (ii) In the absence of bad faith or negligence on its part, the Bank may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Bank and conforming to the requirements of this Resolution; provided, however, that in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Bank, the Bank shall be under a duty to examine the same to determine whether they conform to the requirements of this Resolution.
- (iii) The Bank shall perform the duties imposed by this Resolution and exercise the rights and powers vested in it by this Resolution in accordance with the same degree of care and skill in the performance of such duties as in the conduct of its own affairs.

- (iv) No provision of this Resolution shall be construed to relieve the Bank from liability for its own gross negligence or willful misconduct, except that no provision of this Resolution shall require the Bank to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.
- (v) The Bank may consult counsel on any matters connected herewith and shall not be answerable for any action taken or failure to take any action in good faith on the advice of counsel, provided that its action or inaction is not contrary to any express provision hereof.
- (vi) The Bank need not recognize a Holder of a Warrant as such without the satisfactory establishment of his title to such Warrant.
- (vii) Any action taken by the Bank at the request of and with the consent of the Holder of a Warrant will bind all subsequent Holders of the same Warrant and any Warrant issued hereunder in lieu thereof.
- (viii) The Bank may be a Holder or a pledgee of any of the Warrants as if not Bank hereunder.
- (ix) The Bank shall not be liable for the proper application of any moneys other than those that may be paid to or deposited with it.
- (x) The Bank shall not be liable to pay or allow interest on any moneys to be held by it under this Resolution or otherwise to invest any such moneys, except as specifically required by this Resolution or as may be required by law or other written agreement between the County and the Bank.
- (xi) The Bank may make any investments permitted or required hereby through its own investment department, and any Eligible Investments issued or held by it hereunder shall be deemed investments and not deposits.
- (xii) The Bank shall, upon reasonable request, inform the County of the amount at the time on deposit in any of the special funds or accounts created hereunder.
- (xiii) The recitals of fact herein and in the Warrants are statements by the County and not by the Bank, and the Bank is in no way responsible for the validity or security of the Warrants or the validity of the security afforded hereby.
- (b) Resignation by Bank. The Bank and any successor Bank may resign and be discharged from the duties under this Resolution by causing written notice specifying the effective date, postage prepaid, to the County and to every Holder of a Warrant. Unless the effective date of the Bank's resignation shall coincide with the appointment of a successor Bank by the Holders of the

Warrants as herein provided, such date shall be at least sixty (60) days after the date on which notice to the County and the Holders of the Warrants shall have been mailed.

(c) Removal of Bank. The Bank may be removed at any time by an instrument or concurrent instruments in writing delivered to the Bank and to the County and signed by the Holders of a majority in aggregate principal amount of the Warrants then outstanding.

(d) Appointment of Successor Bank; Interim Bank. In case the Bank shall resign, be removed, be dissolved, be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor may be appointed by Holders of a majority in aggregate principal amount of the Warrants then outstanding through an instrument or concurrent instruments in writing signed by such Holders. In case of any such resignation or event which causes the Bank to be incapable of acting, the County, by an instrument signed by the Chairman of the Commission, shall appoint an interim Bank to serve until a successor Bank shall be appointed by the Holders of a majority in aggregate principal amount of the Warrants, as provided above. Whenever necessary to avoid or fill a vacancy in the office of Bank, the County will appoint an interim Bank in order that there shall at all times be a Bank hereunder. Any interim Bank so appointed by the County shall immediately and without further act be superseded by the Bank appointed by the holders of the Warrants.

The County shall cause notice of the appointment of an interim Bank, in the event that such an appointment is made, to be forwarded by United States registered or certified mail, postage prepaid, to every Holder of a Warrant. When the appointment of a successor Bank, as selected by the Holders of a majority in principal amount of the Warrants then outstanding, becomes effective, the County shall also cause notice of that fact to be given in the manner provided above for the notice required to be given upon the appointment of an interim Bank. Every interim or successor Bank appointed pursuant to this Section shall be a trust company or bank which is qualified to perform all duties of the Bank under this Resolution and which has, at the time of its acceptance of such appointment, capital, surplus and undivided profits of not less than \$25,000,000, if there be such an institution willing, qualified and able to accept appointment as Bank upon reasonable or customary terms.

(e) Concerning any Successor Bank. Every successor Bank shall execute, acknowledge and deliver to its predecessor and also to the County an instrument in writing accepting its appointment as Bank hereunder, and thereupon such successor Bank, without any further act, deed or conveyance, shall become fully vested with all the rights, powers and duties of its predecessor. Such predecessor shall nevertheless, on the written request of the County or such successor Bank, execute and deliver an instrument transferring to such successor Bank all rights, powers and interests of such predecessor hereunder; and every predecessor Bank shall deliver all securities and moneys held by it as Bank hereunder to its successor.

(f) Merger or Consolidation of Bank. Any corporation into which the bank may be merged or with which it may be consolidated, or any corporation resulting from any merger or

consolidation to which the Bank shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Bank, shall be the successor of the Bank hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case the registration certificates with respect to any Warrants shall have been executed by the Bank then in office, any successor by merger or consolidation to such Bank may adopt the registration of such Warrants and deliver such Warrants with the same effect as if such successor Bank had itself registered such Warrants.

(g) Compensation of Bank. Subject to the provisions of any separate agreement with the Bank, the County shall pay to the Bank from time to time reasonable compensation for all services rendered by it under this Resolution, including its services as registrar and paying agent for the Warrants, and also all its reasonable expenses, charges, counsel fees and other disbursements and those of its attorneys, agents and employees, incurred in and about the performance of its duties hereunder.

ARTICLE VI

VALIDATION OF WARRANTS; EXECUTION AND DELIVERY OF THE WARRANTS; USE OF PROCEEDS THEREFROM

Section 6.1 Validation of Warrants. In order to carry out the issuance of the Warrants for the purposes hereinabove stated, and pursuant to the constitution and laws of the State of Alabama, the Chairman of the Commission is hereby authorized and directed to file or cause to be filed on behalf of the County, a petition for the purpose of determining the legality and validity of the Warrants and all matters related to the issuance and payment thereof, all in accordance with Article 17, Chapter 6, Title 6 of the Code of Alabama 1975, as amended.

Section 6.2. Authority to Execute and Deliver the Warrants. Upon receipt of a final, nonappealable order of validation thereof, the Chairman of the County Commission shall present to the Commission for approval a Supplemental Resolution specifying such further terms and conditions of the Warrants, and containing such additional terms and provisions, as shall be necessary and appropriate. Upon adoption of the Supplemental Resolution to the extent required to further establish the terms thereof, the Chairman of the County Commission and each member of the County Commission and the County Administrator of the County are hereby authorized and directed to cause the Warrants to be executed, sealed, attested and registered as a claim against the County and the Warrant Fund as provided herein and delivered to the purchaser thereof upon payment to the County of the sale price therefor.

Section 6.3 Application of Proceeds of Sale; Additional Sums. The gross proceeds derived from the sale of the Warrants shall be paid to the Bank and shall be deposited with a bank or trust company acting as depository and to be designated in the Supplemental Resolution, shall be held in a special account to be designated the Improvements Funds, and shall be applied for the purposes described Section 7.1.

ARTICLE VII

CREATION OF IMPROVEMENTS FUND AND WARRANT FUND; COVENANTS WITH RESPECT TO WARRANT PROCEEDS

Section 7.1 Improvements Fund. There is hereby created a special account, the full name of which shall be the "Baldwin County Improvements Fund, 2024." The Improvements Fund shall be maintained as a separate fund until the moneys in said fund shall have been fully expended as hereinafter provided. The Improvements Fund shall be maintained as a separate account until the moneys in said account shall have been fully expended as hereinafter provided. Except as hereinafter provided, the County will apply the moneys in the Improvements Fund solely for payment of costs of issuance of the Warrants, costs of the construction and installation of the Improvements described in Sections 1.3(a) hereof, as and when such costs become due and payable. The County shall designate a depository for the Improvements Fund.

The Chairman of the County Commission or any other person designated in writing by the Chairman of the County Commission are hereby authorized and directed to make withdrawals from the Improvements Fund for the purpose of paying the costs of the Improvements described in Section 1.3(a) hereof, and to make any transfer that may be made pursuant to the succeeding sentence of this Section. The County shall have the right to designate Improvements or to supplement or revise the list of Improvements to be paid from proceeds of the Warrants by resolution or ordinance; provided, that no revisions or addition to the Improvements as herein approved shall adversely affect the excludability of interest on the Warrant for federal income tax purposes.

The Depository or Depositories shall be fully protected in paying out any moneys at the time on deposit in the Improvements Fund on checks, drafts or orders signed as hereinabove provided by an authorized officer of the County, and the said depository shall not be liable for the misapplication by the County of any moneys at any time forming a part of the Improvements Fund if such moneys shall be so disbursed without knowledge or reason on the part of said depository to believe that such disbursement constitutes a misapplication of funds.

Section 7.2 Warrant Fund. There is hereby created a special account, the full name of which shall be the "Baldwin County Warrant Fund, 2024." The Warrant Fund shall be maintained as a separate fund until payment in full of the principal of and interest on the Warrants. The Bank is hereby designated as the custodian of the Warrant Fund.

On or before the Business Day next preceding any Interest Payment Date, the County shall deposit into the Warrant Fund an amount which, when added to the amounts already on deposit therein, will be sufficient to provide for the payment of all principal of and interest on the Warrants coming due on such Interest Payment Date. Monies deposited in the Warrant Fund shall be used by the Bank for the payment of principal and interest of the Warrants, and for no other purpose until the payment in full of the Warrants.

Section 7.3 TIF Fund. There is hereby created a special account, the full name of which shall be the "Tax Increment Financing District 1 Fund" (referred to herein as the "TIF Fund"). The TIF Fund shall be maintained as a separate fund until payment in full of the principal of and interest on the Warrants and any Additional Warrants. The Bank is hereby designated as the initial custodian of the TIF Fund. Thereafter, the County may designate a successor custodian for the TIF Fund, by an instrument signed by the Chairman of the Commission, appointing the successor custodian. Every such successor custodian of the TIF Fund appointed pursuant to the provisions of this Section shall be a trust company or bank organized under the laws of the United States of America or any state thereof that is in good standing, shall be eligible to serve as successor custodian under applicable law, and shall have a reported combined capital, surplus and undivided profits of not less than Twenty-Five Million Dollars (\$25,000,000), and shall be an institution willing, qualified, and able to accept the custodianship upon the terms and conditions hereof.

The Tax Increment shall be deposited immediately upon receipt into the TIF Fund and shall be applied solely (i) for payment of the principal of and interest on the Warrants and any Additional Warrants as the same shall become due and payable and, (ii) thereafter, to the extent the amounts in the TIF Fund exceed the amount required to pay the principal of and in interest on the Warrants and any Additional Warrants becoming due and payable in any Fiscal Year, for payment of any subordinate tax increment obligations or other project costs (as defined in the TIF Statute). After the principal of and interest on the Warrants, any Additional Warrants, and any subordinate tax increment obligations with respect to TIF District 1 have been fully paid or provided for, any monies remaining in the TIF Fund shall be allocated and distributed as required by the TIF Statute.

Section 7.4 Investment of Moneys in Accounts. Pending the expenditure of moneys in the Warrant Fund and TIF Fund for any other purpose, the County shall have the privilege at any time and from time to time of investing and reinvesting, or causing to be invested and reinvested, all or part of the moneys at any time on deposit in such accounts, in Government Obligations or in money market funds consisting of Government Obligations. Pending the expenditure of moneys in the Improvements Fund for any other purpose, the County shall have the privilege at any time and from time to time of investing and reinvesting, or causing to be invested and reinvested, all or part of the moneys at any time on deposit in such account in Government Obligations, money market funds consisting of Government Obligations, or certificates of deposit issued by banks or trust companies having at the time of the deposit combined capital, surplus and undivided profits of not less than \$50,000,000.

The Bank is hereby directed to invest and reinvest such amounts promptly upon receipt of, and in accordance with, the written instructions of the County. The Bank may conclusively rely upon the County's written instructions as to both the suitability and legality of the directed investments. In the absence of written investment instructions from the County, the Bank shall not be responsible or liable for keeping the moneys held by it hereunder fully invested. The Bank shall not be liable for any losses from such directed investments.

Section 7.5 Security for Funds. Any money on deposit in any fund or account or held by the Bank or any other custodian pursuant to this Resolution shall, unless invested as provided herein or secured by the Federal Deposit Insurance Corporation (or any successor agency of the United States of America) or under the State of Alabama Security for Alabama Funds Enhancement Program, be secured for the benefit of the County and the Holders by holding on deposit as collateral security direct obligations of the United States of America or securities designated by the Office of the Comptroller of the Currency in 12 CFR 9.10(b) as acceptable collateral for funds held by a national bank in a fiduciary account awaiting investment or distribution, having a market value (exclusive of accrued interest) not less than the amount of money being secured.

Section 7.6 Covenants with Respect to Exemption of Interest from Federal Income Taxation; Non-Arbitrage Covenant. The County acknowledges and agrees that the Warrants are to be issued in compliance with the conditions necessary for the interest income thereon to be exempt from federal income taxation pursuant to the relevant provisions of the Code. The County hereby covenants and agrees as follows:

- (a) It will not use or apply the proceeds of the Warrants or direct the investment of moneys in any funds or accounts established or maintained with respect to the Warrants in such manner as to constitute any Warrant an "arbitrage bond" within the meaning of Section 148 of the Code;
- (b) It will make timely rebate payments to the United States of America with respect to any "excess" arbitrage profits as required by Section 148(f) of the Code;
- (c) It will maintain all records required by Section 148(f) of the Code and the applicable regulations thereunder and shall furnish such data or information regarding compliance with Section 148(f) of the Code as any Holder shall reasonably request in writing, which records shall be furnished to any Holder upon its request;
- (d) It will, within 60 days after a written request of the Bank therefor, furnish to the Bank and to any Holder a certificate by an independent certified public accountant or opinion of nationally recognized bond counsel stating that as of such date it had made all rebate payments to the United States of America necessary to prevent the Warrants from becoming "arbitrage bonds" under Section 148(f) of the Code;
- (e) It will comply with the terms of the County's Tax Certificate and Agreement with regard to use of proceeds of the Warrants in any private business use, payment of the Warrants shall not

be secured by, or derived from, property used in a private business use, and proceeds of the Warrants shall not be used to make or finance loans to persons other than governmental units, in any case that would cause the Warrants to be or become private activity bonds, as defined in Section 141 of the Code;

- (f) It will not cause or permit the Warrants to be federally guaranteed, within the meaning of Section 149(b) of the Code; and
- (g) It will not in any other way cause or permit the proceeds of the Warrants to be used in a manner which would cause the interest on the Warrants to lose the exemption from federal income taxation as provided under the Code and the applicable regulations thereunder and will comply with all applicable provisions of the Code (including, without limitation, the provisions relating to post-issuance actions affecting tax exemption) to the extent necessary for interest on the Warrants to be excludable from gross income of the holders thereof.
- (h) It has in place procedure providing for compliance with each of the matters described above and for keeping records with respect to such compliance.

ARTICLE VIII

APPROVAL OF OFFICIAL STATEMENT; APPROVAL OF SALE; MISCELLANEOUS PROVISIONS

Section 8.1 Official Statement. The Chairman of the County Commission is hereby authorized and directed to cause to be prepared a Preliminary Official Statement with respect to the Warrants, and prior to any distribution of such Preliminary Official Statement the Chairman of the County Commission is authorized to deem such Preliminary Official Statement final within the meaning of Securities and Exchange Commission Rule 15c2-12. The Chairman of the County Commission is hereby authorized and directed to cause to be prepared a final official statement on behalf of the County in substantially the form herein approved, with such changes therein and additions thereto as shall be necessary to conform to the provisions of this Resolution and the Supplemental Resolution authorizing the Warrants and such other changes and additions as the Chairman of the County Commission shall deem necessary and appropriate. The execution of the final official statement by the Chairman of the County Commission as hereby authorized shall be conclusive evidence of any such approval. The distribution of such preliminary official statement on behalf of the County is hereby authorized and approved.

Section 8.2 Ratings; Bond Insurance. The Chairman of the County Commission and the County Administrator of the County are hereby authorized to submit such information as shall be required in order to obtain a rating or ratings for the Warrants and to obtain a Bond Insurance Policy to the extent such a policy will lower the overall borrowing costs with respect to the Warrants. The Bond Insurance Policy, if any, shall be approved in the Supplemental Resolution and the Supplemental Resolution shall contain such covenants and agreements as shall be necessary and appropriate in order to obtain the Bond Insurance Policy.

Section 8.3 Further Acts. From and after the execution and delivery of the documents hereinabove authorized, the proper officers, directors, agents and employees of the County are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of said documents as executed and are further authorized to take any and all further actions and execute and deliver any and all other documents as may be necessary in the issuance of the Warrants and in the execution and delivery of the Official Statement or as contemplated by this Resolution.

The Chairman of the Commission and the Administrator and Clerk are authorized and directed to prepare and furnish to the purchasers of the Warrants, when the Warrants are issued, certified copies of all the proceedings and records of the Commission relating to the Warrants, and such other affidavits and certificates as may be required to show the facts relating to the legality and marketability of the Warrants as such facts appear from the books and records in such officers' custody and control or as otherwise known to them.

Section 8.4 Amendment of Description of Capital Improvements. Subject to the requirements of the Authorizing Law, the Economic Development Amendment and the TIF Statute,

the County may amend or change the description of the Improvements contained in this Resolution and Order to modify or supplement the Improvements to be financed by adoption of a resolution setting forth such amendment or change; provided, that the Improvements as so amended or changed must be eligible for financing with proceeds of Warrants issued pursuant to the Authorizing Law, such amendment or change may not cause the amount of the Warrants chargeable against the County's constitutional limitation on indebtedness to increase, and any such amendment with respect to the Improvements financed with the Warrants must not, in the opinion of nationally recognized bond counsel, adversely affect the tax exempt status of the Warrants.

Section 8.5 Contractual Provisions. The provisions of this Resolution shall constitute a contract between the County and the Holders at any time of the Warrants. Upon payment in full of the principal of and interest on the Warrants the obligations of the County hereunder shall cease with respect to such Warrants.

Section 8.6 Warrants Payable at Par. Each bank at which the Warrants may at any time be payable, by acceptance of its duties as paying agent there for, shall be construed to have agreed thereby with the Holders of the Warrants that all remittances made by it on the Warrants shall be made in bankable funds at par and without deduction for exchange, fees or expenses.

Section 8.7 Severability. The various provisions of this Resolution and Order are hereby declared to be severable. In the event any provisions hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this resolution and order.

Section 8.8 Repeal of Conflicting Provisions. All resolutions, orders or parts thereof in conflict with this Resolution and Order are to the extent of such conflict are hereby repealed.

Commissioner Ball moved that the foregoing resolution be adopted and spread upon the minutes of this meeting, which motion was seconded by Commissioner Gruber, and upon the said motion being put to vote, the following vote was recorded:

YEAS:

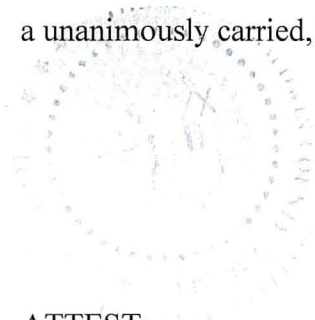
NAYS:

Commissioner James E. Ball
Commissioner Matthew P. McKenzie
Commissioner Billie Jo Underwood
Commissioner Charles F. Gruber

The chairman thereupon announced that the motion for adoption of said resolution had been unanimously carried.

* * *

There being no further business to come before the meeting, on motion duly made, seconded a unanimously carried, the meeting was adjourned.



Billie Jo Underwood
Chairman of the Baldwin County Commission

ATTEST:

[Signature]
County Administrator

(10004733.1)

CLERK'S CERTIFICATE

I, Roger Rendleman, County Administrator of Baldwin County, Alabama, DO HEREBY CERTIFY that the foregoing pages of typewritten matter pertaining to the County's General Obligation Economic Development Warrants, Series 2024, constitute a true and correct copy of the Resolutions adopted on June 18, 2024 by the Baldwin County Commission at a Meeting of the Baldwin County Commission held on June 18, 2024, which meeting was duly called and assembled and was open to the public and at which a quorum was present and acting throughout, and that the original of said minutes appears of record in the minute books of the Baldwin County Commission which are in my custody and control.

Given under my hand and seal of Baldwin County, Alabama, this 18th day of June, 2024.

(SEAL)


County Administrator, Baldwin County, Alabama

