

RESOLUTION NO. 2004-17

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF A PORT AUTHORITY REVENUE BOND, IN A MAXIMUM PRINCIPAL AMOUNT OF \$35,000,000, BY THE PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY FOR THE PURPOSE OF FINANCING A PORTION OF THE COSTS OF ACQUIRING, CONSTRUCTING, IMPROVING AND DEVELOPING "PORT AUTHORITY FACILITIES" WITHIN THE MEANING OF SECTION 4582.21, OHIO REVISED CODE; AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE OF THOSE PORT AUTHORITY FACILITIES AND THE SITE THEREOF TO PROVIDE REVENUES TO PAY BOND SERVICE CHARGES; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ASSIGNMENT AGREEMENT AND OTHER AGREEMENTS AND INSTRUMENTS TO PROVIDE FOR BOND ADVANCES UNDER AND THE SECURITY FOR THAT REVENUE BOND; AND AUTHORIZING AND APPROVING RELATED MATTERS.

WHEREAS, the Port of Greater Cincinnati Development Authority (the "Authority"), a port authority and a body corporate and politic duly organized and validly existing under the laws of the State of Ohio (the "State"), is authorized and empowered by virtue of the laws of the State including, without limitation, Article VIII, Section 13 of the Ohio Constitution and Sections 4582.21 to 4582.59 of the Ohio Revised Code (collectively, the "Act"), among other things: (a) to issue its revenue bonds for the purpose of financing costs of acquiring, constructing, improving and developing "port authority facilities," as defined in the Act, (b) to lease such port authority facilities to provide rental payments and other revenues, and to provide for the pledge or assignment of those revenues, together with other amounts available therefor, sufficient to pay the principal of and interest and any premium on those revenue bonds, (c) to acquire interests in real or personal property, or any combination thereof, and construct, improve and develop port authority facilities and enter into agreements with respect to the construction, development, leasing, operation, use and management of such port authority facilities for "authorized purposes" as defined in the Act, including transportation and economic development purposes, (d) to make and enter into such contracts and agreements, and to execute and deliver all such instruments, as may be necessary, proper, appropriate or otherwise included in or for the exercise of powers otherwise granted to the Authority under or pursuant to the Act, (e) to provide for the development, financing and leasing of port authority facilities to create or preserve jobs and employment opportunities and to improve the economic welfare of the people of the State, and (f) to adopt this resolution, to issue, sell and deliver the Bond (defined herein) in the manner contemplated hereby, and to execute and deliver the Lease and the Assignment Agreement (each as defined herein) and such other agreements and instruments as are provided for herein, all upon the terms and conditions provided herein and therein; and

WHEREAS, by Resolution No. 2003-26 adopted November 25, 2003 ("Existing Resolution"), this Board has authorized and approved, and the Authority has: (a) undertaken preliminary actions with respect to the acquisition of a site (the "Project Site") and the improvement of that Project Site by the construction of the Office Building Project and the Parking Garage Project (both defined in the Existing Resolution and, collectively, the "Project

Facilities” and, together with the Project Site, the “Project”); (b) executed and delivered the Agreement, the Ground Lease and the Construction Agency Agreement (all defined in the Existing Resolution); and (c) agreed to use its best efforts to issue revenue bonds of the Authority in the estimated maximum aggregate face amount of \$50,000,000, but subject to the conditions set forth in the Agreement which conditions have been or will, at the time of issuance and delivery of the Bond, be satisfied; and

WHEREAS, this Board has, concurrently herewith, authorized: (a) the acquisition and redevelopment of the Project Site, in cooperation with the City of Cincinnati, Ohio (the “City”), pursuant to a cooperative agreement and a service agreement (the “City Agreements”), for lease to a private developer, consistent with the City’s urban renewal plan; (b) the issuance, sale and delivery of port authority revenue bonds, to be paid from revenues derived from the City Agreements, in a maximum aggregate principal amount of \$10,000,000, to pay a portion of the costs of the Parking Garage Project; (c) the amendment and restatement of the Construction Agency Agreement (as amended and restated, and as further amended or supplemented, hereinafter the “Construction Agency Agreement”), to provide for a successor “Construction Agent” of the Authority, and for disbursements of port authority revenue bond proceeds to be made available for costs of the Project; and (d) the execution and delivery of a suitable guaranty of completion (the “Completion Guaranty”) of the Project from an affiliate of the Construction Agent to provide for any costs of the Project not paid from proceeds of port authority revenue bonds; and

WHEREAS, this Board has now determined that it is necessary and proper and in the best interest of the Authority to issue and sell the Bond, in the maximum principal amount of \$35,000,000, at this time for the purpose of financing a portion of the costs of the acquisition, construction, improvement and development of the Project Facilities for the Project Purposes (defined herein), to adopt this resolution to provide for the issuance, sale, delivery and terms of the Bond and the security for the payment of the principal of and interest on the Bond (“Bond Service Charges”), to lease the Project to the Lessee (defined herein) pursuant to the Lease to provide for rental payments and other revenues sufficient to pay Bond Service Charges, to assign those revenues to the purchaser of the Bond pursuant to and on the conditions stated in the Assignment Agreement, and to execute and deliver such other agreements, instruments and documents as are necessary or desirable to provide for the costs of the Project and the security for the Bond, all so as to promote the Project Purposes, consistent with and pursuant to Section 13 of Article VIII, Ohio Constitution;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Port of Greater Cincinnati Development Authority:

Section 1. Captions; Definitions. The captions and headings in this resolution are solely for convenience of reference and do not define, limit or describe the scope or intent of any provisions or Sections of this resolution. In addition to terms defined in the recitals which are incorporated herein by reference, the following capitalized terms shall mean:

“Assignment Agreement” means the Bond Advance Agreement and Assignment of Lease and Rental Payments between the Authority and the Holder, as the same may be amended or supplemented from time to time.

“Authorized Lessee Representative” means one of the persons designated pursuant to the Lease to act on behalf of the Lessee.

“Bond” means the port authority revenue bond to be issued by the Authority pursuant to the Bond Legislation and designated “Taxable Special Obligation Development Lease Revenue Bond (303 Broadway at Queen City Square Project)”.

“Bond Fund” means the Bond Fund created in Section 7 hereof.

“Bond Legislation” means this resolution, together with any certificate establishing final terms of the Bond, as amended or supplemented from time to time.

“Documents” means, collectively, the Lease, the Assignment Agreement, the Construction Agency Agreement and the Completion Guaranty.

“Eligible Investments” means: (i) obligations (including stripped obligations the principal of and interest on which have been separated and offered for sale separately from each other) issued or guaranteed as to full and timely payment by the United States of America or by any Person controlled or supervised by or acting as an instrumentality of the United States of America pursuant to authority granted by Congress, and (ii) investments in money market funds which are principally composed of obligations described in clause (i) of this definition (including those originated or managed by the Holder or an affiliate).

“Executive” means the Chair or Vice Chair of this Board or the President of the Authority.

“Fiscal Officer” means the Secretary or any Assistant Secretary of this Board.

“Holder” means the Purchaser as the initial registered owner of the Bond or, in the event of any permitted transfer of the Bond, any Person in whose name the Bond is registered on the Register.

“Lease” means the Lease between the Authority, as lessor, and the Lessee, as amended or supplemented from time to time.

“Lessee” means 303 Broadway QCS, LLC, an Ohio limited liability company, and any successors and assigns as lessee under the Lease.

“Person” or words importing persons means firms, associations, partnerships (including, without limitation, general and limited partnerships), joint ventures, societies, estates, trusts (public or private), corporations and other corporate entities, public or governmental bodies, other legal entities and natural persons.

“Pledged Revenues” means (i) the Rental Payments, (ii) other payments or amounts received or to be received by or on behalf of the Authority pursuant to the sale, use, lease or other disposition of the Project (other than Assigned Service Payments, as defined in the City Agreements), and all other moneys received or to be received by the Authority or the Holder,

intended to be used for Bond Service Charges, any moneys or investments in or to be credited to the Special Funds, and all income and profit derived from the investment of the foregoing.

“Project” means, collectively, (a) the real estate at the time comprising the Project Site, as defined in the Lease, and (b) the real and personal property at the time comprising the Project Facilities, as defined in the Lease, together constituting “port authority facilities”, as defined in the Act.

“Project Fund” means the Project Fund create by Section 5 hereof.

“Project Purposes” means acquiring, constructing, equipping, installing, improving, and otherwise developing, and financing costs of, real and personal property, or any combination thereof, comprising “port authority facilities” for transportation or economic development purposes, and other authorized purposes of the Authority permitted by the Documents.

“Purchaser” means Western-Southern Life Assurance Company, an Ohio corporation.

“Register” means the books kept and maintained by the Registrar for registration of ownership of the Bond, and of the outstanding principal amount thereof, and for registration of any permitted transfers of the Bond.

“Registrar” means any Person designated by the Authority from time to time to keep and maintain the Register and means initially the Fiscal Officer.

“Rental Payments” means the scheduled semiannual Rental Payments required to be paid by the Lessee to or for the account of the Authority pursuant to Section 3.1 of the Lease.

“Special Funds” means the Bond Fund and the Project Fund created hereby.

Section 2. Determinations by Board. This Board of Directors hereby finds and determines, or confirms its prior determinations, that: (i) the Project constitutes “port authority facilities,” within the meaning of the Act, and is consistent with the purposes of Article VIII, Section 13, of the Ohio Constitution; (ii) it is necessary and proper and in the best interest of the Authority to acquire, construct, improve, and develop the Project, and to finance a portion of the costs thereof, in accordance herewith; (iii) the Project Site is within the geographic jurisdiction of the Authority and the financing of the Project by the Authority is consistent with the purposes of the Act, will further the Project Purposes and will benefit the people of the State, including those within the jurisdiction of the Authority, by, among other benefits, preserving jobs and employment opportunities and improving the economic welfare of the people of the State and the City; (iv) the acquisition, construction, improvement and development of the Project, and the financing of the costs thereof, will require the issuance of the Bond, and it is necessary and proper and in the best interest of the Authority to, and the Authority shall, issue, sell and deliver the Bond, in the maximum principal amount of \$35,000,000 for the purpose of financing a portion of the costs of the acquisition, construction, equipping, improvement and development of the Project for the Project Purposes; (v) the Lease is necessary and appropriate for the redevelopment of the Project Site consistent with the City’s urban renewal plan, the management, operation and use of the completed Project Facilities for the Project Purposes, and the provision of revenues to be assigned to provide for the payment of Bond Service Charges;

(vi) the terms of the Bond, and of the sale, execution and delivery of and payment for the Bond, contained in or authorized by the Bond Legislation and Assignment Agreement, are satisfactory and are hereby approved; (vii) the Bond shall be secured as provided herein and in the Lease and the Assignment Agreement, and all such provisions are reasonable and proper for the security of the Bond; and (viii) the agreements contemplated hereby will further the purposes of the Act, including the purposes of Article VIII, Section 13, of the Ohio Constitution.

Section 3. Issuance and Terms of Bond.

(a) Terms Generally. The Bond shall be issued only a single instrument payable in installments, in fully registered form, substantially in the form set forth as Exhibit A to the Assignment Agreement, the form of which is now on file with the Fiscal Officer and is hereby approved, and in the maximum outstanding principal amount authorized hereby; provided that the outstanding principal amount of the Bond shall, at any time, be equal to the aggregate amount of the Bond Advances (determined pursuant to the Assignment Agreement) less the amount, if any, of the principal paid or prepaid, which amount shall be determined by reference to the Register which, in the absence of manifest error, shall be conclusive as to the amount of the Bond Advances. The outstanding principal amount of the Bond shall bear interest at the rate of six and five tenths percent (6.5%) per year from the date of the applicable Bond Advance, payable on each Interest Payment Date, until the principal amount has been paid or provided for. The outstanding principal amount of the Bond shall be payable in installments on each Interest Payment Date from June 1, 2007 through the final maturity date on December 1, 2034, subject to prepayment as described in the Bond, including mandatory prepayment of the entire outstanding principal amount at par upon termination of the Lease in accordance with its terms and prepayment at par, at the option of the Lessee, on or after June 1, 2011; provided that the principal retirement schedule shall be finally established in the Bond such that the Rental Payments will, in each year and on each date on which Bond Service Charges are due, and assuming that no Rental Payments are prepaid, be sufficient to pay all scheduled Bond Service Charges. The Bond shall be dated the date of its issuance, shall be designated "Port of Greater Cincinnati Development Authority Taxable Special Obligation Development Lease Revenue Bond (303 Broadway at Queen City Square Project)". The Bond shall be numbered R1 except that upon any permitted exchange of the Bond, the replacement Bond may be numbered in such manner as the Registrar shall determine for distinguishing each Bond from any other Bond. The Bond shall be a negotiable instrument in accordance with the Act, subject to the transfer restrictions provided in the Bond and the Assignment Agreement. The outstanding principal amount of the Bond shall bear interest from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from the date of the applicable Bond Advance. Bond Service Charges shall be payable in lawful money of the United States of America, at the principal office of the Holder, without deduction for the services of any paying agent.

(b) Execution. The Bond shall be signed by an Executive and one other member of this Board or a Fiscal Officer, in the name of the Authority and in their official capacities; provided that one or both of such signatures may be a facsimile and that any such official so authorized, if such official is at the time of signing so authorized, is authorized to execute the Bond whether or not such official is now such officer or is, at the time of delivery of such Bonds, including any replacement Bond, such officer; and those officials are hereby authorized and

directed to execute and deliver the Bond in accordance herewith and with the Assignment Agreement, but subject to satisfaction or waiver of any conditions stated therein. The Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under this resolution or the Assignment Agreement unless and until a certificate of authentication on the Bond is signed by the Registrar, and there shall appear on its face the purpose for which it is issued and such other statements or legends as may be required by law.

(c) Registrar. The Fiscal Officer is appointed to act as the initial authenticating agent, bond registrar and transfer agent (collectively, the “Registrar”) for the Bond. In accordance with applicable law, the Authority may hereafter designate a different person to serve as Registrar and enter into a contract for the provision by that person of services as Registrar. No Bond shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Bond Legislation or the Assignment Agreement unless and until a certificate of authentication, as printed on the Bond, is signed by the Registrar as authenticating agent. Authentication by the Registrar shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered under this Bond Legislation and is entitled to the security and benefit of this Bond Legislation and the Assignment Agreement. The certificate of authentication may be signed by any officer or officers of or designated as the Registrar. It shall not be necessary that the same authorized person sign the certificate of authentication on each Bond.

So long as the Bond remains outstanding, the Authority will cause to be maintained and kept by the Registrar, at the office of the Registrar, all books and records necessary for the registration, exchange and transfer of the Bond as provided in this Section, including a current and accurate record of the name and address of the Holder (the “Register”). The registered Holder shall be regarded as the absolute owner of the Bond for all purposes of this Bond Legislation and the Assignment Agreement. Payment of or on account of principal of or interest on the Bond shall be made only to or upon the order of that Holder. Neither the Authority, the Registrar nor the Lessee shall be affected by any notice to the contrary, but the registration may be changed as herein provided.

The Bond, upon presentation and surrender thereof at the office of the Registrar, together with a request for exchange signed by the registered Holder or by a person authorized by the Holder to do so by a power of attorney satisfactory to the Registrar, may be exchanged, at the option of the Holder, for a Bond of the same tenor and in the denomination equal to the aggregate outstanding principal amount of the Bond surrendered. The Bond may be transferred, subject to any transfer restrictions, only on the Register, upon presentation and surrender thereof at the office of the Registrar authorized hereby, together with an assignment executed by the Holder or by a person authorized by the Holder to do so by a power of attorney in a form satisfactory to the Registrar. Upon that transfer, and upon receipt by the Registrar of evidence satisfactory to the Registrar in its sole discretion, that the transfer is permitted notwithstanding any transfer restrictions applicable to the Bond, the Registrar shall, if requested by the transferee, complete, authenticate and deliver a replacement Bond of like tenor, in denomination equal to the aggregate outstanding principal amount of the Bond surrendered for transfer. In all cases in which the Bond is exchanged or transferred hereunder for a new Bond, the Authority shall execute the replacement Bond by the officers authorized under this Bond Legislation, and the

Registrar shall undertake actions to authenticate and deliver the Bond only after execution of the new Bond by the duly authorized officers of the Authority.

Every exchange or transfer of the Bond shall be without charge to the Holder; except that the Authority and the Registrar may make a charge sufficient to reimburse them, respectively, for any tax or other governmental charge required to be paid upon any such exchange or transfer. The Authority or the Registrar may require that those charges, if any, shall be paid before they begin the procedure for the exchange or transfer. Any Bond issued upon a transfer or exchange shall be the valid special obligation of the Authority, evidencing the same debt, and entitled to the same benefits under this Bond Legislation and the Assignment Agreement, as the Bond surrendered upon that transfer or exchange.

The Authority shall execute, and the Registrar shall complete, authenticate, deliver and register, a replacement Bond to replace any Bond lost, stolen, destroyed or mutilated upon receiving written request from the Holder, together with (i) the destroyed or mutilated Bond or (ii) indemnification of the Authority and the Registrar in a form satisfactory to the Fiscal Officer and the Registrar.

Any Bond surrendered to the Registrar pursuant to this Bond Legislation for the purpose of retirement, or for exchange or replacement, shall be cancelled by the Registrar. Written reports of surrender and cancellation, if any, of the Bond shall be made to the Fiscal Officer by the Registrar at least once each calendar year. Unless otherwise directed by this Board, any canceled Bond shall be retained and stored by the Registrar for a period of seven years. After that time, or at any earlier time as authorized by this Board, any canceled Bond may be destroyed by the Registrar by shredding or cremation, with evidence of that destruction (describing the manner of the destruction) to be provided by the Registrar to the Fiscal Officer.

(d) Depository. Upon the request of and at the expense of the Holder, the Authority will use its reasonable best efforts to have the Bond issued to a Depository for use in a book entry system and the Executive and the Fiscal Officer are each authorized and directed to the extent necessary or required to enter into any agreements determined necessary in connection with any such book entry system for the Bond, after determining (as evidenced by their signing) that the signing thereof will not endanger the funds or securities of the Authority and to take such steps as are necessary or desirable with respect to the Bond upon inclusion in, or withdrawal from, any such book entry system.

Section 4. Sale and Delivery of Bonds. In accordance with the Assignment Agreement, the Bond is awarded and sold to the Purchaser at a purchase price equal to 100% of the principal amount thereof, subject to any conditions set forth in the Assignment Agreement; provided, that such purchase price shall be paid in accordance with the Assignment Agreement by the payment of Bond Advances, upon the delivery to the Purchaser of Bond Advance Requisitions in the form required by the Assignment Agreement. In addition to any other transfer restrictions that may apply to the Bond, no transfer of the Bond, or of any portion thereof or any interest therein, by the Purchaser shall be permitted unless Bond Advances have been made in an aggregate amount equal to the maximum outstanding principal amount of the Bond authorized hereby. Other terms of the Bond and the sale thereof may be specified in the Assignment Agreement, including the amount of the Authority's fees to be paid from the proceeds of the Bond or other sources, and the

other costs of or related to the issuance of the Bond to be paid therefrom. All matters determined in the Assignment Agreement shall be conclusive and binding on the Authority. Any fees payable in connection with the issuance and sale of the Bond, including, without limitation, any counsel fees and any other fees to be paid in connection with the structuring and sale of the Bond may be paid and are hereby appropriated from the proceeds of the sale of the Bond.

The Executive and the Fiscal Officer, or any one or more of them, are authorized and directed to make the necessary arrangements with the Purchaser to establish the date, location, procedure and conditions for the delivery of the Bond in accordance with the Assignment Agreement and subject to the conditions stated therein, including delivery of an investor acknowledgement letter, in form satisfactory to counsel to the Authority and Bond Counsel. It is determined by this Board that the price for and the terms of the Bond and the sale thereof, all as provided in this resolution, the Assignment Agreement and other related instruments, are in the best interests of the Authority and are in compliance with all legal requirements.

Section 5. Application of Proceeds of Bond; Creation of Project Fund. The proceeds from the sale of the Bond, upon receipt of each Bond Advance, shall be deposited in and credited to a separate deposit account (except when invested as hereinafter provided) which is hereby created by the Authority, to be maintained in the name of the Authority by the Purchaser pursuant to the Assignment Agreement, and designated “Port of Greater Cincinnati Development Authority – 303 Broadway at Queen City Square Lease Bond Project Fund” (the “Project Fund”). Moneys in the Project Fund may be invested as provided in Section 8 hereof and shall be held and disbursed, upon the written direction of an Executive or Fiscal Officer to pay costs of acquiring, constructing, equipping, installing, improving and otherwise developing the Project, including costs of issuance of the Bond or other costs of the financing of the Project, and the proceeds from the sale of the Bond, and any other moneys provided to or on behalf of the Authority for that purpose, are appropriated for that purpose. Disbursement and application of amounts deposited in the Project Fund shall be in accordance with the Lease, the Construction Agency Agreement and the Assignment Agreement. The moneys and Eligible Investments to the credit of the Project Fund shall, pending disbursement, constitute a part of the Pledged Revenues assigned as security for the payment of Bond Service Charges.

Section 6. Security for the Bond. The Bond shall be payable solely from the Pledged Revenues and the Special Funds, as provided herein, and shall be secured by an assignment of the Pledged Revenues and by the Assignment Agreement. Notwithstanding anything to the contrary herein or in the Bond, the Bond does not and shall not pledge the general credit or taxing power of the Authority or of the State or any political subdivision, municipality or other local agency thereof, and nothing herein or in the Bond or in the Assignment Agreement or any other Documents, shall constitute a general obligation, debt or bonded indebtedness of the Authority or the State or any political subdivision thereof; and further, nothing herein or therein gives the Holder of the Bond, and it does not have, the right to have excises or taxes levied by this Board, or by the State or the taxing authority of any other political subdivision, municipality or other local agency thereof, for the payment of Bond Service Charges or any other charges on the Bond or any obligations under the Bond or any Document. The Bond shall contain a statement to that effect and that the Bond is payable solely from the Pledged Revenues. Nothing herein shall be deemed to prohibit the Authority, of its own volition, from using to the extent it is

lawfully authorized to do so, any other resources or revenues for the fulfillment of any of the terms, conditions or obligations of the Bond Legislation or the Bond.

Section 7. Assignment of Pledged Revenues. The Authority hereby assigns to the Holder, as security for the payment of the Bond service Charges, its right, title and interest in the Pledged Revenues, including, without limitation, all Rental Payments which under the terms of the Lease shall be paid by the Lessee directly to the Holder for application to the payment of Bond Service Charges. The assignment shall be, and is intended to be, immediately effective without further action; provided that the Authority shall execute and deliver the Assignment Agreement and shall take such other action as may be deemed necessary or appropriate to further evidence that assignment. The Rental Payments, and any payments under the Lease intended to be used to pay Bond Service Charges, shall be paid directly to the Holder pursuant to the Assignment Agreement and shall be deposited in and credited to a separate deposit account (except when invested as hereinafter provided) which is hereby created by the Authority, to be maintained in the name of the Authority by the Holder pursuant to the Assignment Agreement and designated "Port of Greater Cincinnati Development Authority – 303 Broadway at Queen City Square Lease Bond Fund" (the "Bond Fund"). Moneys in the Bond Fund may be invested as provided in Section 8 hereof and shall be used solely to pay Bond Service Charges when due, whether at maturity, upon prepayment or otherwise.

Section 8. Investment and Records of Project Fund and Bond Fund. Moneys in the Project Fund and Bond Fund may be invested and reinvested by the Holder in Eligible Investment at the oral or written direction of the Authorized Lessee Representative. Subject to any such written direction with respect thereto, the Holder may from time to time sell those investments and reinvest the proceeds therefrom in Eligible Investments maturing or redeemable as aforesaid and shall sell those investments when necessary, for the best price obtainable, in order to realize moneys necessary for the purposes of the applicable Fund. Any of those investments may be purchased from or sold to the Holder. An investment made from moneys credited to the Project Fund or the Bond Fund shall constitute part of that Fund and each such Fund shall be credited with all proceeds of sale and income from that investment.

Section 9. Covenants of Authority. In addition to other covenants and agreements of the Authority herein, and in the Lease and the Assignment Agreement, the Authority, by issuance of the Bond, covenants and agrees with each Holder of the Bond:

(a) Use of Proceeds. The Authority will use, or cause the use of, the proceeds of the Bond to pay a portion of the costs of the Project including, without limitation, costs of acquisition, construction, equipping, improving and otherwise developing the Project and costs and fees payable in connection with the issuance of the Bond.

(b) Pledged Revenues. The Authority will segregate, or cause to be segregated, for accounting purposes, the Pledged Revenues and the Special Funds established under this Bond Legislation from all other revenues and funds of the Authority, and will not pledge, assign or transfer the Pledged Revenues or the Special Funds, or create or permit to be created any debt, lien or charge thereon other than the assignment under this Bond Legislation and the Assignment Agreement.

(c) Transcript. The Fiscal Officer will furnish to the Purchaser a true transcript of proceedings, certified by the Fiscal Officer, of all proceedings had by the Authority with reference to the issuance of the Bond, together with such information from the Authority's records as is available and necessary to determine the regularity and validity of such issuance.

(d) Bond Service Charges. The Authority will, solely from the Pledged Revenues and the Special Funds, pay or cause to be paid the Bond Service Charges on the dates, at the places and in the manner provided herein and in the Bond.

(e) Records and Filings. The Authority will, at the expense of the Lessee, cause the Lease (or a memorandum thereof) and the Assignment Agreement, and any amendments or supplements to either, and any related documents or instruments relating to the pledge and assignment made by it to secure the Bond, to be recorded and filed in such manner and in the places which may be required by law in order to fully preserve and protect the security of the Holder.

(f) Further Actions. The Authority will, at any and all times, cause to be done all such further acts and things and cause to be executed and delivered all such further instruments as may be necessary to carry out the purposes of the Bond and this Bond Legislation, or as may be required or authorized by the Act, the Assignment Agreement or the Lease, and will comply with all requirements of law applicable to the Bond.

(g) Performance of Covenants. The Authority will observe and perform all of its agreements, covenants, understandings and obligations provided for by the Bond and this Bond Legislation, the Lease, the Assignment Agreement and any Document to which it is a party, and all of the obligations of the Authority thereunder are hereby established as duties specifically enjoined by law and resulting from an office, trust or station upon the Authority within the meaning of Section 2731.01, Ohio Revised Code.

(h) Maintain Lease and Assignment Agreement in Effect. So long as the Bond is outstanding, the Authority will comply with all of its obligations and agreements under this Bond Legislation, the Bond, the Assignment Agreement and the Lease and use its best efforts to keep the Lease and Assignment Agreement in full force and effect.

(i) Representations. The Authority represents that (i) it is, and upon delivery of the Bond will be, duly authorized by the Constitution and laws of the State, including particularly and without limitation the Act, to issue the Bond, to execute and enter into the Lease and the Assignment Agreement and to provide the security for payment of the Bond Service Charges in the manner and to the extent set forth herein and in the Bond; (ii) all actions on its part for the issuance of the Bond and execution and delivery of the Lease and the Assignment Agreement have been or will be taken duly and effectively; and (iii) the Bond will be a valid and enforceable special obligation of the Authority according to its terms.

(j) Inspection of Project Books. All books and documents in the Authority's possession relating to the Project and the Pledged Revenues shall be open at all times during the Authority's regular business hours to inspection by such accountants or other agents of the Holder as the Holder may from time to time designate.

(k) Rights Under and Enforcement of the Lease. The Holder, in its name or in the name of the Authority, may enforce the payment of Rental Payments and all rights of the Authority except for Unassigned Authority's Rights, as defined in the Lease, and may enforce all obligations of the Lessee under and pursuant to the Lease, whether or not the Authority is in default of the pursuit or enforcement of those rights and obligations. However, the Authority shall do all things and take all actions on its part necessary to comply with the obligations, duties and responsibilities on its part to be observed and performed under the Lease and will take all actions within its authority to keep the Lease in effect in accordance with the terms thereof.

(l) Prevailing Wage Rates. As heretofore provided by this Board and in the Construction Agency Agreement, all wages paid to laborers and mechanics employed on the Project shall be paid at not less than the prevailing rates of wages for laborers and mechanics for the class of work called for by the Project.

Section 10. Lease and Assignment Agreement. To provide for the issuance and terms of and security for the Bond, the Executive and any other member of this Board and the Fiscal Officer, alone or together with any one or more of the foregoing, are hereby authorized, for and in the name of the Authority and on its behalf, to execute the Lease and the Assignment Agreement, in substantially the forms thereof now on file with the Fiscal Officer, with such changes therein as are not inconsistent with this Bond Legislation and not substantially adverse to the Authority and which are permitted by the Act and shall be approved by the officer or officers executing those documents. The approval of such changes, and that such changes are not substantially adverse to the Authority, shall be conclusively evidenced by the execution of those Documents by the officer or officers executing the same. The Lease may grant to the Lessee an option or options to purchase the Project in connection with any permitted termination of the Lease and subject to the conditions stated in the Lease; provided, that the purchase price for the Project shall be not less than the amount necessary to provide for the satisfaction of any remaining obligations that the Authority may have under the Lease, under the Assignment Agreement and with respect to the Bond.

Section 11. Further Actions. The Executive, any other member of this Board and the Fiscal Officer are further authorized and directed to execute any certifications, financing statements, assignments, agreements and instruments, and to take such further actions as are necessary or appropriate to implement the transactions contemplated in the Bond and the Documents and to consummate the transactions contemplated in this Bond Legislation and the Documents, and to undertake, complete and finance the costs of the Project, consistent herewith and with the Documents. All actions heretofore taken by the officers and officials of the Authority and of this Board in connection with the Project and the financing thereof are hereby ratified and approved.

Section 12. References. Any reference herein to the Authority, to this Board of Directors, or to any member or officer of either, includes entities or officials succeeding to their respective functions, duties or responsibilities pursuant to or by operation of law or lawfully performing their functions. Any reference to a section or provision of the Constitution of the State or the Act, or to a section, provision or chapter of the Ohio Revised Code, or to any statute of the United States of America includes that section, provision or chapter as amended, modified, revised, supplemented or superseded from time to time; provided, that no such amendment,

modification, revision, supplement of superseding section, provision or chapter shall be applicable solely by reason of this provision if it constitutes in any way an impairment of the rights or obligations of the Authority, the Purchaser, the Holder or the Lessee under this Bond Legislation, the Bond, the Lease, the Assignment Agreement or any other instrument or document entered into in connection with any of the foregoing, including, without limitation, any alteration of the obligation to pay the Bond Service Charges in the amount and manner, at the times and from the sources provided in this Bond Legislation, the Lease and the Assignment Agreement, except as permitted herein.

Section 13. Payment and Discharge. If the Authority shall pay or defease the Bond, or cause the Bond to be paid, defeased and discharged, the covenants, agreements and other obligations of the Authority hereunder and in the Bond, the Lease and the Assignment Agreement shall be discharged and satisfied.

Section 14. Severability. Each section of this resolution and each subdivision or paragraph of any section hereof and each sentence of a paragraph hereof is hereby declared to be independent and the finding or holding of any section or any subdivision, paragraph or sentence hereof to be invalid or void shall not be deemed or held to affect the validity of any other section, subdivision, paragraph or sentence of this resolution.

Section 15. Compliance with Open Meeting Law. It is found and determined that all formal actions of this Board concerning and relating to the adoption of this resolution were taken in an open meeting of this Board, and that all deliberations of this Board and of any of its committees or subcommittees, or any other public bodies of the Authority, that resulted in such formal actions, were in meetings open to the public, in compliance with the law.

Section 16. Effective Date. This resolution shall be in full force and effect upon its adoption.

ADOPTED: June 10, 2004

Yeas: 11

Nays: 0

Abstention: 0

CHAIR

SECRETARY