

00195

RESOLUTION NO. 33-82

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, APPROVING AN AGREEMENT BY MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION TO ISSUE BONDS FOR MOTOR PARTS DEPOT, INC., (GENUINE PARTS COMPANY, OBLIGOR) AND THE BOND RESOLUTION PROVIDING FOR THE ISSUANCE OF SUCH BONDS.

WHEREAS, Mesquite Industrial Development Corporation was created under the auspices of the City of Mesquite, Texas; and

WHEREAS, it is deemed necessary and advisable that this Resolution be adopted.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

SECTION 1. The "Loan Agreement between Mesquite Industrial Development Corporation and Genuine Parts Company," in substantially the form and substance as attached to this Resolution and made a part hereof for all purposes, is hereby approved, and Bonds in the principal amount of \$3,500,000, may be issued pursuant thereto for the purpose of paying the cost of acquiring and constructing or causing to be acquired and constructed the Project as defined and described therein.

SECTION 2. The "Resolution Authorizing the Issuance of Mesquite Industrial Development Corporation Revenue Bonds, Series 1982, and the Execution of a Trust Indenture (Motor Parts Depot, Inc. Project - Genuine Parts Company, Obligor)," in substantially the form and substance attached to this Resolution and made a part hereof for all purposes, is hereby specifically approved, and the Bonds may be issued as provided for therein.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 15th day of November, 1982.

Ben Gibbens
Ben Gibbens
Mayor

ATTEST:

Norma G. McLaughly
Norma G. McLaughly
City Secretary

00106



Resolution No. 3382

00107

CERTIFICATE FOR
RESOLUTION APPROVING AN AGREEMENT BY
MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION
TO ISSUE BONDS FOR
MOTOR PARTS DEPOT, INC.
(GENUINE PARTS COMPANY, OBLIGOR)
AND THE BOND RESOLUTION PROVIDING FOR
THE ISSUANCE OF SUCH BONDS

THE STATE OF TEXAS
CITY OF MESQUITE

We, the undersigned officers of the City Council of
the City of Mesquite, hereby certify as follows:

1. The City Council of said City convened in REGULAR
MEETING ON THE 15TH DAY OF NOVEMBER, 1982, at the designated
meeting place, and the roll was called of the duly
constituted officers and members of said City Council,
to-wit:

Len Gibbons, Mayor
Jimmy L. Culver
Joe D. Goggans
Bill Blackwood
C. K. Duggins, City
Manager

Phil Young
John W. Childs
Vernie G. Erwin
Norma McGaughy, City
Secretary

and all of said persons were present, except the following
absentees:

thus constituting a quorum. Whereupon, among other busi-
ness, the following was transacted at said Meeting: a
written

RESOLUTION APPROVING AN AGREEMENT BY
MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION
TO ISSUE BONDS FOR
MOTOR PARTS DEPOT, INC.
(GENUINE PARTS COMPANY, OBLIGOR)
AND THE BOND RESOLUTION PROVIDING FOR
THE ISSUANCE OF SUCH BONDS

was duly introduced for the consideration of said City
Council and read in full. It was then duly moved and
seconded that said Resolution be adopted; and, after due

00108

discussion, said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

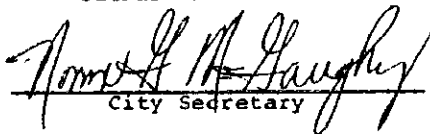
AYES: All members of said Board shown present above voted "Aye", except:

NOES: _____

ABSTENTIONS: _____

2. That a true, full, and correct copy of the aforesaid Resolution adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that said Resolution has been duly recorded in said City Council's minutes of said Meeting; that the above and foregoing paragraph is a true, full, and correct excerpt from said City Council's minutes of said Meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of said City Council as indicated therein; and that each of the officers and members of said City Council was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the aforesaid Meeting, and that said Resolution would be introduced and considered for adoption at said Meeting, and each of said officers and members consented, in advance, to the holding of said Meeting for such purpose; and that said Meeting was open to the public, and public notice of the time, place, and purpose of said Meeting was given, all as required by Vernon's Ann. Civ. Stat. Article 6252-17.

SIGNED AND SEALED the 15th day of November, 1982.


City Secretary


Mayor

(SEAL)

RESOLUTION APPROVING AN AGREEMENT BY
MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION
TO ISSUE BONDS FOR
MOTOR PARTS DEPOT, INC.
(GENUINE PARTS COMPANY, OBLIGOR)
AND THE BOND RESOLUTION PROVIDING FOR
THE ISSUANCE OF SUCH BONDS

WHEREAS, Mesquite Industrial Development Corporation was created under the auspices of the City of Mesquite Texas; and

WHEREAS, it is deemed necessary and advisable that the Resolution be adopted.

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS THAT:

Section 1. The "Loan Agreement between Mesquite Industrial Development Corporation and Genuine Parts Company", in substantially the form and substance as attached to this Resolution and made a part hereof for all purposes, is hereby approved, and Bonds in the principal amount of \$3,500,000, may be issued pursuant thereto for the purpose of paying the cost of acquiring and constructing causing to be acquired and constructed the Project defined and described therein.

Section 2. The "Resolution Authorizing the Issuance Mesquite Industrial Development Corporation Revenue Bonds Series 1982 and the Execution of a Trust Indenture (Motor Parts Depot, Inc. Project - Genuine Parts Company Obligor)," in substantially the form and substance attached to this Resolution and made a part hereof for all purposes is hereby specifically approved, and the Bonds may be issued as provided for therein.

00110

LOAN AGREEMENT
BETWEEN
MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION
AND
GENUINE PARTS COMPANY

The Mesquite Industrial Development Corporation has granted a security interest in and assigned to Trust Company Bank, Atlanta, Georgia, as Trustee under the Trust Indenture dated as of the date hereof, all of its interests in all "Installment Loan Payments" due pursuant to and under this Loan Agreement to secure its Revenue Bonds, Series 1982 (Motor Parts Depot, Inc. Project - Genuine Parts Company, Obligor).

Debtor:

Genuine Parts Company
3999 Circle 75 Parkway
Atlanta, Georgia 30339

Secured Party:

Mesquite Industrial
Development Corporation
711 North Galloway
Mesquite, Texas 75149

Assignee:

Trust Company Bank, Trustee
Corporate Trust Department
Second Floor, Annex Building
P.O. Box 4625
Atlanta, Georgia 30302

00111

TABLE OF CONTENTS

(The Table of Contents is not a part of the Loan Agreement but is for convenience of reference only.)

	<u>PAGE</u>
Parties	
ARTICLE I DEFINITIONS: GENERAL RECITALS, FINDINGS, AND REPRESENTATIONS FINANCING THE PROJECT; TITLE AND OPERATION	
Section 1.01. Definitions	1
Section 1.02. General Recitals, Findings, and Representations	4
ARTICLE II THE PROJECT	
Section 2.01. Approvals and Permits	6
Section 2.02. Acquisition and Construction	6
ARTICLE III FINANCING THE PROJECT: TITLE AND OPERATION	
Section 3.01. The Loan	8
Section 3.02. Security for the Loan	8
Section 3.03. Repayment of Loan	8
Section 3.04. Title	9
Section 3.05. Operation	9
Section 3.06. Indemnities	10
Section 3.07. Issuer's Limited Liability	11
ARTICLE IV THE BONDS	
Section 4.01. Issuance of Bonds	12
Section 4.02. Refunding of Bonds	13

00112

	<u>PAGE</u>
Section 4.03. Redemption of Bonds in General	13
Section 4.04. Installment Loan Payments	13
Section 4.05. No Arbitrage	14
Section 4.06. Tax-Exempt Status of Interest on the Bonds and Mandatory Redemption	14
Section 4.07. Payments to Issuer	18
ARTICLE V COVENANTS AND REMEDIES	
Section 5.01. Covenant	19
Section 5.02. Trustee and Remedies	19
Section 5.03. General Provisions	19
Section 5.04. Amendment of Agreement	20
ARTICLE VI SPECIAL COVENANTS	
Section 6.01. Corporate Existence	22
Section 6.02. Assignment	22
Section 6.03. Financial Reports	23
Section 6.04. Term of Agreement	23
Section 6.05. Termination	23
Section 6.06. Notices	23
Section 6.07. Service of Process	24
Section 6.08. Severability	24
Execution by the Issuer	25
Execution by the User	25
Exhibit A	26

LOAN AGREEMENT

This Loan Agreement dated as of November 1, 1982, between Mesquite Industrial Development Corporation and Genuine Parts Company.

W I T N E S S E T H:

ARTICLE I

DEFINITIONS; GENERAL RECITALS, FINDINGS, AND REPRESENTATIONS

Section 1.01. DEFINITIONS. In addition to all other words and terms defined herein, and unless a different meaning or intent clearly appears from the context, the following words and terms shall have the following meanings, respectively, whenever they are used herein:

Act - The Development Corporation Act of 1979 (Chapter 700, Acts of the Regular Session of the 66th Legislature of the State of Texas).

Agreement - This Loan Agreement, together with Exhibit A attached to this Loan Agreement, and all amendments and supplements to this Loan Agreement.

Approving Officer - Any person or persons at the time designated to act on behalf of the User by a written certificate, containing a specimen signature of such person or persons, which is signed on behalf of the User by an officer of the User and is furnished to the Issuer and Trustee.

Article - Any subdivision of this Agreement designated with a roman numeral.

Board or Board of Directors - The lawfully qualified board of directors of the Issuer.

Bondholder - The bearer of any Bond not registered as to principal (or registered as to bearer), the owner of any Bond registered as to principal (except to bearer), or the owner of any fully registered Bond.

Bond Counsel - An attorney or firm of attorneys experienced in matters relating to municipal bond law and the tax exemption of interest on bonds of states and their political subdivisions, selected by the Issuer and satisfactory to the Trustee and the User.

Bond Resolution - The Initial Bond Resolution and each resolution of the Board of Directors authorizing the

00114

issuance of Bonds (including the Trust Indenture prescribed and authorized to be executed in the Initial Bond Resolution) together with any supplemental resolutions or amendments to such resolutions or such Trust Indenture.

Bonds - Any and all revenue bonds of the Issuer issued and delivered to finance and pay for all or any part of the Cost of the Project pursuant to the Act and this Agreement, including initial series or issues of revenue bonds and revenue bonds issued to finance and pay for all or any part of the Cost of completing the Project, and any revenue bonds issued for the purpose of refunding or replacing any Bonds.

Code - The Internal Revenue Code of 1954, as amended.

Commission - The Texas Industrial Commission, or any successor thereto.

Construction Fund - The segregated account or accounts into which certain proceeds from the sale and delivery of each series of Bonds will be deposited as provided in each Bond Resolution (excepting any Bond Resolution authorizing revenue bonds to refund any Bonds).

Cost - with respect to the Project, the cost of acquisition, construction, reconstruction, improvement, and expansion of the Project as provided in the Act, including, without limitation, the cost of the acquisition of all land, rights-of-way, property rights, easements, and interests, the cost of all machinery and equipment, financing charges, interest during construction, necessary reserve funds, cost of estimates and of engineering and legal services, plans, specifications, surveys, estimates of cost and of revenue, other expenses necessary or incident to determining the feasibility and practicability of acquiring, constructing, reconstructing, improving, and expanding any such Project, administrative expense, and such other expense as may be necessary or incident to the acquisition, construction, reconstruction, improvement, and expansion thereof, the placing of the same in operation, and the financing of the Project.

Debt Service Fund - The segregated account or accounts in which Installment Loan Payments will be deposited as provided in each Bond Resolution.

Governmental Unit - The City of Mesquite, a political subdivision of the State of Texas.

Initial Bond Resolution - The Bond Resolution adopted by the Board of Directors, authorizing the issuance and delivery of Mesquite Industrial Development Corporation Revenue Bonds, Series 1982 (Motor Parts Depot, Inc. Project

CC115

- Genuine Parts Company, Obligor) in the aggregate principal amount of \$3,500,000.

Issuer - Mesquite Industrial Development Corporation.

Installment Loan Payments - Payments required to be made by the User to amortize each series or issue of Bonds, as provided for in the applicable Bond Resolution, including the principal of, redemption premium, if any, and interest on such Bonds when due (whether at stated maturity, upon redemption prior to stated maturity, or upon acceleration of stated maturity), any agreed liquidated damages owed by the User to the Bondholders, and all fees and expenses of the Trustee, Registrar, and any Paying Agent for such Bonds, together with any other payments required by such Bond Resolution or the Trust Indenture.

Loan - The loan of the proceeds of the sale of the Bonds as described in Section 3.01.

Paying Agent - The Trustee and any other paying agent for an issue or series of Bonds named in the Bond Resolution authorizing such Bonds.

Project - The land, buildings, equipment, facilities, and improvements described in Exhibit A to this Agreement.

Registrar - The registrar for the Bonds named in the Bond Resolution.

Regulations - The regulations promulgated by the United States Treasury Department pursuant to the Code.

Section - Any subdivision of this Agreement designated by arabic numerals.

Motor Parts - Motor Parts Depot, Inc., a corporation organized and existing under the laws of the State of Texas, and a wholly-owned subsidiary of the User.

Trust Indenture - The trust indenture, including all supplements and amendments thereto, prescribed in and executed and delivered pursuant to the Initial Bond Resolution.

Trustee - The corporate trustee named under the Trust Indenture, and its successors or assigns.

User - Genuine Parts Company, a corporation organized and existing under the laws of the State of Georgia, and its herein permitted successors and assigns.

00116

References in the singular number in this Agreement shall be considered to include the plural, if and when appropriate.

Section 1.02. GENERAL RECITALS, FINDINGS, AND REPRESENTATIONS. (a) The Issuer is a nonstock, nonprofit industrial development corporation organized and existing under the laws of the State of Texas, including particularly the Act.

(b) The Issuer is a duly constituted authority and public instrumentality of the Governmental Unit, a political subdivision of the State of Texas, within the meaning of the Regulations and the rulings of the Internal Revenue Service prescribed and promulgated pursuant to Section 103 of the Code, and the Issuer is functioning and acting solely on behalf of the Governmental Unit.

(c) The User is a private corporation organized and existing under the laws of the State of Georgia, is fully qualified to transact business in the State of Texas, and is fully authorized by law and corporate proceeding to execute this Agreement.

(d) This Agreement is authorized and executed pursuant to applicable laws, including the Act.

(e) The User has requested the Issuer to finance the Cost of the Project.

(f) The User has caused or will cause the Project to be acquired and constructed and will make the same available for use by Motor Parts Depot, Inc. ("Motor Parts"), a private corporation organized and existing under the laws of the State of Texas, qualified to do business in the State of Texas, and a wholly-owned subsidiary of General Automotive Parts Corp., which is a wholly-owned subsidiary of the User.

(g) The Issuer has determined, in the public interest, that it will finance the Cost of the Project, and loan money to the User for such purpose in the manner provided in the Act and this Agreement.

(h) The governing body of the Governmental Unit has approved this Agreement by written resolution as required by the Act.

(i) The Issuer and the User have taken all action and have complied with all provisions of law with respect to the execution, delivery and performance of this Agreement and the due authorization of the consummation of the transactions contemplated hereby, and this Agreement has been duly executed and delivered by, and constitutes a valid and legally binding agreement of, the Issuer and the User,

00117

enforceable against the respective parties in accordance with its terms.

(j) The User represents to the Board and the Commission that (i) the Project will contribute to the economic growth or stability of the Governmental Unit by (aa) increasing or stabilizing employment opportunities in the Governmental Unit, (bb) significantly increasing or stabilizing the property tax base of the Governmental Unit and (cc) promoting commerce within the Governmental Unit and the State of Texas; (ii) it has no present intention of moving or using any part of the Project outside the State of Texas or disposing of or abandoning the Project; and (iii) it has no present intention of directing the Project to a use other than the purposes represented to the Governmental Unit and the Commission.

(k) The execution of this Agreement and the performance of the transactions contemplated hereby will not violate any law or regulation, or any Articles of Incorporation, Charter, or Bylaws, or any judicial order, judgment, decree, or injunction, or contravene the provisions of or constitute a default under any agreement, indenture, bond resolution, or other instrument to which the Issuer or the User is a party.

NOW THEREFORE, in consideration of the covenants and agreements herein made, and subject to the conditions herein set forth, the Issuer and the User contract and agree as follows:

00118

ARTICLE II
THE PROJECT

Section 2.01. APPROVALS AND PERMITS. The Issuer and the User agree to use their best efforts to obtain the necessary approval of this Agreement by the Texas Industrial Commission as required by the Act, prior to the issuance of the Bonds, and to obtain all other permits necessary with respect to the acquisition, construction, equipping, and furnishing of the Project.

Section 2.02. ACQUISITION AND CONSTRUCTION. (a) The Project shall be acquired, constructed, equipped, and furnished with all reasonable dispatch, and the User will use its best efforts to cause such acquisition, construction, equipping, and furnishing to be completed as soon as practicable, delays incident to strikes, riots, acts of God, or the public enemy, or other causes beyond the reasonable control of the User only excepted; but if for any reason there should be delays in such acquisition, construction, equipping, and furnishing there shall be no diminution in or postponement of the Installment Loan Payments to be made by the User hereunder, and no resulting liability on the part of the Issuer.

(b) The User shall acquire, construct, equip, and furnish the Project or cause the Project to be acquired, constructed, equipped, and furnished and the Issuer shall have no responsibility or liability whatsoever with respect to the Project and the acquisition, construction, equipping, and furnishing thereof. It is agreed and understood that the User has and will cause to be entered into and executed all agreements and contracts necessary to assure and accomplish the actual acquisition, construction, equipping, and furnishing of the Project (and that the Issuer shall not execute any such agreements or contracts) and that the User will cause to be carried out, paid, supervised, and enforced all such agreements and contracts, and will cause to be maintained such insurance on and in connection with the acquisition, construction, equipping, and furnishing of the Project as it deems necessary or advisable or as is required by law and this Agreement. The User shall cause to be paid, from proceeds from the sale and delivery of the Bonds loaned to it pursuant to this Agreement, and from any available income or earnings derived therefrom, and from other funds to the extent necessary, the entire Cost of the Project. The User shall promptly cause to be paid all taxes, including specifically all sales taxes and ad valorem taxes, in connection with the Project and the acquisition, construction, equipping, and furnishing thereof. The Issuer shall loan certain proceeds from the sale of the Bonds to

the User to be used by the User to pay all or part of the Cost of the Project, in accordance with procedures to be established in any applicable Bond Resolution, including provisions for reimbursing the User for paying all or any part of such Cost under the aforesaid agreements and contracts for the acquisition, construction, equipping, and furnishing of the Project prior to the User's receipt of the Loan as hereinafter provided. It is specifically provided, however, that none of the proceeds from the sale of the Bonds will be used to reimburse the User for, or to pay (and the User hereby covenants and agrees not to request reimbursement of or payment for) any part of the Cost of the Project if such use or payment would result in a Taxable Event as defined in Section 4.06. Each Bond Resolution (excepting any Bond Resolution authorizing revenue bonds to refund any Bonds) shall contain appropriate provisions with respect to the Construction Fund, to be drawn on and administered as provided in such Bond Resolution.

00120

ARTICLE III

FINANCING THE PROJECT;
TITLE AND OPERATION

Section 3.01. THE LOAN. The Issuer shall make the Loan to the User by depositing into the Construction Fund (or such other fund as specifically provided in the Bond Resolution) the proceeds from the sale of Bonds in such amount as is provided in each Bond Resolution. The amounts so deposited shall be advanced in the manner provided in the Bond Resolution; and the User shall repay the Loan by making the Installment Loan Payments as provided in this Agreement and the Bond Resolution.

Section 3.02. SECURITY FOR THE LOAN. The obligations of the User under this Agreement shall be direct general obligations of the User. Prior to or simultaneously with the issuance of the Bonds, the Issuer will assign to the Trustee under the terms of the Trust Indenture all of the Issuer's right, title, and interest in and to the Installment Loan Payments.

Section 3.03. REPAYMENT OF LOAN. (a) Notwithstanding any provision expressly or inferentially to the contrary contained herein, the User absolutely and unconditionally agrees that it shall make Installment Loan Payments to the Trustee (pursuant to the aforesaid assignment by the Issuer) in lawful money of the United States of America (in immediately available funds), and in such amounts and at such times as shall be necessary to enable the Trustee to make full and prompt payment of the principal of, redemption premium, if any, and interest on all Bonds when due (whether at stated maturity, upon redemption prior to stated maturity, or upon acceleration of stated maturity), any agreed liquidated damages owed by the User to the Bondholders, and all fees and expenses of the Trustee, the Registrar, and any Paying Agent for such Bonds, and of all other amounts required to be paid by this Agreement, each Bond Resolution and the Trust Indenture. Upon the issuance and delivery of Bonds to the initial purchaser thereof, and the deposit of the proceeds derived therefrom into the accounts established in the Bond Resolution, the User shall have received, and the Issuer shall have given, full and complete consideration for the User's obligation hereunder to make Installment Loan Payments. The obligations of the User to make the payments required by this Agreement shall be absolute and unconditional (except as provided in Sections 6.01 and 6.02), and shall not be subject to diminution by set-off, recoupment, counterclaim, abatement, or otherwise; and until such time as all Installment Loan Payments shall have been made or provision therefor shall have been made in accordance with each Bond Resolution and

the Trust Indenture, the User: (i) will not suspend or discontinue, or permit the suspension or discontinuance of, any payments provided for in this Agreement; (ii) will perform and observe all of its other agreements contained in this Agreement; and (iii) will not terminate this Agreement for any cause including, without limiting the generality of the foregoing, failure of the Project to comply with the plans and specifications therefor, any acts or circumstances that may constitute failure of consideration, destruction of, or damage to the Project, frustration of commercial purpose, any change in the tax or other laws or administrative rulings of or administrative actions by the United States of America, or the State of Texas, or any political subdivision of either, or any failure of the Issuer to perform and observe any agreement, whether expressed or implied, or any duty, liability, or obligation arising out of or in connection with this Agreement. Nothing contained in this Section shall be construed to release the Issuer from the performance of any of the agreements on its part contained herein; and in the event the Issuer shall fail to perform any such agreement on its part, the User may institute such action against the Issuer as the User may deem necessary to compel performance, provided that no such action shall violate the agreements on the part of the User contained in this Section or postpone or diminish the amounts required to be paid by the User pursuant to this Agreement.

(b) Notwithstanding the foregoing, it is the intention of the parties hereto to conform strictly to the usury laws now in force in the State of Texas, and any provision for any payment contained herein and in such Bonds and the interest coupons appertaining thereto, if any, shall be held to be subject to reduction to the amount allowed under said usury laws as now or hereafter construed by the courts having jurisdiction. This provision shall be held to operate to deny the owners of the Bonds and the interest coupons appertaining thereto, if any, the right, in any event, to collect usury.

Section 3.04. TITLE. The Issuer shall have no right, title, or interest in and to the Project. Except for making the Loan to the User from the source and in the manner provided in this Agreement, the Issuer shall not be responsible or liable in any manner for any claims, losses, damages, penalties, costs, taxes, or fines with respect to the acquisition, construction, equipping, furnishing, installation, operation, maintenance, or ownership of the Project.

Section 3.05. OPERATION. The User represents and covenants that it will operate and maintain the Project, or cause the Project to be operated and maintained, and will



00122

pay, or cause to be paid, all costs and expenses of operation and maintenance of the Project, including all applicable taxes, and that it will keep, or cause to be kept, in force adequate insurance, including self-insurance, on the Project as is customarily carried by persons engaged in the same business and operating facilities like the Project. It is understood and agreed that the Issuer shall have no duties or responsibilities whatsoever with respect to the operation or maintenance of the Project, or the performance of the Project for its designed purposes.

Section 3.06. INDEMNITIES. The User releases the Commission, its directors, employees, and agents, the Issuer, its officers, directors, employees, agents, and attorneys and the Governmental Unit, its officers, agents, attorneys, employees and the members of its governing body (collectively the "Indemnified Parties") from, and the Indemnified Parties shall not be liable for, and the User agrees and shall protect, indemnify, defend, and hold the Indemnified Parties harmless from any and all liability, cost, expense, damage or loss of whatever nature (including, but not limited to, attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of, in connection with, or related to (i) the issuance, offering, sale, or delivery of the Bonds, the Bond Resolution, the Trust Indenture, and this Agreement and the obligations imposed on the Issuer hereby and thereby; or the design, construction, installation, operation, use, occupancy, maintenance, or ownership of the Project; (ii) any written statements or representations made or given by the User or any of its officers or employees, to the Indemnified Parties, the Trustee, or any underwriters or purchasers of any of the Bonds, with respect to the Issuer, the User, the Project, or the Bonds, including, but not limited to, statements or representations of facts, financial information, or corporate affairs; (iii) damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Project; and (iv) any loss or damage incurred by the Issuer as a result of violation by the User of the provisions of Sections 4.05 or 4.06. The provisions of the preceding sentence shall remain and be in full force and effect even if any such liability, cost, expense, damage or loss or claim therefor by any person, directly or indirectly results from, arises out of, or relates to or is asserted to have resulted from, arisen out of, or related to, in whole or in part, one or more negligent acts or omissions of the Issuer or the Governmental Unit or its officers, directors, employees, agents, servants, or any other party acting for or on behalf of the Issuer or the Governmental Unit solely in connection with the matters set forth in clauses (i) through (iv) of said sentence.

00123

Section 3.07. ISSUER'S LIMITED LIABILITY. It is recognized that the Issuer's only source of funds with which to carry out its commitments with respect to the Project and this Agreement will be from the proceeds from the sale of the Bonds; and it is expressly agreed that the Issuer shall have no liability, obligation, or responsibility with respect to this Agreement or the Project except to the extent of funds available from such Bond proceeds. If, for any reason, the proceeds from the sale of the Bonds are not sufficient to pay all the Cost of the Project, the User shall complete the Project and pay all such Cost from its own funds, but it shall not be entitled to reimbursement therefor unless additional Bonds are issued for such purpose, or to any diminution in or postponement of any payments required to be made by the User hereunder.

00121

ARTICLE IV

THE BONDS

Section 4.01. ISSUANCE OF BONDS. (a) In consideration of the covenants and agreements set forth in this Agreement, and to enable the Issuer to issue the Bonds to carry out the intents and purposes hereof, this Agreement is executed to assure the issuance of such Bonds, and to provide for the due and punctual payment by the User to the Trustee of the Installment Loan Payments. The User shall make the Installment Loan Payments, for the benefit of each series or issue of Bonds, to the Trustee for deposit into the Debt Service Fund as provided in each Bond Resolution.

(b) Simultaneously with the authorization of this Agreement by the Board of Directors, such Board has adopted the Initial Bond Resolution. Upon the request of the User, and only upon its request, the Issuer shall, when it becomes necessary or advisable, authorize and use its best efforts to sell and deliver additional Bonds, in one or more series or issues, in aggregate principal amounts sufficient to pay the Cost of the Project. Each Bond Resolution (including the Trust Indenture authorized by the Initial Bond Resolution) shall be subject to the written approval of the Approving Officer and the provisions of any Bond Resolution and the Trust Indenture shall not be binding or effective upon the User unless and until such approval is given. It is hereby agreed that such approval, if and when given, shall constitute the acknowledgment and agreement of the User that such Bonds, when issued, sold, and delivered as provided in such Bond Resolution, will be issued in accordance with and in compliance with this Agreement, notwithstanding any other provisions of this Agreement or any other contract or agreement to the contrary. Any Bondholder is entitled to rely fully and unconditionally on any such approval. Notwithstanding any provisions of this Agreement or any other contract or agreement to the contrary, if and when the Approving Officer gives written approval of any Bond Resolution (including the Trust Indenture authorized by the Initial Bond Resolution), all covenants and provisions in such Bond Resolution and the Trust Indenture affecting the User shall, upon the delivery of such Bonds and the Trust Indenture, become absolute and unconditional, valid, and binding covenants and obligations of the User so long as said Bonds and the interest thereon are outstanding and unpaid. Particularly, the obligation of the User to make, promptly when due, all Installment Loan Payments specified in each Bond Resolution and the Trust Indenture shall be absolute and unconditional, and said obligation may be enforced as provided in each Bond Resolution and the Trust Indenture, regardless of any other provisions of this Agreement or any other contract or

agreement to the contrary. It is further the intention of the parties to this Agreement that if any such written approval of any Bond Resolution and the Trust Indenture is given by the Approving Officer said approval shall constitute and be the equivalent of the approval of such Bond Resolution and the Trust Indenture by the User and its board of directors, and the provisions of such Bond Resolution and the Trust Indenture affecting the User shall constitute the unconditional obligations of, and be binding upon, the User with the effect described above.

Section 4.02. REFUNDING OF BONDS. After the issuance of any Bonds, the Issuer shall not refund any of the Bonds or change or modify the Bonds in any way, except as provided for in the Bond Resolution, without the prior written approval of the Approving Officer; nor shall the Issuer redeem any Bonds prior to their scheduled maturities, or change or modify any Bond Resolution, without the prior written approval of the Approving Officer, unless such redemption is required by a Bond Resolution.

Section 4.03. REDEMPTION OF BONDS. Provision shall be made in each Bond Resolution for the redemption of Bonds prior to maturity, under such terms and conditions as shall be set forth therein. The redemption of any outstanding Bonds prior to maturity at any time shall not relieve the User of its unconditional obligation to pay each remaining Installment Loan Payment as specified in any Bond Resolution or the Trust Indenture. The User also shall comply with and be bound by all provisions of this Agreement and of each Bond Resolution and the Trust Indenture with respect to the mandatory and optional redemption of Bonds.

Section 4.04. INSTALLMENT LOAN PAYMENTS. (a) Payment of all Installment Loan Payments shall be made and deposited as required by each Bond Resolution and the Trust Indenture including all such payments which may come due because of the acceleration of the maturity or maturities of any Bonds upon default, or otherwise, under the provisions of the Trust Indenture. If any available funds in excess of current requirements are held on deposit in the Debt Service Fund at the time payment of any Installment Loan Payment is due, such payment may be reduced by the amount of the funds so held on deposit. The User shall have the right to prepay all or a portion of any Installment Loan Payment at any time. Any such prepayment by the User shall not relieve it of liability for each remaining Installment Loan Payment as provided in this Agreement and each Bond Resolution and the Trust Indenture.

(b) Recognizing that the Installment Loan Payments will be the Issuer's sole source for the payment and

00126

performance of its obligations to the Trustee, any Paying Agent and the Bondholders under each Bond Resolution and the Trust Indenture, when any Bonds are delivered, the User shall be absolutely and unconditionally obligated to make and pay, or cause to be made and paid, each Installment Loan Payment regardless of whether or not the User actually acquires or completes the Project, or whether or not the User actually approves, purchases, receives, accepts, or uses the Project; and such payments shall not be subject to any abatement, set-off, recoupment, or counterclaim; and the Bondholders shall be entitled to rely on this agreement and representation, notwithstanding any provisions of this Agreement or any other contract or agreement to the contrary, and regardless of the validity of, or the performance of, the remainder of this Agreement or any other contract or agreement. The User further covenants and agrees that it will make all other payments, in addition to Installment Loan Payments, which are required to be made by it in each Bond Resolution and the Trust Indenture.

Section 4.05. NO ARBITRAGE. The Issuer and the User hereby covenant with each other and with the Bondholders that they will make no use of the direct or indirect proceeds of the Bonds at any time throughout the term hereof which will cause the Bonds to be arbitrage bonds within the meaning of Section 103(c) of the Code or the Regulations pertaining thereto; and by this covenant the Issuer and the User are obligated to comply with the requirements of the aforesaid Section 103(c) and the pertinent Regulations.

Section 4.06. TAX-EXEMPT STATUS OF INTEREST ON THE BONDS AND MANDATORY PEDEMPTION. (a) The Issuer covenants that it shall, prior to the issuance of the Bonds, duly elect to have the provisions of Section 103(b)(6)(D) of the Code apply to such issue, and such election shall be made in accordance with the applicable Regulations. The User covenants that it shall furnish to the Issuer whatever information is necessary for the Issuer to make any such election and the User shall file with the Internal Revenue Service such supplemental statements and other information as are required by the applicable Regulations with respect to all capital expenditures made, paid, or incurred by or on behalf of the User or any person related to the User, within the meaning of Section 103(b)(6)(C) of the Code, in the City of Mesquite, Texas and in any other political jurisdiction contiguous thereto with respect to any facilities contiguous to or integrated with any facilities in the City of Mesquite, Texas within the meaning of Sections 1.103-10(b)(2)(ii)(e) and 1.103-10(d)(2)(i) of the Regulations (collectively the "Project Arca").

(b) The User hereby covenants that (i) substantially all the proceeds (within the meaning of Section 103(b)(6) of

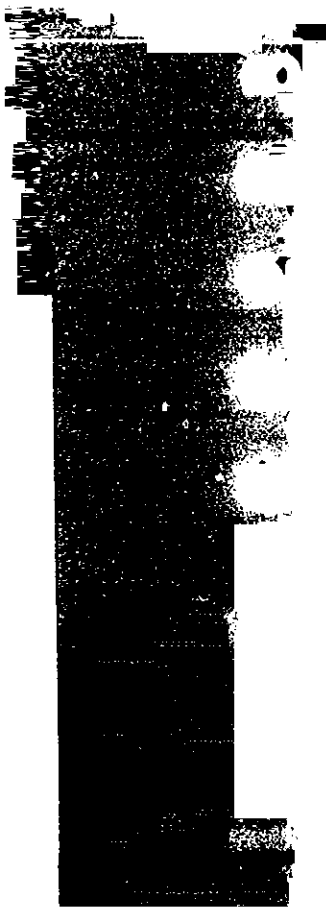
00127

the Code) from the sale of the Bonds will be used and expended for amounts paid or incurred after the Inducement Date for the acquisition, construction, reconstruction, or improvement of land or property of a character subject to the allowance for depreciation under the Code, and (ii) except as otherwise set forth in a certificate or statement furnished to the Issuer and its Bond Counsel prior to the issuance of Bonds, the acquisition, construction, reconstruction, or improvement of the Project did not begin before May 5, 1981, nor was any work performed or any costs paid or incurred by the User or any other entity in connection with such acquisition, construction, reconstruction, or improvement before May 5, 1981.

(c) The User represents (i) that all of the proceeds of the Bonds are to be used with respect to the Project, which will be located wholly within the Governmental Unit; (ii) that, except for any person related to the User within the meaning of Section 103(b)(6)(C) of the Code, the User will be the only principal user of the Project within the meaning of Section 103(b)(6) of the Code; and (iii) that, except for the Bonds, there will not be outstanding on the date of delivery of the Bonds any obligations of any state, territory, or possession of the United States, or any political subdivision of the foregoing or of the District of Columbia constituting "exempt small issues" within the meaning of Section 1.103-10 of the Regulations, the proceeds of which have been or are to be used primarily with respect to facilities located in the City of Mesquite, Texas, or in any contiguous political jurisdiction with respect to any contiguous or integrated facilities, and which are to be used principally by the User (including any person related to the User within the meaning of Section 103(b)(6)(C) of the Code).

(d) The User further covenants and represents that it has not made, paid, or incurred, and will not make, pay, or incur any capital expenditures which would cause the interest on the Bonds to become subject to federal income taxes pursuant to the provisions of Section 103(b) of the Code. The User further covenants that it has not taken any action or permitted any action to be taken, and that it will not take any action or permit any action to be taken, which would result in a Taxable Event, as hereinafter defined, and that the User has not failed to take and will not fail to take any action required to prevent the occurrence of such Taxable Event.

(e) The User acknowledges that the capital expenditures referred to in the preceding paragraphs include all capital expenditures within the City of Mesquite, Texas and all capital expenditures incurred elsewhere relating to the Project, including, without limitation, research and



00128

development costs, which may, under any rule or election under the Code, be treated as a capital expenditure (whether or not such expenditure is so treated).

(f) The User further covenants that it shall furnish to the Issuer and its Bond Counsel, prior to the issuance of the Bonds, a certificate or statement of the aggregate amount of capital expenditures (other than those to be financed from the proceeds of the Bonds) made, paid, or incurred in the City of Mesquite, Texas or made, paid, or incurred elsewhere with respect to the Project ("Included Capital Expenditures") during the period beginning three years before the date of delivery of such issue. The User covenants that it will furnish to the Trustee (i) a copy of supplemental statements required to be filed with the Internal Revenue Service by Section 1.103-10 of the Regulations listing by date and amount any Included Capital Expenditures (other than those mentioned in Section 103(b)(6)(F) of the Code) during the three-year period beginning as of the date of issuance of the Bonds, including all such Included Capital Expenditures not listed on the capital expenditure certificate filed with the Internal Revenue Service prior to the issuance of the Bonds, and (ii) within 30 days after it has made, paid, or incurred the maximum amount of capital expenditures permitted under Section 103(b)(6)(D) of the Code, a statement to that effect. Such supplemental statements shall be filed with the District Director of Internal Revenue or the Director of the regional service center of the Internal Revenue Service with whom the User's federal income tax return is required to be filed on the due date prescribed for filing such return (without regard to any extensions of time). Each such supplemental statement shall set forth a description of those capital expenditures which are capital expenditures under Section 103(b)(6)(D)(ii) of the Code and shall take into account facilities referred to in Section 103(b)(6)(E) of the Code in computing such capital expenditures. This covenant shall survive the termination of this Agreement.

(g) As used herein, a "Taxable Event" shall mean:

(i) the application of the proceeds of the Bonds in such manner that the Bonds become "arbitrage bonds" within the meaning of Section 103(c) of the Code, with the result that interest on the Bonds is or becomes includable in the gross income of any Bondholder; or

(ii) the application of the proceeds of the Bonds in such manner, or the occurrence or non-occurrence of any event, with the result that, under the Code and the Regulations, the interest on the Bonds is or becomes includable in the gross income of any Bondholder (other than a Bondholder who is a "substantial user" or a

00129

"related person" within the meaning of Section 103(b) of the Code); or

(iii) the violation by the User of a representation or covenant contained in this Agreement with the result that, under the Code and the Regulations, the interest on the Bonds is or becomes includable in the gross income of any Bondholder (other than a Bondholder who is a "substantial user" or a "related person" within the meaning of Section 103(b) of the Code).

(h) A "Determination" shall be deemed to have occurred on the first to occur of the following:

(i) on that date when the User shall be advised by the Commissioner or any District Director of Internal Revenue that, based upon filings of the User or the Issuer or upon any review or audit of the User, or upon any ground whatsoever, a Taxable Event shall have occurred; or

(ii) on that date when the User shall receive notice from the Issuer, the Trustee, or any Bondholder that it or he has been advised: (A) that the Internal Revenue Service has assessed as includable in the gross income of any Bondholder any interest on his Bonds due to the occurrence of a Taxable Event; or (B) by the Commissioner or any District Director of Internal Revenue that the interest on any of the Bonds is includable in the gross income of any Bondholder due to the occurrence of a Taxable Event.

(i) A "Final Determination of Taxability" shall be deemed to have occurred on the first to occur of the following:

(i) on that day when the User files with the Trustee or the Internal Revenue Service any statement, supplemental statement or other tax schedule, return or document which discloses that a Taxable Event shall have occurred; provided, however, that if and so long as the User is contesting in good faith and by appropriate proceedings, either directly or through a Bondholder, the existence of a Taxable Event, no such Final Determination of Taxability shall be deemed to have occurred; or

(ii) the entry of any final unappealable order, decree or ruling of any court of the United States or of the Commissioner of Internal Revenue relating to a Determination, or the failure to prosecute an appeal from any order, decree or ruling of any such court or

00130

the Commissioner and the expiration of time for an appeal or review of such order, decree or ruling.

(j) Should a Final Determination of Taxability occur, there shall be a prompt mandatory redemption prior to maturity of the entire outstanding and unpaid principal and accrued interest of the Bonds, and the payment by the User to the Bondholders of appropriate and sufficient agreed liquidated damages (for loss of a bargain and not as a penalty) all as shall be provided for in, and in accordance with the provisions of, each Bond Resolution. Such payment of liquidated damages shall be a direct obligation of the User to the Bondholders and shall be paid to the Trustee for the benefit of such Bondholders during the term of this Agreement and thereafter shall be paid by the User directly to such Bondholders.

Section 4.07. PAYMENTS TO ISSUER. From the proceeds of the sale and delivery of each series or issue of Bonds there shall be paid all of the Issuer's reasonable, actual out-of-pocket expenses and costs of issuance in connection with such series of Bonds, including, without limitation, all financing, legal, printing, and other expenses and costs of issuance incurred in issuing the Bonds. In addition, the Issuer shall receive out of such Bond proceeds an amount equal to the amount specified in each Bond Resolution to pay and reimburse the Issuer for its administrative and overhead expenses directly attributable and chargeable to the issuance of the Bonds and the acquisition, construction, equipping, and furnishing of the Project. Also the User agrees to pay directly to the Issuer annually while any of the Bonds is outstanding, upon receiving a bill or statement therefor, which shall be submitted by the Issuer promptly after the close of each fiscal year of the Issuer, an amount sufficient to pay and reimburse the Issuer for any of its actual costs reasonably and necessarily incurred in connection with the Bonds and the Project during the previous fiscal year.

ARTICLE V

COVENANT AND REMEDIES

Section 5.01. COVENANT. The User unconditionally agrees and covenants with the Issuer and the Trustee that it will pay, or cause to be paid, when due, each Installment Loan Payment required and prescribed to be paid by it pursuant to each Bond Resolution. The User further unconditionally agrees and covenants to pay all reasonable expenses and charges, legal or otherwise (including court costs and attorneys' fees), paid or incurred by the Issuer and the Trustee in realizing upon any of the said payments to be made by the User or in enforcing the provisions of this Agreement or any Bond Resolution or the Trust Indenture.

Section 5.02. TRUSTEES AND REMEDIES. (a) The User is advised and recognizes that the Issuer will assign all of its right, title, and interest in and to all the Installment Loan Payments required to be made pursuant to this Agreement, and the right to receive and collect same, to the Trustee under the Trust Indenture. All rights against the User arising under this Agreement or any Bond Resolution or the Trust Indenture may be enforced by the Issuer; or, with respect to Installment Loan Payments, such rights may be enforced by the Trustee, or the Bondholders, to the extent provided in each Bond Resolution or the Trust Indenture, without making the Issuer a party.

(b) In the event of a default in the payment of any Installment Loan Payment, or in the performance of any agreement or covenant contained herein or in any Bond, any Bond Resolution, or the Trust Indenture, such payment and performance may be enforced by mandamus or by the appointment of a receiver in equity with power to charge and collect Installment Loan Payments and to apply such revenues in accordance with this Agreement, the Bonds, each Bond Resolution, and the Trust Indenture.

Section 5.03. GENERAL PROVISIONS. (a) The terms of this Agreement may be enforced as to one or more breaches either separately or cumulatively.

(b) No remedy conferred upon or reserved to the Issuer, the Trustee, or the Bondholders in this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default, omission, or failure of performance hereunder shall impair any such right or power or shall be

CG132

construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In the event any provision contained in this Agreement should be breached by the User and thereafter duly waived, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach of this Agreement. No waiver by either party of any breach by the other party of any of the provisions of this Agreement shall be construed as a waiver of any subsequent breach, whether of the same or of a different provision of this Agreement.

(c) Headings of the Articles and Sections of this Agreement have been inserted for convenience of reference only and in no way shall they affect the interpretation of any of the provisions of this Agreement.

(d) This Agreement is made for the exclusive benefit of the Issuer, the Trustee, the Bondholders, and the User, and their respective successors and assigns herein permitted, and not for any other third party or parties; and nothing in this Agreement, expressed or implied, is intended to confer upon any party or parties other than the Issuer, the Trustee, the Bondholders, and the User, and their respective successors and assigns herein permitted, any rights or remedies under or by reason of this Agreement.

(e) The validity, interpretations, and performance of this Agreement shall be governed by the laws of the State of Texas.

Section 5.04. AMENDMENT OF AGREEMENT. No amendment, change, addition to, or waiver of any of the provisions of this Agreement shall be binding upon the parties hereto unless in writing signed by the Approving Officer and the President of the Board of Directors. In addition to amendments for any other purpose, it is specifically understood that this Agreement may be amended, if deemed necessary or advisable by the User and the Issuer, to change the definition and scope of the term "Project", as used herein, so as to permit the acquisition, construction, equipping, and furnishing of other or additional facilities, at the same or other locations, or improvements related to the Project, pursuant to this Agreement and in accordance with applicable laws, with the same effect as if they had been described originally in Exhibit A hereto. Notwithstanding any of the foregoing, it is covenanted and agreed, for the benefit of the Bondholders and the Trustee, that (without the concurrence of all of the Bondholders and the Trustee) the provisions of this Agreement shall not be amended, changed, added to, or waived in any way which would



00133

relieve or abrogate the obligations of the User to make or pay, or cause to be made, or paid, when due, all Installment Loan Payments with respect to any then outstanding Bonds in the manner and under the terms and conditions provided herein and in any Bond Resolution or the Trust Indenture, or which would materially change or affect Sections 4.04, 4.05, 4.06, 6.01, or 6.02.

00131

ARTICLE VI

SPECIAL COVENANTS

Section 6.01. CORPORATE EXISTENCE. (a) The User agrees that during the term of this Agreement it will maintain its corporate existence, will not dissolve or otherwise dispose of all or substantially all of its assets, and will not consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it; provided, that the User may, without violating the agreement contained in this Section, consolidate with or merge into another domestic corporation (i.e., a corporation incorporated and existing under the laws of one of the states of the United States of America or under the laws of the United States of America), or permit one or more such domestic corporations to consolidate with or merge into it, or sell or otherwise transfer to another such domestic corporation all or substantially all of its assets as an entirety and thereafter dissolve, if the surviving, resulting, or transferee entity: (i) is authorized to transact business in the State of Texas, (ii) shall have, immediately after such transaction, a consolidated shareholders' equity at least equal to 80% of the consolidated shareholders' equity of the User immediately prior to such transaction, with such consolidated shareholders' equity being determined in accordance with generally accepted accounting principles, and (iii) shall have, concurrently with such transaction (unless the entity is the User), irrevocably and unconditionally assumed, in an instrument delivered to the Issuer and the Trustee, the due and prompt performance of all of the obligations of the User under this Agreement. If any consolidation, merger, or sale or other transfer is made as provided in this Section, the provisions of this Section shall continue in full force and effect and no further consolidation, merger, or sale or other transfer shall be made except in compliance with the provisions of this Section.

(b) The User covenants that it is and, throughout the term of this Agreement, unless relieved of liability pursuant to paragraph (a) above, that it (i) will continue to be a corporation organized under the laws of a state of the United States, and (ii) will at all times be and remain duly qualified to transact business in the State of Texas.

Section 6.02. ASSIGNMENT. The User shall not assign its interest in this Agreement or any of its rights or obligations hereunder except as specifically provided in this Agreement. The User may assign its interest in this Agreement to Motor Parts or to another party provided that the User shall remain and be primarily responsible and

00135

liable for all of its obligation hereunder, including particularly the making of all payments required hereunder, when due. The User may, however, assign its interest in this Agreement to another party in connection with a merger or consolidation of the User, or in connection with the transfer of all or substantially all of its assets as permitted in Section 6.01, and upon delivery of such instrument of assumption to the Issuer and the Trustee and compliance with all of the requirements of Section 6.01, the assignor or transferor shall have no further obligation, except for any obligation for the payment of money theretofore accrued under this Agreement.

Section 6.03. FINANCIAL REPORTS. The User shall have an annual audit made by its regular independent certified public accountants, and shall furnish the Trustee either a copy of such certified audit within 120 days after the end of the fiscal year for which such audit was made, or, in lieu of such audit, a copy of its annual report to its shareholders, if such report contains financial statements of substantially similar detail and similarly prepared and certified. The requirements under this Section may be fulfilled if and so long as the User should be a wholly-owned subsidiary of another corporation by furnishing consolidated audits, annual reports, or financial statements or reports of the owner of the User together with its consolidated subsidiaries. Such financial statements and reports shall be furnished to the Trustee at the same time as they are furnished to the shareholders. In addition, the User shall provide its quarterly report to the Securities Exchange Commission on Form 10Q and its annual report on Form 10K to any holder of over \$1,000,000 in aggregate principal amount of Bonds outstanding who shall so request in writing.

Section 6.04. TERM OF AGREEMENT. The term of this Agreement shall be from the date hereof until all payments required to be made by the User pursuant hereto shall have been made, provided, however, that the provisions of Sections 3.06, 4.05 and 4.06 shall survive the termination of this Agreement and shall continue in effect regardless of the termination of this Agreement.

Section 6.05. TERMINATION. This Agreement may be terminated by mutual agreement at any time prior to the delivery of and payment for any Bonds. However, if any Bonds have been issued and delivered, the term of this Agreement shall be as set forth in Section 6.04, and this Agreement may not and shall not be sooner terminated by either or both parties hereto.

Section 6.06. NOTICES. Any notice, request, or other communication under this Agreement shall be given in writing

00136
(11)

and shall be deemed to have been given by either party to the other party upon either of the following dates:

(a) One business day after the date of the mailing thereof, as shown by the post office receipt, if mailed to the other party hereto by registered or certified mail at the applicable address as follows:

Mesquite Industrial Development Corporation
Attention: President
711 North Galloway
Mesquite, Texas 75149

Genuine Parts Company
Attention: Earl Dolive
2999 Circle 75 Parkway
Atlanta, Georgia 30339

or the latest address specified by such other party in writing; or

(b) The date of the receipt thereof by such other party if not so mailed by registered or certified mail.

Section 6.07. SERVICE OF PROCESS. The User hereby designates and appoints, without power of revocation unless consented to in advance by the Corporation and the Trustee, CT Corporation System, Dallas, Texas, or its successor, or, with the advance consent of the Corporation and the Trustee, such other person(s), whose domicile is in the State of Texas, or entity, incorporated under the laws of the State of Texas or authorized to do business in the State of Texas with a registered agent in said State, as may be designated by the User to the Corporation and the Trustee in writing and, if each and every such appointment should hereinafter cease to be in effect, the Secretary of State of the State of Texas, as its agents upon whom may be served all process, pleadings, notices or other papers which may be served upon the User in any action relating to any of its obligations under this Agreement.

Section 6.08. SEVERABILITY. If any clause, provision, or Section of this Agreement should be held illegal or invalid by any court of competent jurisdiction, the invalidity of such clause, provision, or Section shall not affect any of the remaining clauses, provisions, or Sections hereof and this Agreement shall be construed and enforced as if such illegal or invalid clause, provision, or Section had not been contained herein. In case any agreement or obligation contained in this Agreement should be held to be in violation of law, then such agreement or obligation shall be deemed to be the agreement or obligation of the Issuer

00137

and the User, as the case may be, to the full extent permitted by law.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed in multiple counterparts, each of which shall be considered an original for all purposes, as of the day and year first set out above.

MESQUITE INDUSTRIAL
DEVELOPMENT CORPORATION

By _____
President, Board of Directors

ATTEST:

Secretary-Treasurer, Board of
Directors

(SEAL)

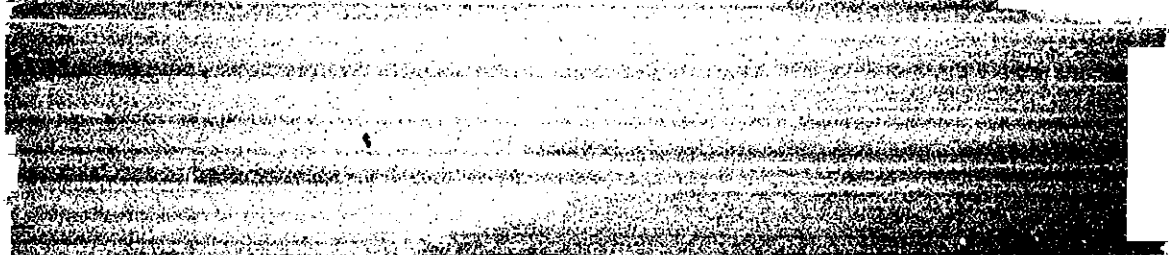
GENUINE PARTS COMPANY

By _____
Title _____

ATTEST:

Secretary

(SEAL)

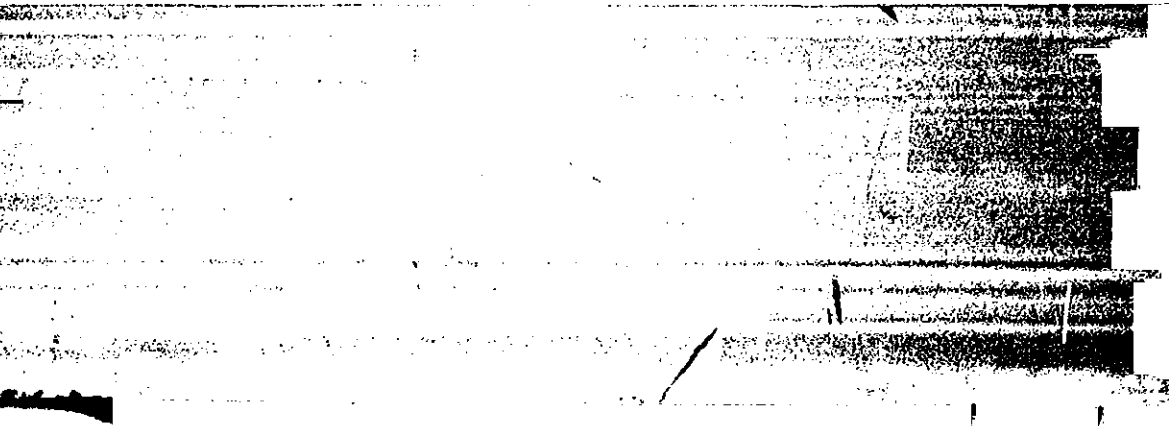



00138.

Exhibit A

Description of The Project

The Project consists of the acquisition of approximately 6.48 acres of land and the construction of a building containing approximately 110,732 square feet of space to be used as a distribution center and office facility.



RESOLUTION
AUTHORIZING THE ISSUANCE OF MESQUITE
INDUSTRIAL DEVELOPMENT CORPORATION REVENUE BONDS
SERIES 1982
AND THE EXECUTION OF
A TRUST INDENTURE
(MOTOR PARTS DEPOT, INC. PROJECT -
GENUINE PARTS COMPANY, OBLIGOR)

00140

TABLE OF CONTENTS

(The Table of Contents is not a part of the Resolution but is for convenience of reference only)

	<u>PAGE</u>
Title	1
Recitals	1
Resolution	2
SECTION 1. DESIGNATION, AMOUNT, AND PURPOSE OF THE BONDS	2
SECTION 2. DATE, DENOMINATION, NUMBERS, AND MATURITIES OF THE BONDS	3
SECTION 3. INTEREST ON THE BONDS	3
SECTION 4. GENERAL CHARACTERISTICS OF BONDS	3
(a) In General	3
(b) Registration Books	3
(c) Authentication	4
(d) Transfer and Exchange	4
(e) Ownership	5
(f) Payment Record	6
SECTION 5. FORMS OF BONDS, TRUSTEE'S AUTHENTICATION CERTIFICATE, REGISTRATION PROVISIONS, AND INTEREST COUPONS	6
SECTION 6. PLEDGE	20
SECTION 7. DEBT SERVICE FUND	20
(a) Establishment of Debt Service Fund	20
(b) Accrued Interest	20
(c) Installment Loan Payments	20
(d) Redemption	22
(e) Payments from Debt Service Fund	22
(f) Immediately Available Funds	22
(g) Investment of Funds	22
SECTION 8. SECURITY FOR FUNDS	23
SECTION 9. THE USER'S PAYMENTS	23
(a) Absolute and Unconditional Obligation	23

	<u>PAGE</u>
	23
	24
SECTION 10. ADDITIONAL PARITY BONDS	24
(a) Additional Bonds	24
(b) Amendments to Trust Indenture Unnecessary	25
SECTION 11. SPECIAL COVENANTS	25
(a) Installment Loan Payments Pledged to Bonds Only	25
(b) Non-Encumbrance	25
(c) Performance by Issuer	25
(d) Certain Modifications Prohibited	26
SECTION 12. BONDS ARE SPECIAL OBLIGATIONS	26
SECTION 13. AMENDMENTS	26
(a) Amendment with Consent of Owners of 51% of Bonds	26
(b) Notice of Amendment	27
(c) Consent to Amendment	27
(d) Effect of Amendment	27
(e) Consent of Bondholders	28
(f) Ownership of Bonds	28
(g) Amendments Without Consent	28
SECTION 14. ESTABLISHMENT OF CONSTRUCTION FUND	29
(a) Deposit of Bond Proceeds into Construction Fund	29
(b) Investment of Money in Construction Fund	29
(c) Deposit of Accrued Interest, Income, and Profits	29
SECTION 15. PAYMENTS FROM CONSTRUCTION FUND	30
(a) Issuer's Administrative Overhead Expenses and Other Costs	30
(b) Reimbursements for and Payment of Cost of Project	30
(c) Reliance by Trustee	31
SECTION 16. SURPLUS CONSTRUCTION FUNDS	31
(a) Disposition of Surplus Funds	31
(b) Disposition of Construction Fund upon Acceleration and Redemption	32

00142

	<u>PAGE</u>
SECTION 17. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS AND COUPONS	32
(a) Replacement Bonds	32
(b) Application for Substitute Bonds	32
(c) No Default Occurred	33
(d) Charge for Issuing Substitute Bonds	33
(e) Authority for Issuing Substitute Bonds	33
SECTION 18. NO ARBITRAGE	33
SECTION 19. FINDINGS	33
SECTION 20. SALE OF THE BONDS	34
SECTION 21. TRUST INDENTURE	34

RESOLUTION AUTHORIZING THE ISSUANCE OF MESQUITE
INDUSTRIAL DEVELOPMENT CORPORATION REVENUE BONDS,
SERIES 1982, AND THE EXECUTION OF A TRUST INDENTURE
(MOTOR PARTS DEPOT, INC. PROJECT -
GENUINE PARTS COMPANY, OBLIGOR)

THE STATE OF TEXAS :
MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION :

WHEREAS, Mesquite Industrial Development Corporation (the "Issuer") is a nonstock, non-profit industrial development corporation organized and existing under the laws of the State of Texas, including particularly the Development Corporation Act of 1979 (Chapter 700, Acts of the Regular Session of the 66th Legislature), as amended (the "Act") and

WHEREAS, the Issuer is a duly constituted public instrumentality of the City of Mesquite (the "Government Unit"), a political subdivision of the State of Texas within the meanings of the regulations of the United States Treasury Department (the "Regulations") and the rulings of the Internal Revenue Service prescribed and promulgated pursuant to Section 103 of the Internal Revenue Code of 1954, as amended (the "Code"), and the Issuer is functioning and acting solely on behalf of the Governmental Unit; and

WHEREAS, a "Loan Agreement between Mesquite Industrial Development Corporation and Genuine Parts Company", dated November 1, 1982 (the "Agreement"), has been duly executed between the Issuer and Genuine Parts Company (the "User"); and

WHEREAS, the User is a corporation duly organized and existing under the laws of the State of Georgia, and fully qualified to transact business in the State of Texas and

WHEREAS, the Agreement is hereby adopted by reference for all purposes, with the same effect as if it had been set forth in its entirety in this bond resolution (this "Initial Bond Resolution"); and

WHEREAS, the Agreement was executed to provide for the acquisition, construction, equipping, and furnishing of an industrial project and to provide a loan to the User for such purpose; and

WHEREAS, this preamble and the trust indenture (the "Trust Indenture") hereinafter set forth in this Initial Bond Resolution shall constitute an integral part of this Initial Bond Resolution; and

00144

WHEREAS, the corporate trustee under the Trust Indenture (the "Trustee") will have the duties and obligations hereinafter provided; and

WHEREAS, the bonds authorized to be issued by this Initial Bond Resolution (the "Bonds") are to be issued and delivered pursuant to applicable laws, including the Act; and

WHEREAS, the User will have duly approved this Initial Bond Resolution (including the Trust Indenture) prior to the delivery of the Bonds, as required by the Agreement; and

WHEREAS, as provided in the Agreement, by such approval of this Initial Bond Resolution (including the Trust Indenture) the User will have agreed and acknowledged that the Bonds, when issued, sold, and delivered as provided in this Initial Bond Resolution, will be issued in accordance and compliance with the Agreement, and that, upon the issuance, sale, and delivery of the Bonds, and the execution and delivery of the Trust Indenture, the User will be unconditionally obligated to the Issuer and the Trustee to make or pay, or cause to be made or paid, without set-off, recoupment, or counterclaim, to the Trustee the "Installment Loan Payments" required by the Agreement and by this Initial Bond Resolution (including the Trust Indenture) in amounts sufficient to pay the principal of, redemption premium, if any, and interest on the Bonds, when due, agreed liquidated damages, if any, all fees and expenses of the Trustee and Registrar and the paying agents for the Bonds, and all other amounts required to be paid by the Agreement, this Initial Bond Resolution, and the Trust Indenture, all as hereinafter set forth; and

WHEREAS, for purposes of this Initial Bond Resolution, the definitions of terms in the Agreement and Trust Indenture are hereby adopted, and the terms given herein shall have the same meanings as such terms are given in said Agreement and Trust Indenture unless a different meaning is given herein.

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION THAT:

Section 1. DESIGNATION, AMOUNT, AND PURPOSE OF THE BONDS. The Issuer's negotiable bonds designated and to be known as MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION REVENUE BONDS, SERIES 1982 (MOTOR PARTS DEPOT, INC. PROJECT - GENUINE PARTS COMPANY, OBLIGOR) (the "Bonds") are hereby authorized to be issued in the aggregate principal amount of \$3,500,000 on behalf of the Governmental Unit TO PAY PART OF THE COST OF ACQUIRING, CONSTRUCTING, EQUIPPING, AND

00145

FURNISHING, OR CAUSING TO BE ACQUIRED, CONSTRUCTED, EQUIPPED, AND FURNISHED AN INDUSTRIAL PROJECT (THE "PROJECT") IN THE CITY OF MESQUITE, TEXAS, FOR GENUINE PARTS COMPANY (THE "USER") FOR THE SPECIFIC PURPOSE OF THE PROMOTION AND ENCOURAGEMENT OF EMPLOYMENT AND THE PUBLIC WELFARE.

Section 2. DATE, DENOMINATION, NUMBERS, AND MATURITIES OF THE BONDS. The Bonds authorized hereby shall be issued in coupon form, registrable as to principal only, in the denomination of \$5,000 each, or in fully registered form in the denomination of \$5,000 or any integral multiple thereof. Coupon Bonds shall be numbered from one upward and fully registered bonds without coupons shall be numbered from R-one upward. The Bonds shall be dated November 1 in the case of coupon Bonds and shall be dated, in the case of a fully registered Bond, the November 1 or May 1, next preceding the date of its authentication to which interest has been paid or duly provided for (except that if any fully registered Bond shall be authenticated on any November 1 or May 1 to which interest has been paid, it shall be dated as of such date, or if it shall be authenticated prior to May 1, 1983, it shall be dated November 1, 1982). The Bonds shall mature on November 1, 2007 (unless they shall become due or shall be redeemed prior to their scheduled maturities as provided in this Initial Bond Resolution or the Trust Indenture).

Section 3. INTEREST ON THE BONDS. Each of the Bonds authorized hereby shall bear interest on the unpaid principal balance from its date to its scheduled maturity, due date, or date of redemption prior to scheduled maturity at the rate of 7-3/4% per annum. The interest shall be payable on the dates and in the manner provided in the FORMS OF BONDS set forth in Section 5 of this Initial Bond Resolution.

Section 4. GENERAL CHARACTERISTICS; REGISTRATION; EXCHANGE; AUTHENTICATION; TRANSFER; OWNERSHIP. (a) In General. The Bonds shall be issued, shall be payable, may or shall be redeemed prior to their scheduled maturity, shall be registered, shall have the characteristics, and shall be signed and executed (and the Bonds shall be sealed), all as provided, and in the manner indicated, in the FORM OF BOND set forth in Section 5 of this Initial Bond Resolution.

(b) Registration Books. The Issuer shall keep or cause to be kept at the principal corporate trust office of the Trustee books for the registration and transfer of Bonds, and the Issuer hereby appoints the Trustee as its registrar and transfer agent to keep such books and make

00146

such registrations and transfers under such reasonable regulations as the Issuer or the transfer agent may prescribe; and the Trustee will register or transfer as herein provided, any Bonds upon presentation thereof at such office. The User shall have the right to inspect such books during the normal business hours of the Trustee.

(c) Authentication. After the Bonds have been authorized to be issued by the Board of Directors of the Issuer, and prior to the delivery of the Bonds, the Trustee shall authenticate each of the Bonds by executing the Trustee's Certificate of Authentication appearing on each of the Bonds as provided in Section 5 of this Bond Resolution. In addition, the Trustee shall authenticate Bonds upon their exchange or transfer as provided herein. No Bond shall be entitled to any benefit under this Bond Resolution or the Trust Indenture or be valid or obligatory for any purpose, unless there appears on such Bond a certificate of authentication substantially in the form provided for herein executed by the Trustee, and such certificate upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly authenticated and delivered hereunder.

(d) Transfer and Exchange. All coupon Bonds shall pass by delivery unless registered as to principal in the manner provided in the Form of Bond set forth in Section 5. The bearer of any coupon Bond may have the ownership of the principal thereof registered on said registration books and noted on the Bond. Such registrations, discharges from registration and the rights of transfer shall all be governed by the provisions relating to the same set forth in the Form of Bond. Coupon Bonds may, with all unmatured coupons and any matured coupons in default attached, upon surrender thereof at the aforesaid office of Trustee, be exchanged for a like aggregate principal amount of fully registered Bonds without coupons, of the same series and maturity, in any authorized denomination or denominations, bearing interest from the last interest payment date preceding such exchange. Any costs associated with such exchanges, printing costs, if any, or any taxes or other governmental charges required to be paid with respect to the same shall be paid by the bondholder requesting such registration or exchange as a condition precedent to the exercise of such privilege.

Fully registered Bonds without coupons and coupon Bonds registered as to principal may be transferred on the aforesaid registration books by the registered owner in person or by his duly authorized attorney, by proper written instrument of transfer in form and with guaranty of signatures satisfactory to the Trustee. Fully registered Bonds without coupons may, upon surrender thereof at the aforesaid office of the Trustee, be exchanged for a like aggregate principal amount of Bonds of like form, in any other authorized

denomination or denominations, or for coupon Bonds, of the same series and maturity, in any authorized denomination or denominations, bearing, or (in the case of coupon Bonds) with attached coupons for, interest from the last interest payment date to which interest has been paid on the fully registered Bonds so surrendered, or for a like aggregate principal amount of such fully registered Bonds without coupons and coupon Bonds. Such transfers of registration or exchanges shall be without charge to the holder of such Bonds, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the bondholder requesting such registration, transfer, discharge from registration or exchange as a condition precedent to the exercise of such privilege.

Each Bond delivered pursuant to any provision of this Initial Bond Resolution in exchange or substitution for, or upon the transfer of the whole or any part of one or more other Bonds, shall carry all of the rights to interest accrued and unpaid and to accrue which were carried by the whole or such part, as the case may be, of such one or more other Bonds, and notwithstanding anything contained in this Initial Bond Resolution, such Bonds shall be so dated or have attached thereto such coupons or bear such notation, that neither gain nor loss in interest shall result from any such exchange, substitution or transfer.

Every exchange or transfer of Bonds under the foregoing provisions shall be effected in such manner as may be prescribed by the Trustee. The Trustee shall not be required to make exchanges or transfers of any Bond within fifteen (15) days prior to an interest payment date or within fifteen (15) days prior to the first publication or mailing of notice of redemption of such Bond, whichever is earlier, anything in such Bond to the contrary notwithstanding.

(e) Ownership. The person in whose name any Bonds shall be registered on the Bond Registration Books of the Issuer may be deemed and treated as the absolute owner thereof for all purposes of this Initial Bond Resolution and the Trust Indenture, other than to receive payment of interest represented by outstanding coupons, if any, appertaining thereto, whether or not such Bond shall be overdue, and the Issuer, the User, the Trustee, and any Paying Agent shall not be affected by any notice to the contrary; and payment of, or on account of, the principal of, premium, if any, and interest on any such Bond shall be made only to such registered owner thereof, except as to interest represented by outstanding coupons, if any; but such registration may be changed as provided herein. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid. The Issuer, the User, the Trustee and any Paying Agent may deem and treat the bearer of any coupon or any coupon Bond which shall not at the time be registered as to principal

00148

whether or not such Bond or coupon shall be overdue, as the absolute owner of such Bond or coupon, as the case may be, for all purposes of this Initial Bond Resolution and the Trust Indenture; and the Issuer, the User, the Trustee, and any Paying Agent shall not be affected by any notice to the contrary; and payment of, or on account of, the principal of, and premium, if any, on any such Bond and of the interest represented by any such coupon shall be made only to the bearer thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bonds and coupons to the extent of the sum or sums so paid.

(f) Payment Record. Upon the prepayment or partial redemption of any fully registered Bond without coupons, the Trustee, as Registrar and Paying Agent, shall note in the Payment Record on the back of each such fully registered Bond the amount of such prepayment or redemption, the date said payment was made and the remaining unpaid principal balance of said Bond and shall then have said entry signed by an authorized officer of the Trustee. The Trustee shall also record such information in the Bond Registration Books kept by the Trustee.

Section 5. FORMS OF BONDS; TRUSTEE'S AUTHENTICATION CERTIFICATE; REGISTRATION PROVISIONS; INTEREST COUPONS; PAYMENT RECORD. The form of the Bonds, the form of Trustee's Certificate of Authentication, the form of Provisions for Registration for coupon Bonds, the form of the Interest Coupons which shall appertain and initially be attached to each of the coupon Bonds, and the form of Payment Record for fully registered Bonds shall be, respectively, substantially as follows, with necessary and appropriate variations, omissions, and insertions as permitted or required by this Initial Bond Resolution:

FORMS OF BONDS

NO. _____

\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION
REVENUE BOND
SERIES 1982
(MOTOR PARTS DEPOT, INC. -
GENUINE PARTS COMPANY, OBLIGOR)

*ON NOVEMBER 1, 2007 (or earlier as hereinafter provided), MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION (the "Issuer"), being a nonstock, nonprofit industrial development corporation organized and existing under the laws of the State of Texas, including particularly the Development Corporation Act of 1979 (Chapter 700, Acts of

*Denotes Paragraph for Coupon Form

00149

the Regular Session of the 66th Legislature), as amended (the "Act"), and acting on behalf of City of Mesquite, hereby promises to pay to bearer hereof, or if this Bond be registered, to the registered owner hereof, the principal amount of

FIVE THOUSAND DOLLARS

and to pay interest thereon, from the date hereof at the rate of 7-3/4% per annum evidenced by interest coupons payable May 1, 1983, and semi-annually thereafter on each November 1 and May 1 while this bond is outstanding, and to pay interest on overdue principal and, to the extent permitted by law, on overdue interest at a rate of ten per centum (10%) per annum; provided that such principal and interest are payable solely from the sources and in the manner hereinafter described, and solely as authorized and provided in the Act.

*THE PRINCIPAL of this Bond, unless registered, and the interest coupons appertaining hereto shall be payable to bearer, in lawful money of the United States of America, without exchange or collection charges to the bearer, upon presentation and surrender of this Bond or proper interest coupon, as the case may be, at Trust Company Bank, Atlanta, Georgia, which shall constitute and be defined as the "Trustee" and "Paying Agent" for this series of Bonds or its successor trustee appointed under the Trust Indenture (hereinafter defined), and if registered as to principal, the principal and premium, if any, are payable at the offices of the Trustee and Paying Agent or its successor trustee.

**On November 1, 2007 MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION (the "Issuer") being a nonstock, nonprofit industrial development corporation organized and existing under the laws of the State of Texas, including particularly the Development Corporation Act of 1979 (Chapter 700, Acts of the Regular Session of the 66th Legislature), as amended (the "Act"), and acting on behalf of the City of Mesquite, hereby promises to pay to _____, or registered assigns, the principal amount of _____,

DOLLARS

upon presentation and surrender of this Bond at Trust Company Bank, Atlanta, Georgia, which shall be defined as the "Paying Agent" and "Registrar" for this Series of Bonds; and the Issuer also promises to pay to the registered owner hereof interest on the unpaid principal balance hereof at the rate of 7-3/4% per annum from the date hereof until the principal hereof may become due and payable from time to

*Denotes Paragraph for Coupon Form

**Denotes Paragraph for Fully Registered Form

00150

time, and at a rate of ten percentum (10%) per annum on overdue principal and, to the extent permitted by law, on overdue interest, payable on May 1, 1983 and semiannually thereafter on each November 1 and May 1 while this Bond is outstanding by check or draft mailed to the registered owner at his address as it appears on the Bond Registration Books of the Issuer kept by the Trustee, hereinafter defined, under the Trust Indenture, hereinafter defined, as Registrar, in each case from the sources and in the manner hereinafter described. Both principal and interest are payable, without exchange or collection charges, in lawful money of the United States of America.

THIS BOND is one of a series of Bonds dated as of November 1, 1982 (the "Bonds") authorized and issued in the aggregate principal amount of \$3,500,000 pursuant to a resolution adopted by the Board of Directors of the Issuer (the "Initial Bond Resolution") on behalf of the CITY OF MESQUITE, TO PAY PART OF THE COST OF ACQUIRING, CONSTRUCTING, EQUIPPING, AND FURNISHING, OR CAUSING TO BE ACQUIRED, CONSTRUCTED, EQUIPPED, AND FURNISHED AN INDUSTRIAL PROJECT (THE "PROJECT") WITHIN THE CITY OF MESQUITE, TEXAS FOR GENUINE PARTS COMPANY (THE "USER") FOR THE SPECIFIC PURPOSE OF THE PROMOTION AND ENCOURAGEMENT OF EMPLOYMENT AND THE PUBLIC WELFARE.

ON AND AFTER NOVEMBER 1, 1983, and annually thereafter the Bonds are subject to optional redemption and may be redeemed prior to their scheduled maturities, by the Trustee at the option of the User, with funds furnished by the User, upon written notice of the exercise of the option to redeem delivered to the Trustee by the User not later than the 45th day prior to the date of redemption. The Bonds may be so redeemed as a whole on any date, or in part on any interest payment date (and, if in part, the Bonds to be redeemed shall be selected at random, by lot or other customary method, by the Trustee), at the redemption price (expressed as a percentage of principal amount) applicable to the date of redemption falling within the applicable redemption period, as set forth in the following schedule, plus accrued interest to the date of redemption:

<u>Redemption Period</u>	<u>Redemption Price (%)</u>
November 1, 1983 to October 31, 1984	101
November 1, 1984 to October 31, 1985	100-1/2
November 1, 1985 and thereafter	100

ON ANY DATE, THE BONDS are subject to optional redemption as a whole, and may be redeemed, prior to their scheduled maturities, by the Trustee at the option of the User, with funds furnished by the User at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date of redemption, and without premium, if one or more of the following events shall have occurred:

(a) the Project shall have been damaged or destroyed to such an extent that, in the judgment of the User, it would not be practicable or desirable for the User to replace, repair, rebuild or restore the Project;

(b) title in and to, or the temporary use of, all or substantially all of the Project shall have been taken under the exercise of the power of eminent domain by any governmental authority, or person acting under governmental authority which, in the judgment of the User, would prevent the User from using or operating the Project for its intended purposes;

(c) unreasonable burdens or excessive liabilities shall have been imposed on the Issuer or the User with respect to the operation of the Project, including, without limitation, Federal, State or other ad valorem property, income or other taxes not being imposed on the date hereof which, in the judgment of the User, would prevent the User from carrying on its normal operations at the Project;

(d) changes in the economic viability of the Project shall have occurred which, in the judgment of the User, render the Project uneconomical for its intended purposes;

(e) legal curtailment of the User's use and occupancy of all or substantially all of the Project for any reason other than that set forth in subsection (b), which curtailment shall, in the judgment of the User, prevent the User from carrying on its normal operations at the Project; or

(f) the User shall determine that it is necessary or unavoidable to make or incur capital expenditures (i) at or in connection with the Project or (ii) in the same political jurisdiction as the Project, which capital expenditures would cause the aggregate amount of capital expenditures made or incurred by the User at or in connection with the Project or in the same political jurisdiction as the Project to exceed the aggregate amount of capital expenditures permitted by the provisions of Section 103(b)(6)(D) of the Internal Revenue Code of 1954, as amended (the "Code").

To exercise its option pursuant to subsections (a) through (e) above, the User (A) shall, within ninety (90) days following the event giving rise to the User's desire to exercise such option, deliver to the Issuer and to the Trustee a certificate executed by a financial officer of the User and specifying therein (i) the event giving rise to the exercise of such option, (ii) that the User is directing, or

will direct, the Trustee to redeem the Bonds in accordance with the provisions of the Indenture, (iii) that the User has discontinued, or at the earliest practicable date will discontinue, its operation of the Project, and (iv) the date of the redemption of the Bonds, which date shall be not less than forty-five (45) days nor more than ninety (90) days from the date such notice is mailed, and (B) shall make arrangements satisfactory to the Trustee for the giving of the required notice of redemption. To exercise its option pursuant to subsection (f) above, the User (A) shall, not less than forty-five (45) days prior to the date on which the User expects to make or incur such capital expenditures, deliver to the Issuer and to the Trustee a certificate executed by a financial officer of the User and specifying therein (i) that a Taxable Event, as defined and provided for in the Agreement (hereinafter defined), has not yet occurred, (ii) the reasons or causes necessitating that the User make or incur such capital expenditures, (iii) the date on which the User expects to make or incur such capital expenditures, (iv) that the User is directing, or will direct, the Trustee to redeem the Bonds in accordance with the appropriate provisions of the Indenture, and (v) the date of the closing of such purchase, which closing, and the redemption of the Bonds, shall be accomplished not later than the business day immediately preceding the date on which the User expects to make or incur such capital expenditures, and (B) shall make arrangements satisfactory to the Trustee for the giving of the required notice of redemption.

EACH OF THE BONDS is subject to mandatory redemption prior to its scheduled maturity and shall, at the option of the bearer or registered owner thereof (the "Bondholder"), be redeemed and cancelled prior to its scheduled maturity by the Trustee with funds to be deposited by the User into the Debt Service Fund created by the Initial Bond Resolution (unless such Bond is purchased by the User or its designee and remains outstanding as hereinafter provided), on November 1, 1985, or on November 1 of each year thereafter, at a redemption price equal to the principal amount thereof, plus accrued interest to the date of redemption, and without premium (the "Optional Put Redemption"); provided, however, that such option shall not be effective, and no Bond shall be redeemed pursuant to this paragraph (i) during any period in which an "Event of Default", as defined in the Trust Indenture, shall have occurred and be continuing or (ii) following a defeasance of the Bonds and the Trust Indenture pursuant to the provisions of Article 8 of the Trust Indenture. In order to exercise such option the Bondholder must, not less than 60 nor more than 90 days prior to the applicable redemption date, tender and deliver such Bond, and if in coupon form, all unmatured interest coupons appertaining to such Bond, to the Trustee, together with a properly executed written notice to the Trustee to the effect that such Bondholder is exercising such option, and



specifying the applicable redemption date and the principal amount to be redeemed (which notice may be in the form provided on each bond or in such other form acceptable to the Trustee). The Trustee shall, in its sole discretion, determine whether or not a Bondholder shall have properly exercised such option of redemption. The aforesaid tender and delivery of any Bond to the Trustee shall be irrevocable by such Bondholder. NOTWITHSTANDING THE FOREGOING PROVISIONS HEREOF, THE USER HAS RESERVED THE RIGHT, at its option, to prevent the redemption and cancellation of any such Bond by causing it to be purchased by the User or its designee on or before the date designated for such redemption, at a purchase price equal to the principal amount thereof plus accrued interest to the date designated for such redemption (the "Purchase Price"), in lawful money of the United States of America, in the manner hereinafter provided. The Trustee, acting separately as escrow agent (the "Escrow Agent") for the User and the Bondholders, shall, not later than 55 days prior to each applicable redemption date specified above, notify the User in writing of all Bonds, if any, tendered for redemption. To exercise the above option to purchase, the User shall, prior to each redemption date, notify the Escrow Agent in writing that the User or its named designee will purchase the Bonds specified in said notice (which may be all or part of the Bonds tendered), and on or before such redemption date the User or such designee shall provide the Escrow Agent with the required Purchase Price, in funds which will be fully available by such redemption date so as to permit the Escrow Agent to pay the Purchase Price to the tendering Bondholders on such redemption date, and the Escrow Agent shall make such payment to such Bondholders. The Bonds so tendered and purchased shall be and remain outstanding and unpaid for all purposes of the Agreement (hereinafter defined), the Initial Bond Resolution, and the Trust Indenture. By accepting and holding or owning this Bond, the Bondholder thereby and hereby agrees that the Escrow Agent shall act on the Bondholder's behalf if this Bond is tendered, and the Bondholder agrees to sell this Bond to the User or its designee in lieu of its redemption, all as provided above.

ON ANY DATE, the Bonds are subject to mandatory redemption, as a whole, and shall be redeemed prior to their scheduled maturities, by the Trustee, with funds which shall be furnished by the User, on the earliest practicable date, and in all events within sixty days, following the occurrence of a Taxable Event and a Final Determination of Taxability as defined and provided for in the Agreement (hereinafter defined). The redemption price in such event shall be equal to the principal amount of the Bonds so redeemed, plus accrued interest to the date of redemption plus an additional amount equal to the total interest having accrued on the Bonds during the period between the date of the Taxable Event and the prepayment or redemption date, with such additional amount being the agreed liquidated damages

00154

(for loss of a bargain and not as a penalty) which the owner of this Bond will be due, and which shall be a direct obligation of the User. Such redemption price shall constitute the entire amount due with respect to the outstanding Bonds as a result of the occurrence of a Taxable Event and a Final Determination of Taxability.

IN ADDITION, if there shall be both a Taxable Event and a Final Determination of Taxability, the User shall be obligated to, and promptly shall, pay an additional amount to the Trustee for the sole benefit of the owner of each of the Bonds of this Series, or portions thereof, which was outstanding on the date of the Taxable Event, but which was paid or redeemed prior to the mandatory redemption date described in the paragraph above. Such payment shall be sufficient in aggregate to pay in respect of each such Bond the amount the owner thereof would have received as agreed liquidated damages if, and assuming that, the aforesaid mandatory redemption date had occurred on the actual date of payment or redemption of such Bond. The Trustee shall pay such additional amount to each such owner upon reasonable proof to the Trustee of ownership on the date of the Taxable Event. Such agreed liquidated damages with respect to such Bonds shall constitute the entire amount due upon such Bonds and the owners thereof as a result of the occurrence of a Taxable Event and a Final Determination of Taxability.

ON ANY DATE, the Bonds are subject to redemption, in part, and may be redeemed prior to their scheduled maturities by the Trustee, by lot or any customary method of selection as determined by the Trustee, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date of redemption, and without premium, with and to the extent of any surplus funds remaining in the Construction Fund after the completion of the Project, as provided and required by Section 16 of the Initial Bond Resolution.

**PORTIONS of any fully registered Bond in an authorized denomination of more than \$5,000 to be redeemed shall be selected by the Trustee by lot or in such other manner as the Trustee shall determine, in a principal amount of \$5,000 or a whole multiple thereof, and upon the surrender of such Bond the Trustee will, at the option of the holder, either note such partial redemption in the payment record on the back of this Bond or issue to the registered holder hereof, without charge, for the unredeemed balance, if any, of the principal amount of such Bond, at the option of such holder, either coupon Bonds or registered Bonds in any of the authorized denominations as provided in the Initial Bond Resolution.

**Denotes Paragraph for Fully Registered Form

60155

THE AGREEMENT provides that any provision for any payment contained in the Agreement or this Bond, or in the interest coupons appertaining hereto, shall be held to be subject to reduction to the amount allowed under the Usury Laws of the State of Texas as now or hereafter construed by the courts having jurisdiction, and it is agreed by the Issuer and the bearer or owner of this Bond and of the interest coupons appertaining hereto that in no event shall usury be paid or collected with respect to this Bond or such interest coupons.

AT LEAST 30 DAYS and not more than 60 days prior to the date fixed for any redemption of Bonds prior to their scheduled maturities, the Trustee shall cause a written notice of such redemption to be published on at least one business day in each week for two successive weeks in a financial newspaper, journal, or publication of general circulation in The City of New York, New York, or in the State of Texas. If, because of temporary or permanent suspension of the publication or general circulation of all such newspapers, journals, or publications, it is impossible or impractical to publish such notice in the manner provided herein, then such publication in lieu thereof as shall be made by the Trustee shall constitute a sufficient publication of notice. In the case of registered Bonds or coupon Bonds registered as to principal, notice of redemption shall be given by registered or certified mail within such period to registered owners thereof as shown on the Registration Books maintained by the Trustee. By the date fixed for any such redemption, due provision shall be made by the User with the Trustee and the Paying Agent for the payment of the principal amount of the Bonds which are to be redeemed, plus accrued interest thereon to the date fixed for redemption, plus any required redemption premium, and any other amounts due the holders or owners of the Bonds. If such written notice of redemption is published and if due provision for payment of the redemption price is made, all as provided above, the Bonds which are to be redeemed, thereby automatically shall be deemed to have been redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the bearer or owner hereof to receive the redemption price from the Paying Agent out of the funds provided for such payment. Upon presentation and surrender of such Bonds to the Paying Agent, together with all coupons appertaining thereto maturing after such redemption date, such Bonds shall be paid at the redemption price. Interest coupons, if any, which shall mature on or before such redemption date shall be paid only upon presentation and surrender of such coupons. Except as set forth above, this Bond is not subject to redemption prior to maturity.

IF THE DATE for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal

00156

holiday, or a day on which banking institutions in the city where the Paying Agent is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date of payment.

THE BONDS are issuable in the form of coupon Bonds in the denomination of \$5,000 and in the form of fully registered Bonds without coupons in the denominations of \$5,000 or any integral multiple of \$5,000. The holder of any coupon Bond or Bonds may surrender the same, with all unmatured coupons and any matured coupons in default attached, at the above mentioned office of the Trustee, in exchange for an equal aggregate principal amount of fully registered Bond or Bonds without coupons, of the same maturity, of any of the authorized denominations, in the manner, subject to the conditions and upon the payment of the charges provided in the Initial Bond Resolution. In like manner, subject to such conditions and upon the payment of the charges, the owner of any fully registered Bond or Bonds without coupons may surrender the same (together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney), in exchange for an equal aggregate principal amount of coupon Bonds of the same maturity, with all unmatured coupons and any matured coupons in default attached, or of fully registered Bond or Bonds without coupons, of the same maturity and of any other authorized denominations.

*THIS BOND, until and unless registered as to principal, shall be transferable by delivery, and at the option of the holder, may be registered as to principal alone on the Bond Registration Books of the Issuer kept by the Trustee, as Bond Registrar, upon presentation hereof to the Trustee, which shall make notation of such registration in the registration blanks provided on the back of this Bond, and thereafter this Bond may be transferred only upon a duly executed assignment in such form as shall be satisfactory to the Bond Registrar, such transfer to be made on such Bond Registration Books and endorsed hereon by the Trustee. Any transfer may be to bearer and thereby transferability by delivery shall be restored, but this Bond shall again be subject to successive registration and transfers as before. The principal of this Bond, if registered, unless registered to bearer, shall be payable only to or upon the order of the registered owner or his legal representative. Notwithstanding the registration of this Bond as to principal, the interest coupons appertaining hereto shall remain payable to bearer and shall continue to be transferable by delivery. Any transfers shall be without expense to the holder hereof,

*Denotes Paragraph for Coupon Form.

0015700

but any taxes, fees, or other governmental charges required to be paid with respect to the same shall be paid by the transfer as a condition precedent to the exercise of such privilege.

**THE TRANSFER of this Bond shall be noted, as provided in the Initial Bond Resolution, upon the Bond Registration Books kept for that purpose at the above mentioned office of the Trustee by the registered owner hereof in person, or by his attorney duly authorized in writing, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his attorney duly authorized in writing, and thereupon a new fully registered Bond or Bonds, without coupons, of the same series and maturity and the same aggregate principal amounts, shall be issued to the transferee in exchange herefor as provided in the Initial Bond Resolution. Such transfers shall be without expense to the holder hereof, but any taxes, fees, or other governmental charges required to be paid with respect to the same shall be paid by the holder requesting such transfer as a condition precedent to the exercise of such privilege.

EVERY EXCHANGE OR TRANSFER of Bonds under the foregoing provisions shall be effected in such manner as may be prescribed by the Trustee. The Trustee shall not be required to make exchanges or transfers of any Bond within fifteen (15) days prior to any interest payment date or within fifteen (15) days prior to the first publication or mailing of notice of redemption of such Bond, whichever is earlier, anything in this Bond to the contrary notwithstanding.

**THE ISSUER, the User, and the Trustee may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof, the premium, if any, due hereon, and the interest due hereon and for all other purposes; and neither the Issuer, the User, Trustee shall be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED AND COVENANTED that this Bond has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been existed, and been done in accordance with law; that this Bond is a special revenue obligation of the Issuer, and that the principal of and interest on this Bond are payable from and secured by a first lien on and pledge of the payments designated as "Installment Loan Payments" to be made or paid, or caused to be made or paid, to the Trustee pursuant to the Initial Bond Resolution, the Trust Indenture (hereinafter defined), and the "Loan Agreement between the Mesquite Industrial Development Corporation and Genuine

**Denotes Paragraph for Fully Registered Form.

00158

Parts Company", dated as of November 1, 1982 (the "Agreement"). The User, which is a corporation organized and existing under the laws of the State of Georgia, is absolutely and unconditionally obligated (subject to the provisions of Sections 6.01 and 6.02 of the Agreement relating to merger, consolidation, transfer of assets, and assignment) to make or pay, or cause to be made or paid, without set-off, recoupment, or counterclaim, to the Trustee each such "Installment Loan Payment" for deposit into the Debt Service Fund created for the benefit of the Bonds by the Initial Bond Resolution, in aggregate amounts sufficient to pay and redeem, and provide for the payment and redemption of, the principal of and interest on this Bond, and the series of which it is a part, and to pay all other amounts required by the Agreement, the Initial Bond Resolution, and the Trust Indenture when due, subject to and as required by the provisions of the Agreement, the Initial Bond Resolution, and the Trust Indenture.

THE BONDS are secured by a Trust Indenture dated as of November 1, 1982 (the "Trust Indenture"), whereunder Trust Company Bank, Atlanta, Georgia, or its successor, as Trustee, is custodian of the Debt Service Fund and is obligated to enforce the rights of the owners of the Bonds and to perform other duties in the manner and under the conditions stated in the Trust Indenture. In case an "Event of Default", as defined in the Trust Indenture, shall occur, the principal of the Bonds then outstanding may be declared to be due and payable immediately upon the conditions and in the manner provided in the Trust Indenture. Reference is hereby made to the Initial Bond Resolution, the Trust Indenture and the Agreement for additional provisions with respect to the nature and extent of the security, the rights, duties, and obligations of the User, the Issuer, the Trustee, and the owners of the Bonds, the terms upon which the Bonds are issued and secured, and the modification of any of the foregoing.

THE ISSUER has reserved the right, subject to the restrictions stated in the Initial Bond Resolution, to issue additional parity revenue bonds ("Additional Bonds") which, when issued and delivered, shall be payable from the Debt Service Fund, and shall be payable from and secured by a first lien on and pledge of "Installment Loan Payments" pursuant to the Agreement and secured by the Trust Indenture, in the same manner and to the same extent as, and be on a parity with, all then outstanding Bonds and Additional Bonds.

THE ISSUER also has reserved the right to amend the Initial Bond Resolution and the Trust Indenture, as provided therein; and under some (but not all) circumstances amendments thereto must be approved by the owners of 51% or

aggregate principal amount of the outstanding Bonds and Additional Bonds secured by the Trust Indenture.

THE BEARER OR OWNER HEREOF shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation or from any source whatsoever except the payments and amounts described in this Bond, Initial Bond Resolution, the Trust Indenture, and the Agreement. Except for the lien on and the assignment and pledge of such payments and amounts, no property of the Issuer encumbered by any lien or security interest for the benefit of the bearer or owner of this Bond. Neither the State of Texas, the City of Mesquite, nor any other political corporation, subdivision, or agency of the State of Texas, nor the Board of Directors of the Issuer, either individually or collectively, shall be obligated to pay the principal of this Bond, any premium or payment with respect to this Bond, or the interest hereon; and neither the faith and credit, nor the taxing power, of the State of Texas, the City of Mesquite, nor any other political corporation, subdivision, or agency of the State of Texas, is pledged to the payment of the principal of this Bond, any premium payment with respect to this Bond, or the interest hereon.

THIS BOND may be registered as to principal alone in accordance with the provisions endorsed hereon.

THIS BOND shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Trust Indenture until the certificate of authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, this Bond * (and the interest coupons appertaining hereto) ** (has) * (have) been signed with the facsimile signatures of the President and Secretary of the Board of Directors of the Issuer, and the official seal of the Issuer has been duly impressed, placed in facsimile, on this Bond.

** The Date of this Bond in conformity with the Initial Bond Resolution is _____.

(facsimile)
Secretary, Board of Directors

(facsimile)
President, Board of Directors

(ISSUER'S SEAL)

**Denotes Paragraph for Fully Registered Form

00160

FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds issued under the provisions of the within mentioned Agreement, Initial Bond Resolution, and Trust Indenture.

Trust Company Bank, Trustee

By _____
Authorized Officer

FORM OF PROVISIONS FOR REGISTRATION FOR COUPON BONDS

BOND REGISTRATION PROVISIONS

This Bond may be registered as to principal alone on the Bond Registration Books of the Issuer kept by Trust Company Bank, Atlanta, Georgia, Trustee, as Registrar, upon presentation hereof to the Trustee, which shall make notation of such registration in the registration blank below, and this Bond thereafter may be transferred only upon a duly executed assignment of the registered owner or his duly authorized representative in such form as shall be satisfactory to the Trustee, such transfer to be made on such Bond Registration Books and endorsed hereon by the Trustee. Any such transfer of this Bond may be to bearer and thereby transferability by delivery shall be restored, but this Bond shall again be subject to successive registrations as before. The principal of this Bond, if registered, unless registered to bearer, shall be payable only to or upon the order of the registered owner or his legal representative upon presentation and surrender of this Bond to the Trustee by such registered owner (or to the bearer of this Bond if it is registered to bearer). The bearer of any coupon may be deemed and regarded by the Trustee and the Issuer as the absolute owner for all purposes, including payment and discharge of the liability upon such coupon to the extent of such payment, and neither the Trustee nor the Issuer shall be affected by any notice to the contrary. Notwithstanding the registration of this Bond as to principal, the interest coupons appertaining hereto shall remain payable to bearer and shall continue to be transferable by delivery. For every transfer the Trustee may make a charge to the owner of this Bond sufficient to reimburse it for any tax, fee, or governmental charge required to be paid with respect thereto.

<u>DATE OF REGISTRATION</u>	<u>NAME OF REGISTERED OWNER</u>	<u>SIGNATURE OF REGISTRAR</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

FORM OF INTEREST COUPON FOR COUPON BONDS

NO. _____ \$ _____

ON _____ 1, _____, MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION promises to pay to bearer hereof, but solely from the sources described in the Bond to which this interest coupon, the amount shown on this interest coupon, in lawful money of the United States of America (without exchange or collection charges to the bearer), unless due provision has been made for the redemption or payment prior to scheduled maturity of the Bond to which this interest coupon appertains, upon presentation and surrender of this interest coupon, at Trust Company Bank, Atlanta, Georgia, such amount being interest coming due on that day on the Bond, bearing the number hereinafter designated, of that issue of MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION REVENUE BONDS, SERIES 1982 (MOTOR PARTS DEPOT, INC. PROJECT - GENUINE PARTS COMPANY, ORLIGOR) dated November 1, 1982. The bearer hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation, or from any source whatsoever except the payments described in the Bond to which this coupon appertains. Bond No. _____.

(facsimile)
Secretary, Board of Directors

(facsimile)
President, Board of Directors

00162

FORM OF PAYMENT RECORD FOR FULLY REGISTERED BONDS

PAYMENT RECORD

<u>DATE OF PAYMENT</u>	<u>PRINCIPAL PAYMENT OR REDEMPTION</u>	<u>REMAINING PRINCIPAL BALANCE</u>	<u>NAME & TITLE OF AUTHORIZED OFFICER MAKING ENTRY</u>	<u>SIGNATURE OF AUTHORIZED OFFICER</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Section 6. PLEDGE. The Bonds and the interest thereon are and shall be payable from and secured by a first lien on and pledge of the payments designated as Installment Loan Payments to be made or paid, or caused to be made or paid, to the Trustee by the User, pursuant and subject to the terms and provisions of this Initial Bond Resolution, the Trust Indenture, and the Agreement; and such Installment Loan Payments are further pledged irrevocably to the establishment and maintenance of the Debt Service Fund herein after created.

Section 7. DEBT SERVICE FUND. (a) Establishment of Debt Service Fund. A separate and special trust fund to be designated and known as the "Debt Service Fund" shall be established by the Issuer with the Trustee for the benefit of the owners of the Bonds pursuant to the Agreement and the Trust Indenture, and maintained as provided in this Initial Bond Resolution and the Trust Indenture, as long as any of the Bonds, or interest thereon, is outstanding and unpaid.

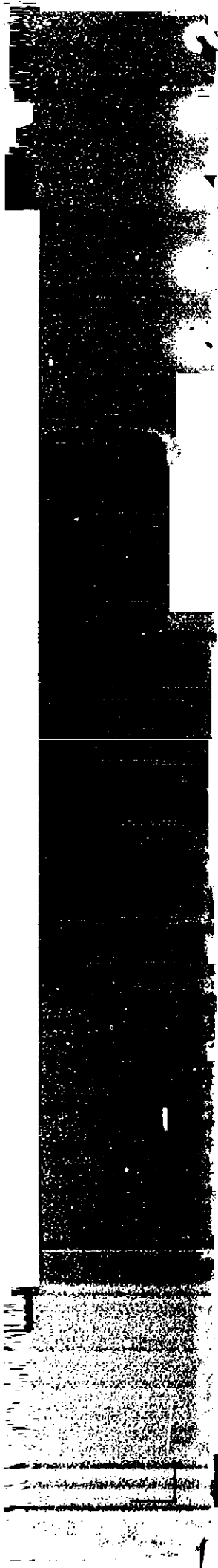
(b) Accrued Interest. Immediately after the delivery of the Bonds to the initial purchaser thereof, all accrued interest, if any, received from the proceeds from the sale and delivery of the Bonds, shall be transferred by the Trustee into the Debt Service Fund.

(c) Installment Loan Payments. The User shall make or pay, or cause to be made or paid, to the Trustee, which shall deposit into the Debt Service Fund, Installment Loan Payments as follows:

- (1) On or before each interest payment date as provided in the FORM OF BOND set forth in Section 5 an amount which, together with any other amounts then on deposit therein and available for such purpose, will be sufficient to pay the interest coming due on the Bonds on each interest payment date; and

- (2) On or before each principal payment date provided in Section 2 and in the FORM OF BOND set forth in Section 5 an amount which, together with any other amounts then on deposit therein available for such purpose, will be sufficient to pay the principal of the Bonds scheduled to mature on each principal payment date; and
- (3) On or before any optional or mandatory redemption date as permitted or required in the FORM OF BOND set forth in Section 5 an amount which, together with any other amounts then on deposit and available for such purpose, will be sufficient to pay the redemption price (including any agreed liquidated damages) specified therein; and
- (4) Promptly after the occurrence of a Taxable Event and a Final Determination of Taxability, the additional amount required to pay the agreed liquidated damages to the owners of Bonds which were outstanding on the date of any Taxable Event but which were paid or redeemed prior to the redemption of all outstanding Bonds after a Final Determination of Taxability, all as provided in the FORM OF BOND set forth in Section 5; and
- (5) On any date on which the Bonds are declared to be immediately due and payable pursuant to the Trust Indenture, an amount which, together with any other amounts then on deposit and available for such purpose, will be sufficient to pay the principal of all Bonds then outstanding and the interest accrued thereon to such date; and
- (6) Promptly after receipt of each statement and request for payment, an amount equal to the charges of the Trustee for performing the duties of Trustee and Registrar, and the charges of the Paying Agent for the Bonds, as designated in the FORM OF BOND set forth in Section 5, for paying or redeeming any Bonds, and the interest coupons appertaining to all of the Bonds.

In the event the User should fail to make, or cause to be made, any of the required Installment Loan Payments set forth in this Section, each such required payment shall continue as an obligation of the User until fully paid, and the User agrees to pay the same to the Trustee, for the benefit of the owners of the Bonds, with interest thereon to the extent legally permissible, at the rate of ten percentum (10%) per annum, from the date any such payment was due until payment thereof.



00164

(d) Redemption. The Bonds authorized hereby shall be subject to redemption, and may or shall be redeemed, as specified in the FORM OF BOND set forth in Section 5.

(e) Payments from Debt Service Fund. Except as otherwise specifically provided in this Initial Bond Resolution or the Trust Indenture, the Debt Service Fund shall be used by the Trustee only to pay the principal of, and redemption premium, if any, agreed liquidated damages, if any, and interest on the Bonds, when due, and the charges of the Trustee, Registrar, and Paying Agent; and the Trustee shall make available to the Paying Agent, out of the Debt Service Fund, the amounts required to pay or redeem the principal of and interest on the Bonds when due, and the Trustee shall make all other payments as required by this Initial Bond Resolution and the Trust Indenture. The Trustee shall obtain and destroy all paid Bonds and interest coupons appertaining to the Bonds, if any, and shall furnish the User an appropriate certificate of destruction at least annually.

(f) Immediately Available Funds. The User shall make all Installment Loan Payments in funds that will be immediately available and allow any Paying Agent to pay, in lawful money of the United States of America, the principal of and interest on the Bonds, when due.

(g) Investment of Funds. Any money held as part of the Debt Service Fund shall be invested or reinvested by the Trustee, upon the direction of the Approving Officer in any obligations, including certificates of deposit. The Trustee shall make no investments except as specifically directed by the Approving Officer. The investments of the Debt Service Fund shall be deemed to be a part of such Fund, and, for the purpose of determining the amount of money in such Fund, such investments shall be valued at their cost or market value, whichever is lower. The income and profits, including realized discount on obligations purchased, received from such investments shall be deposited in or credited to the Debt Service Fund, and any losses on investments thereon shall be charged against the Debt Service Fund. If at any time it shall become necessary that some or all of the investments made with the moneys from the Debt Service Fund be redeemed or sold to raise moneys necessary to comply with the provisions of this Initial Bond Resolution or the Trust Indenture, the Trustee shall, without further authorization, effect such redemption or sale, employing, in the case of a sale, any commercially reasonable method of effecting the same. The Trustee shall not be liable or responsible for any loss resulting from any such investment or resulting from the redemption or sale of any such investment as herein authorized; except that the Trustee shall be liable for (1) any loss resulting from its willful or negligent failure, within a reasonable time after receiving the direction from the Approving Officer to make,

redeem, or sell any investment in the manner provided for herein, and (2) except for any redemption or sale made pursuant to the next preceding sentence of this paragraph, for any loss resulting from the making, redeeming, or selling of any investment which was not authorized by direction of the Approving Officer. If the Trustee is unable, after reasonable effort and within a reasonable time, to make, redeem, or sell any such investment, it shall so notify in writing the Approving Officer and thereafter the Trustee shall be relieved of all responsibility with respect thereto. In the event of any such loss, the User shall make additional deposits to restore same if and to the extent required to enable the Trustee to make all payments required to be made from the Debt Service Fund, and such additional deposits shall constitute additional amounts of "Installment Loan Payments".

Section 8. SECURITY FOR FUNDS. All uninvested money in all Funds established pursuant to this Initial Bond Resolution (including the Debt Service Fund and the Construction Fund), shall be secured by the Trustee in such manner and to such extent as may be agreed to by the Approving Officer and the Trustee.

Section 9. THE USER'S PAYMENTS. (a) Absolute and Unconditional Obligation. The User has covenanted in the Agreement, and, by the approval of this Initial Bond Resolution, the User further has absolutely and unconditionally obligated itself and agreed, regardless of and notwithstanding any provisions of the Agreement, other than Sections 6.01 and 6.02 thereof relating to merger, consolidation, transfer of assets, and assignment, and regardless of the provisions of any other agreement or contract to the contrary, to make or pay, or cause to be made or paid, without set-off, recoupment, or counterclaim, the Installment Loan Payments to the Trustee in the amounts required by Section 7(c) to be made into the Debt Service Fund, and to make such payments on or before the dates specified in this Initial Bond Resolution and the Trust Indenture; and said payments by the User shall be and constitute the Installment Loan Payments as contemplated and required by the Agreement. Each Bondholder is and shall be entitled to rely unconditionally on the agreements, covenants, and representations set forth in this Initial Bond Resolution and the Trust Indenture.

(b) Prepayments. It is further understood that the User may prepay all or any part of each Installment Loan Payment, and any such prepayment, and any earnings thereon, shall be applied by the Trustee to the payment of each Installment Loan Payment; provided that the redemption of any outstanding Bonds prior to maturity at any time, with funds from any source (whether from Installment Loan Payments or otherwise), shall not relieve the User of its obligation to make or pay, or cause to be made or paid, each

00166

Installment Loan Payment as specified in Section 9(a), when due with respect to any remaining outstanding Bonds.

Section 10. ADDITIONAL PARITY BONDS. (a) Additional Bonds. The Issuer reserves the right, upon the request of the User, to issue additional parity revenue bonds ("Additional Bonds") in any amounts, for any lawful purpose or purposes, including the refunding of any outstanding Bonds. Such Additional Bonds, along with the Bonds authorized by this Initial Bond Resolution, shall be considered, constitute, and be "Bonds" as defined in, and for all purposes of, the Agreement and the Trust Indenture. Furthermore, for all purposes of this Initial Bond Resolution, the term "Bonds" shall mean and include the Bonds authorized hereby and any Additional Bonds, unless the context otherwise indicates. When issued and delivered such Additional Bonds, the redemption premium, if any, agreed liquidated damages, if any, and the interest thereon, shall be payable from the Debt Service Fund, and shall be payable from and secured by a first lien on and pledge of Installment Loan Payments pursuant to the Agreement, and secured by the Trust Indenture, in the same manner and to the same extent as, and be on a parity with, all then outstanding Bonds and Additional Bonds. Such Additional Bonds may be issued in one or more series or issues, in various principal amounts, maturing at different times, bearing interest at different rates, be payable in installments or otherwise, be redeemable prior to maturity, with or without redemption premium, on whatever terms or prices, and may contain such other provisions as may be provided in any Bond Resolution authorizing the issuance of such Additional Bonds. It is provided, however, that no series or issue of Additional Bonds shall be issued unless:

(i) In the opinion of Bond Counsel the issuance of such Additional Bonds will not adversely affect the exemption from federal income taxation of the interest on the then outstanding Bonds and Additional Bonds, or affect the validity of the then outstanding Bonds or Additional Bonds;

(ii) A certificate is executed by the President and Secretary of the Board of Directors of the Issuer to the effect that no default exists in connection with the Bonds or the Trust Indenture (or any amendment or supplement thereto) or with any of the covenants or requirements of this Initial Bond Resolution or the Bond Resolutions (or any amendments or supplements thereto) authorizing the issuance of all then outstanding Bonds and Additional Bonds, and that the Debt Service Fund contains the amount then required to be on deposit therein;

(iii) The Bond Resolution authorizing the issuance of such series or issue of Additional Bonds provides for additional Installment Loan Payments to be

deposited into the Debt Service Fund in amount sufficient to pay all principal of, redemption premium if any, agreed liquidated damages, if any, and interest on such Additional Bonds, together with all Trustee, Registrar, and Paying Agent fees and expenses attributable to such Additional Bonds;

(iv) The Approving Officer approves in writing the Bond Resolution authorizing the issuance of such series or issue of Additional Bonds, as required by the Agreement; and

(v) The Trustee, Paying Agent, and principal and interest payment dates during any year in which principal and interest on such Additional Bonds are scheduled to be paid, are the same for the Additional Bonds and the Bonds.

(vi) The Texas Industrial Commission has given its prior written approval to the issuance of such Additional Bonds.

(b) Amendments to Trust Indenture Unnecessary. It shall not be necessary or required that the Trust Indenture be amended or supplemented to cause any series or issue of Additional Bonds to be secured by the Trust Indenture. Any that shall be necessary or required to cause any such Additional Bonds to be secured by the Trust Indenture, in addition to the requirements of Section 10(a), above, is for the Issuer to deliver to the Trustee a certified copy of the Bond Resolution authorizing their issuance prior to the delivery of such Additional Bonds.

Section 11. SPECIAL COVENANTS. The Issuer further covenants as follows:

(a) Installment Loan Payments Pledged to Bonds Only. Other than for the payment of the Bonds, as provided in the Initial Bond Resolution and the Trust Indenture, the Installment Loan Payments have not in any manner been pledged to the payment of any debt or obligation of the Issuer;

(b) Non-Encumbrance. While any of the Bonds is outstanding, the Issuer will not (except with respect to the Bonds and any Additional Bonds and except as provided in the Agreement, any Bond Resolution, or the Trust Indenture) in any manner whatsoever create, assume, or suffer to exist directly or indirectly, any mortgage, lien, encumbrance, pledge, or charge against the Debt Service Fund, the Installment Loan Payments, the Construction Fund, or any property or moneys deposited with the Trustee;

(c) Performance by Issuer. The Issuer will carry out all of its covenants and obligations under this Initial Bond Resolution; and the Issuer may be required to carry out such

CC168

covenants and obligations by all legal and equitable means, including, but without limitation, actions for specific performance and the use and filing of mandamus proceedings, in any court of competent jurisdiction, against the Issuer, its Board of Directors, and its officials and employees; and

(d) Certain Modifications Prohibited. The Issuer covenants and agrees that it will not execute or permit the execution of any contract or agreement, or terminate or amend the Agreement, in any manner that would relieve or abrogate the obligations of the User to make or pay, or cause to be made or paid, when due, all Installment Loan Payments, in the manner and to the extent required by the Agreement, this Initial Bond Resolution, and the Trust Indenture, or which would change or affect Sections 4.04, 4.05, 4.06, 6.01 and 6.02 of the Agreement without the written consent of all of the Bondholders and the Trustee.

Section 12. BONDS ARE SPECIAL OBLIGATIONS. The Bonds are and shall be special revenue obligations of the Issuer payable solely from payments to be made under the Agreement, this Initial Bond Resolution, and the Trust Indenture; and the Bondholders shall never have the right to demand payment thereof or the interest thereon out of funds raised or to be raised by taxation, or from any source whatsoever other than the foregoing. The Bonds are not and shall never be considered as obligations of the State of Texas, the Governmental Unit, or any other political subdivision or agency of the State of Texas, or of the Board of Directors of the Issuer, either individually or collectively.

Section 13. AMENDMENTS. (a) Amendment with Consent of Owners of 51% of Bonds. Subject to approval in writing by the Approving Officer of the User, the owners of 51% of the aggregate principal amount of then outstanding Bonds shall have the right from time to time to approve any amendment to any Bond Resolution, or to the Trust Indenture (provided that the Trustee must approve any amendment to the Trust Indenture), which may be deemed necessary or desirable to the Issuer; provided, however, that nothing herein contained shall permit or be construed to permit the amendment without the consent of the owner of each of the outstanding Bonds affected thereby, of the terms and conditions of any Bond Resolution, the Bonds, or the Trust Indenture, so to:

- (1) change the Debt Service Fund requirements, interest payment dates, or the maturity or maturities of the outstanding Bonds;
- (2) reduce the rate of interest borne by any of the outstanding Bonds;
- (3) reduce the amount of the principal of, redemption premium, if any, liquidated damages, if any,

00469

interest on the outstanding Bonds, or impose any conditions with respect to such payments;

- (4) modify the terms of payment of principal of, redemption premium, if any, liquidated damages, if any, or interest on the outstanding Bonds, or impose any conditions with respect to such payments;
- (5) affect the rights of the owners of less than all of the Bonds then outstanding;
- (6) decrease the minimum percentage of the principal amount of Bonds necessary for consent to any such amendment; or
- (7) alter the obligations of the User to pay Installment Loan Payments in the manner and to the extent provided in the Agreement, the Bond Resolution, and the Trust Indenture,

(b) Notice of Amendment. If at any time the Issuer shall desire to amend any Bond Resolution, or the Trust Indenture, under this Section, the Issuer shall file a copy of the proposed amendment at the principal office of the Trustee and shall cause notice of the proposed amendment to be published at least once in a financial newspaper, journal or publication of general circulation in The City of New York, New York, or in the State of Texas, during each calendar week for at least two successive calendar weeks. If, because of temporary or permanent suspension of the publication or general circulation of all such financial newspapers, journals and publications, it is impossible or impractical to publish such notice in the manner provided herein, then such publication in lieu thereof as shall be made by the Trustee shall constitute a sufficient publication of notice. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of the Trustee for inspection by all owners of Bonds. Such publication is not required, however, if notice in writing is given to each owner of Bonds.

(c) Consent to Amendment. Whenever at any time not less than 30 days, and within one year, from the date of the first publication of said notice or other service of written notice the Issuer shall receive an instrument or instruments executed by the owners of at least 51% in aggregate principal amount of all Bonds then outstanding, which instrument or instruments shall refer to the proposed amendment described in said notice and shall specifically consent to and approve such amendment, the Issuer may adopt the amendatory resolution in substantially the same form.

(d) Effect of Amendment. Upon the adoption of any amendatory resolution pursuant to the provisions of this

00170

Section, any such Bond Resolution, or the Trust Indenture, shall be deemed to be amended in accordance with such amendatory resolution, and the respective rights, duties, and obligations under such amendatory resolution, or the Trust Indenture, of all the Bondholders shall thereafter be determined and exercised subject in all respects to such amendments.

(e) Consent of Bondholders. Any consent given by a Bondholder pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the first publication of the notice provided for in this Section, and shall be conclusive and binding upon all future owners of the same Bond during such period. Such consent may be revoked at any time after six months from the date of the first publication of such notice by the Bondholder who gave such consent, or by a successor in title, by filing notice thereof with the Trustee and the Issuer, but such revocation shall not be effective if the owners of 51% in aggregate principal amount of the then outstanding Bonds have, prior to the attempted revocation, consented to and approved the amendment.

(f) Ownership of Bonds. For the purpose of this Section, the fact of being a Bondholder and the amount and numbers of such Bonds, and the date of being a Bondholder, may be conclusively presumed, or may be proved by an affidavit satisfactory to the Issuer and the Trustee of the person claiming to be such Bondholder, or by a certificate executed by any trust company, bank, banker, or any other depository wherever situated showing that at the date therein mentioned such person has on deposit with such trust company, bank, banker, or other depository, the Bonds described in such certificate, or in any other manner, whether or not the Bonds are so deposited, as the Trustee may approve. The Issuer may conclusively presume that the status of any Bondholders will continue until written notice to the contrary is served upon the Issuer.

(g) Amendments Without Consent. Notwithstanding the provisions of (a) through (f) of this Section, and without publication of the proposed amendment and without the consent of the Bondholders, but subject to approval of the Approving Officer and, in the case of any amendment to the Trust Indenture, with the approval of the Trustee, the Issuer may, at any time, amend any Bond Resolution, or the Trust Indenture, to cure any ambiguity or cure, correct, or supplement any defective or inconsistent provision contained therein, or make any other change that does not in any respect materially and adversely affect the interest of the Bondholders, provided that no such amendment shall be made contrary to the proviso to Section 13(a), and a duly certified or executed copy of each such amendment shall be filed with the Trustee.

00171

Section 14. ESTABLISHMENT OF CONSTRUCTION FUND. (a) Deposit of Bond Proceeds into Construction Fund. Prior to or immediately after the sale and delivery of the Bonds authorized hereby, the Issuer shall establish the Construction Fund with the Trustee, as defined in and required by the Agreement. The Issuer shall deposit all of the proceeds from the sale and delivery of the Bonds authorized hereby into the Construction Fund. The Trustee shall draw on and use the Construction Fund as hereinafter provided. The amount so deposited into the Construction Fund shall constitute the Loan made to the User by the Issuer as contemplated and provided in the Agreement.

(b) Investment of Money in Construction Fund. Any money held as part of the Construction Fund, other than the amounts described in Section 15(a), shall be invested or reinvested by the Trustee upon the direction of the Approving Officer in any obligations, including certificates of deposit. The Trustee shall make no investments except as specifically directed by the Approving Officer. The investments of the Construction Fund shall be deemed to be a part of the Construction Fund, and for the purpose of determining the amount of money in the Construction Fund, such investments shall be valued at their cost or market value, whichever is lower. The income and profits, including realized discount on obligations purchased, received from such investments shall be deposited in or credited to the Construction Fund, and any losses on investments shall be charged against the Construction Fund. Upon the direction of the Approving Officer the Trustee shall redeem or sell all or any designated part of such investments employing, in the case of a sale, any commercially reasonable method of effecting the same. The Trustee shall not be liable or responsible for any loss resulting from the redemption or sale of any such investment as herein authorized; except that (notwithstanding any provisions of the Agreement) the Trustee shall be liable for: (1) any loss resulting from its willful or negligent failure, within a reasonable time after receiving the direction from the Approving Officer, to make, redeem, or sell any investment in the manner provided for herein, and (2) any loss resulting from the making, redeeming, or selling of any investment which was not authorized by direction of the Approving Officer. If the Trustee is unable, after reasonable effort and within a reasonable time after receipt of the required direction, to make, redeem, or sell any such investment, it shall so notify in writing the Approving Officer, and thereupon the Trustee shall be relieved of all liability or responsibility with respect thereto.

(c) Deposit of Accrued Interest, Income, and Profits. Any accrued interest received from the sale of the Bonds, and, upon direction of the Approving Officer and, to the extent that such use is consistent with the requirements

00172

of Section 15(b)(v), all income and profits received from the investment of the Construction Fund, shall (as soon as practicable after any receipt thereof has been deposited in or credited to the Construction Fund) be transferred by the Trustee and deposited into the Debt Service Fund to be used to pay interest on the Bonds during the period of construction of the Project.

Section 15. PAYMENTS FROM CONSTRUCTION FUND. (a) Issuer's Administrative Overhead Expenses and Other Costs. Immediately after the delivery of the Bonds authorized hereby the Trustee shall pay directly to the Issuer the amount of \$3,000 in accordance with the Agreement, being the amount required to reimburse the Issuer for its administrative and overhead expenses directly attributable and chargeable to the costs of issuance of the Bonds authorized hereby and the acquisition, construction, equipping, and furnishing of the Project. Also, immediately after the delivery of the Bonds authorized hereby, the Trustee shall pay directly out of the Construction Fund, promptly after receiving the bills or statements therefor, all of the actual expenses and costs of issuance of such Bonds, including, without limitation, financing charges, printing and engraving expenses, the fees and expenses of accountants, financial advisors, and attorneys, and the initial fees and expenses of the Trustee.

(b) Reimbursement for and Payment of Cost of Project. Subject and subordinate to making the payments required by the preceding paragraph, the Trustee shall make an initial payment, if requested by the User in the manner described below for payments from the Construction Fund, to reimburse the User for any Cost of the Project, paid by the User prior to such date of delivery. The Trustee shall make such initial payment, if requested, and shall make any subsequent payments from the Construction Fund to enable the User to pay, or to reimburse the User for paying, any Cost of the Project, from time to time upon receipt by the Trustee of a request of the User signed by the Approving Officer. Such request shall be accompanied by a certificate stating with respect to each payment as follows:

(i) the expenditures, in summary form, for which payment is to be made or for which reimbursement is requested;

(ii) that the amounts requested are to be, or have been paid, by the User for interest during construction, property or to contractors, subcontractors, materialmen, engineers, architects, or other persons who will perform or have performed necessary or appropriate services or will supply or have supplied necessary or appropriate materials for the acquisition, construction, equipping, and furnishing of the Project, as the case may be, and that, to the best of his

knowledge, the fair value of such interest, property, services, or materials is not exceeded by the amounts requested to be paid;

(iii) that no part of the several amounts requested to be paid to the User, as stated in such certificate, has been or is the basis for the payment of any money in any previous or then pending request;

(iv) that the payment of the amounts requested will not result in a breach of any of the covenants of the User contained in the Agreement, and particularly those covenants in Sections 4.05 and 4.06 thereof, which relate to the Code and the Regulations; and

(v) that the expenditure of such amounts to be paid, when added to all previous disbursements from the Construction Fund, will result in at least 90% of the total of such disbursements, other than disbursements for issuance expenses, being used to provide land or property of a character subject to the allowance for depreciation under the Code (which expenditures are amounts paid or incurred which are, for federal income tax purposes, chargeable to the Project's capital account or would be so chargeable either with a proper election by the User [for example, under Section 266 of the Code] or but for a proper election by the User to deduct such amounts).

(c) Reliance by Trustee. The Trustee shall rely fully on any such request and certificate delivered pursuant to this Section and shall not be required to make any investigation in connection therewith. If amounts paid by the Trustee with respect to any portion of the Project should exceed the cost thereof, the User shall promptly repay such overpayment into the Construction Fund.

Section 16. SURPLUS CONSTRUCTION FUNDS. (a) Disposition of Surplus Funds. The completion of the Project shall be conclusively evidenced, and the date of completion shall be established by a written certificate of completion to be signed by the Approving Officer and delivered to the Trustee immediately upon completion of the Project. If, upon the completion of the Project, there shall be any surplus funds remaining in the Construction Fund not required to provide for the payment of the Cost of the Project, or if any funds are on hand in the Construction Fund at the time of the release of the Trust Indenture under the terms thereof, then any such funds shall be used immediately to pay, redeem, and retire Bonds in the manner set forth in the Form of Bond in Section 5 for the redemption of Bonds with surplus construction fund moneys, to the extent of any such available funds; provided that prior to such use, the Issuer and the Trustee shall have been furnished with an unqualified opinion of Bond Counsel to the effect that the use of moneys from the

00174

Construction Fund for such purpose will be lawful and will not impair the exemption of interest on the Bonds from federal income taxation; and provided, further, that the User shall deposit into the Construction Fund prior to such redemption an amount sufficient to cause the total amount in the Construction Fund to be equal to an integral multiple of \$5,000.

(b) Disposition of Construction Fund upon Acceleration and Redemption. If the Trustee shall declare the principal of the Bonds and the interest accrued thereon immediately due and payable as the result of an Event of Default specified in the Trust Indenture, or if the Bonds are optionally or mandatorily redeemed prior to maturity as a whole in accordance with their terms, any amounts remaining in the Construction Fund shall be used immediately by the Trustee for the purpose of paying principal of, redemption premium, if any, agreed liquidated damages, if any, and interest on the Bonds when due.

Section 17. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS AND COUPONS. (a) Replacement Bonds. In the event any of the outstanding Bonds or interest coupons appertaining thereto is damaged, mutilated, lost, stolen, or destroyed, the Issuer shall execute, and the Trustee shall authenticate, a new bond of the same principal amount and maturity with coupons corresponding in all respects to those unpaid coupons, if any, of the damaged, mutilated, lost, stolen, or destroyed Bonds or coupons, in exchange and substitution for such Bond and its coupons, if any, or in lieu of and substitution for such Bond and its coupons, if any.

(b) Application for Substitute Bonds. Application for exchange and substitution of damaged, mutilated, lost, stolen, or destroyed Bonds and coupons shall be made to the Issuer. In every case, the applicant for a substitute bond shall furnish to the Issuer and to the Trustee such security or indemnity as may be required by them to save each of them and the Paying Agent harmless. In every case of loss, theft, or destruction of a Bond or a coupon, the applicant shall also furnish to the Issuer and to the Trustee evidence to their satisfaction of the loss, theft, or destruction, and of the ownership of such Bond or coupon, as the case may be, and in every case of damage, mutilation, loss, theft, or destruction of a coupon or coupons only, the applicant shall surrender the Bond to which the coupon or coupons so damaged, mutilated, lost, stolen, or destroyed appertain, with all coupons appertaining thereto (including any mutilated coupons) not lost, stolen, or destroyed. In every case of damage or mutilation of a Bond only, the applicant shall surrender the Bond so damaged or mutilated together with all coupons, if any, appertaining thereto.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Bond or coupon shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, agreed liquidated damages, if any, or interest on the Bonds, the Issuer may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond or coupon) instead of issuing a substitute Bond and coupons, if any, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Substitute Bonds. Prior to the issuance of any substitute bond and coupons appertaining thereto, the Issuer and the Trustee may charge the owner of such Bond with all legal, printing, and other expenses in connection therewith. Every substitute bond (and any coupon or coupons attached thereto, if any) issued pursuant to the provisions of this Section by virtue of the fact that any Bond or any coupon is lost, stolen, or destroyed shall constitute a contractual obligation of the Issuer whether or not the lost, stolen, or destroyed Bond or coupon shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of the Trust Indenture and this Initial Bond Resolution equally and proportionately with any and all other Bonds and coupons duly issued under this Initial Bond Resolution.

(e) Authority for Issuing Substitute Bonds. This Initial Bond Resolution shall constitute sufficient authority for the issuance of any such substitute bond and coupons appertaining thereto without necessity of further action by the Board of Directors of the Issuer or any other body or person, and the issuance of such substituted bonds is hereby authorized, notwithstanding any other provisions of this Initial Bond Resolution, except to the extent otherwise required by law.

Section 18. NO ARBITRAGE. The Issuer and the User have covenanted to and with the purchasers of the Bonds that they will make no use of the direct or indirect proceeds thereof at any time throughout the term thereof which would cause the Bonds to be arbitrage bonds within the meaning of Section 103(c) of the Code or any Regulations or rulings pertaining thereto; and by this covenant the Issuer and the User are obligated to comply with the requirements of the aforesaid Section 103(c) and all applicable and pertinent Regulations relating to arbitrage bonds.

Section 19. FINDINGS. Based upon the representations made by the User in the Agreement, the Board of Directors hereby affirmatively finds that (i) the Project is suitable for the promotion of commercial, industrial or manufacturing development and expansion, (ii) the Project will have a direct, positive and favorable impact on employment in the

00176

Governmental Unit, and (iii) that the Project is in furtherance of the public purposes as set forth in the Act.

Section 20. SALE OF THE BONDS. At the specific request of the User, the Bonds are hereby authorized to be sold, and shall be delivered to Robinson Humphrey/American Express Inc at the price of 98.40% of the aggregate face amount of the Bonds and accrued interest to the date of payment and delivery.

Section 21. TRUST INDENTURE. For the purpose of additionally securing the payment of the Bonds, the redemption premium, if any, the agreed liquidated damages, if any, and the interest thereon, and for the purpose of providing for and fixing in more detail the rights of the owners of the Bonds and any interest coupons appertaining thereto, and of the Issuer, the User, and the Trustee, and for the purpose of making more effective the first lien on and pledge of the payments to be made pursuant to the Agreement and this Initial Bond Resolution, a Trust Indenture in substantially the following form and substance shall be signed, sealed, and otherwise executed and delivered, for and on behalf of the Issuer, by the President and the Secretary of its Board of Directors, after which the Trust Indenture shall be executed by the Trustee and shall become effective upon the delivery of the Bonds authorized hereby:



00177

TRUST INDENTURE
BETWEEN
MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION
AND
TRUST COMPANY BANK
(MOTOR PARTS DEPOT, INC. PROJECT -
GENUINE PARTS COMPANY, OBLIGOR)

Pursuant to and under this Trust Indenture the Mesquite Industrial Development Corporation has granted a security interest in and assigned to Trust Company Bank, Atlanta, Georgia, as Trustee, all of its interests in all "Installment Loan Payments" due pursuant to and under the "Loan Agreement between Mesquite Industrial Development Corporation and Genuine Parts Company" to secure its Revenue Bonds, Series 1982 (Motor Parts Depot, Inc. Project - Genuine Parts Company, Obligor).

Debtor:

Mesquite Industrial
Development Corporation
711 North Galloway
Mesquite, Texas 75149

Secured Party:

Trust Company Bank, Trustee
Corporate Trust Department
P.O. Box 4625
Atlanta, Georgia 30302

00178

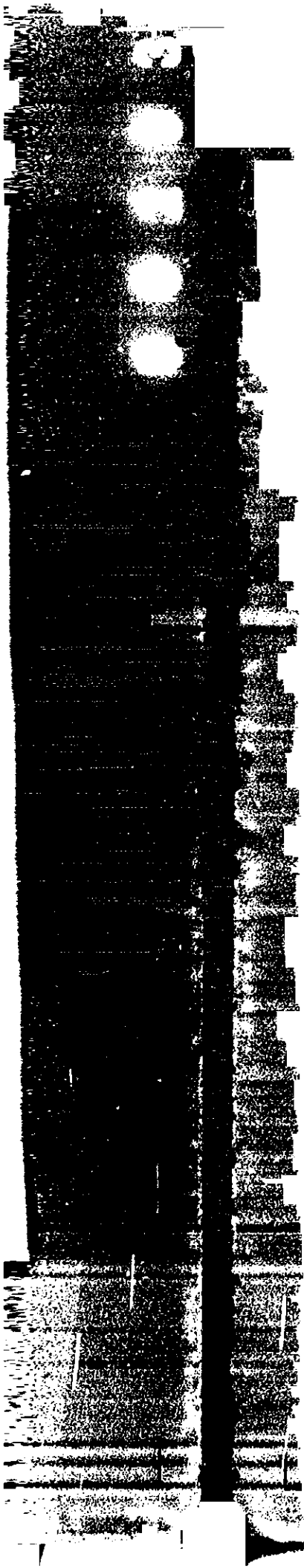
TABLE OF CONTENTS

(The Table of Contents is not a part of the Trust Indenture but is for convenience of reference only)

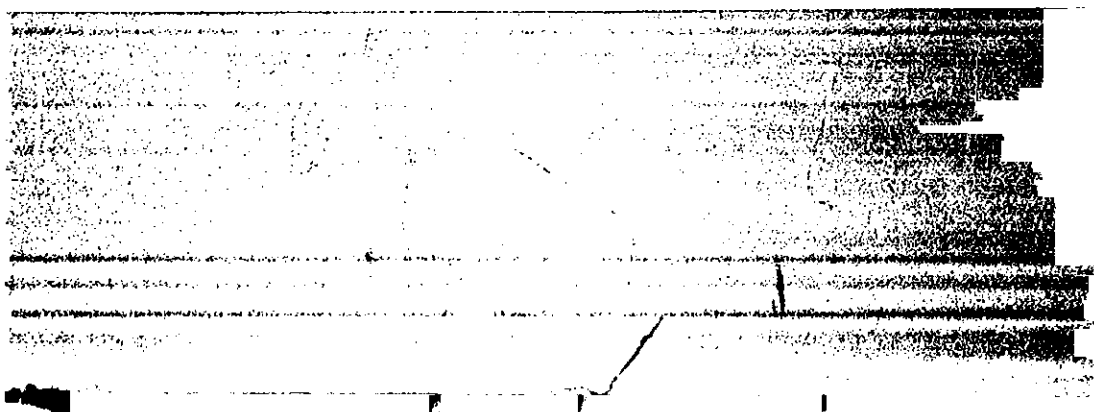
	<u>PAGE</u>
Parties	1
Recitals	2
Granting Clause	2
ARTICLE 1. ACCEPTANCE OF TRUST	3
ARTICLE 2. DEBT SERVICE FUND AND CONSTRUCTION FUND	3
ARTICLE 3. NOTICE TO USER	4
ARTICLE 4. ACCOUNTS AND RECORDS	4
(a) Separate Records to be Kept	4
(b) Annual Report	4
(c) Right to Inspect	4
ARTICLE 5. ENFORCEMENT OF RIGHTS IN CASE OF DEFAULT	5
(a) Appointment of Trustee and Rights of Holder	5
(b) Control by Trustee	5
(c) Events of Default	6
(d) Declaration of Principal and Interest Due	7
(e) Enforcement by Trustee	7
(f) Remedies Non-Exclusive	8
(g) Waiver of Defaults	8
(h) Discretion of Trustee	8
(i) Application of Moneys	8
(j) Judicial Proceedings	10
(k) Enforcement of Remedies Without Possession of Bonds	10
(l) Direction by Majority in Principal Amount of Bondholders	10
(m) Notice by Trustee	10
(n) Concurrence of Bondholders	11
(o) Default of Payments	11
(p) Notice to User of Past Due Payments	11

00179

	<u>PAGE</u>
ARTICLE 6. CONCERNING THE TRUSTEE	11
(a) Not Accountable for Bond Proceeds	11
(b) Reliance by Trustee	12
(c) Compensation of Trustee from Debt Service Fund	12
(d) Limited Responsibilities	12
(e) Advice	13
(f) Trustee May Own Bonds	13
(g) Fees	13
ARTICLE 7. SUCCESSOR TRUSTEE	14
(a) Resignation of Trustee	14
(b) Removal of Trustee	14
(c) Appointment of Successor Trustee	14
(d) Transfer to Successor Trustee	15
(e) Merger or Consolidation of Trustee	15
ARTICLE 8. RELEASE OF INDENTURE AND SATISFACTION OF INDEBTEDNESS	16
ARTICLE 9. AMENDMENTS	16
ARTICLE 10. MISCELLANEOUS PROVISIONS	16
(a) Acknowledgements and Ownership of Bonds	16
(b) Trustee May Require Proof of Ownership	17
(c) Consent of Bondholders	17
(d) Survival of Valid Bonds	18
(e) Unclaimed Furds	18
(f) Rights of Parties	18
(g) Severability	18
(h) Law	19
ARTICLE 11. RECORDING	19
(a) Trustee to Record	19
(b) Non-Encumbrance	19
ARTICLE 12. NOTICE TO THE TEXAS INDUSTRIAL COMMISSION	19
Execution by the Issuer	20
Execution by the Trustee	21



00180



00181

TRUST INDENTURE

THE STATE OF TEXAS :
MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION :

THIS TRUST INDENTURE, dated as of November 1, 1982, executed by and between Mesquite Industrial Development Corporation (the "Issuer"), a nonstock, nonprofit industrial development corporation organized and existing under the laws of the State of Texas, including particularly the Development Corporation Act of 1979 (Chapter 700, Acts of the Regular Session of the 66th Legislature), as amended (the "Act"), and Trust Company Bank, Atlanta, Georgia, a banking corporation duly organized and existing under the laws of the State of Georgia and having its principal office in the City of Atlanta, Georgia, as Trustee (the "Trustee"):

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

WHEREAS, a "Loan Agreement between Mesquite Industrial Development Corporation and Genuine Parts Company," dated as of November 1, 1982, (the "Agreement") has been duly executed between the Issuer and Genuine Parts Company (the "User"), with the User being a corporation organized and existing under the laws of the State of Georgia, being fully qualified to transact business in the State of Texas; and

WHEREAS, an executed copy of the Agreement has been filed with the Trustee; and

WHEREAS, pursuant to the Agreement the Board of Directors of the Issuer has duly adopted a "RESOLUTION AUTHORIZING THE ISSUANCE OF MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION REVENUE BONDS, SERIES 1982, AND THE EXECUTION OF A TRUST INDENTURE (MOTOR PARTS DEPOT, INC. PROJECT - GENUINE PARTS COMPANY, OBLIGOR)", which, together with any amendment thereto, is hereinafter called and designated the "Initial Bond Resolution"; and

WHEREAS, the Initial Bond Resolution authorizing the issuance of MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION REVENUE BONDS, SERIES 1982, (MOTOR PARTS DEPOT, INC. PROJECT - GENUINE PARTS COMPANY, OBLIGOR), in the aggregate principal amount of \$3,500,000, which together with any replacement bonds and any additional parity revenue bonds ("Additional Bonds") authorized to be issued by the Initial Bond Resolution, are hereinafter collectively called the "Bonds"; and

00182

WHEREAS, a certified copy of the Initial Bond Resolution has been duly filed with the Trustee; and

WHEREAS, pursuant to the Initial Bond Resolution, a certified copy of each resolution authorizing the issuance of each series or issue of Additional Bonds shall be filed with the Trustee prior to the delivery thereof; and

WHEREAS, as used in this Trust Indenture the word "Bond Resolution" shall mean and include collectively the Initial Bond Resolution (including the Trust Indenture prescribed and authorized to be executed in the Initial Bond Resolution) and, when adopted and filed with the Trustee, each resolution authorizing the issuance of Additional Bonds together with any supplemental resolutions or amendments to such resolutions or the Trust Indenture; and

WHEREAS, pursuant to the Agreement and the Bond Resolution and subject to the terms and provisions thereof, the Bonds, the redemption premium, if any, agreed liquidated damages, if any, and the interest thereon, are and shall be payable from and secured by a first lien on and pledge of the payments designated "Installment Loan Payments" to be made or paid, or caused to be made or paid, by the User (or its successors or assigns under certain circumstances) to the Trustee; and

WHEREAS, for purposes of this Trust Indenture, the definitions of terms in the Agreement and the Bond Resolution are hereby adopted, and the terms used herein shall have the same meanings as such terms are given in said Agreement and Bond Resolution unless a different meaning is given herein; and

WHEREAS, the Trustee has accepted the trusts created by this Trust Indenture, and in evidence thereof has joined in the execution hereof; and

WHEREAS, this Preamble constitutes an integral part of this Trust Indenture.

NOW, THEREFORE, THIS TRUST INDENTURE WITNESSETH:

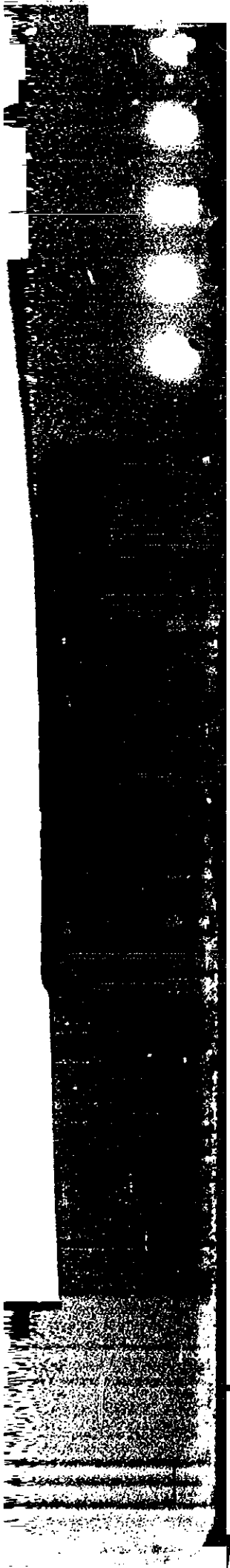
That the Issuer in consideration of the premises and the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the Bonds by the owners thereof, and for other good and valuable consideration, the receipt of which is hereby acknowledged, and for the purpose of securing and providing for the payment of the

00183

principal of, redemption premium, if any, and interest on the Bonds at any time issued and outstanding, when due, any agreed liquidated damages, all fees and expenses of the Trustee and Registrar, and the Paying Agents for the Bonds, and all other payments required to be made by the User and/or the Guarantor under the Agreement and the Bond Resolution, has granted a security interest in, assigned, transferred, pledged, set over, and confirmed, and by these presents does grant a security interest in, assign, pledge, set over, and confirm unto the Trustee, and to its successor or successors in said trust, and to its or their assigns, all and singular (i) all of its right, title, and interest in and to the Installment Loan Payments as required and provided in the Agreement and the Bond Resolution, and (ii) the Debt Service Fund and the Construction Fund created by the Initial Bond Resolution upon, and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes hereinafter expressed; and the Issuer and the Trustee have agreed, and they hereby agree and covenant with the respective owners from time to time of the Bonds, and the interest coupons, if any, appertaining thereto, as follows, to-wit:

Article 1. ACCEPTANCE OF TRUST. The Trustee hereby accepts the trusts, duties, obligations, and requirements imposed on it by the Bond Resolution and this Trust Indenture, and agrees to carry out and perform, punctually and effectively, such duties, obligations, and requirements for the benefit of the Issuer, the User and the owners of the Bonds and the interest coupons, if any, appertaining thereto. It is further specifically agreed that (i) the Trustee will act as a Paying Agent for the Bonds at all times while it is Trustee, (ii) the Trustee will act as Registrar for the Bonds at all times while it is Trustee, (iii) the Trustee will authenticate each of the Bonds by executing the Trustee's Certificate of Authentication appearing on each of the Bonds, as provided in the Bond Resolution, and it will so authenticate the Bonds when requested by the Issuer, prior to the delivery of the Bonds, at such time and in such manner as directed by the Issuer, and (iv) the Trustee will act separately as "Escrow Agent" for the User and the Bondholders, all as provided in the Bond Resolution and on the face of each of the Bonds.

Article 2. DEBT SERVICE FUND AND CONSTRUCTION FUND. The Debt Service Fund and the Construction Fund created by the Initial Bond Resolution are hereby confirmed and established, respectively, in trust, with the Trustee, and the Trustee agrees to hold, administer, deposit, secure, invest,



00184

and use said funds in all respects as provided and required by the Agreement, the Bond Resolution, and this Trust Indenture.

Article 3. NOTICE TO THE USER. On or before the 15th day prior to each date upon or before which each Installment Loan Payment is required by each Bond Resolution to be deposited into the Debt Service Fund, the Trustee shall give written notice to the User, by hand delivery or first class mail, postage prepaid, at such address as the User shall from time to time designate and file in writing with the Trustee, of the amount, if any, of each Installment Loan Payment required by each Bond Resolution to be made by the User to the Trustee and deposited by the Trustee into the Debt Service Fund, on or before such date. Such notice shall give a brief statement of the manner in which the amount due was calculated, including a showing of all credits on account of available moneys in the Debt Service Fund. The failure of the Trustee to give, or the User to receive, any such notice shall not relieve the User of its unconditional duty and obligation to make all deposits or payments of Installment Loan Payments to the Trustee as required by the Agreement and each Bond Resolution.

Article 4. ACCOUNTS AND RECORDS (a) Separate Records to be Kept. The Trustee shall keep proper books of records and accounts, separate from all other records and accounts, in which complete and correct entries shall be made of all transactions relating to the Installment Loan Payments, the Debt Service Fund, and the Construction Fund.

(b) Annual Report. Within 90 days after the close of each fiscal year of the Trustee, the Trustee will furnish to the Issuer, the User and any owner of any outstanding Bonds who may so request, a copy of a report by the Trustee covering the preceding fiscal year, showing the following information:

(1) a detailed statement concerning the receipt and disposition of all Installment Loan Payments and the disposition of the amounts in the Construction Fund (until the Construction Fund shall have been fully disposed of).

(2) an asset statement or balance sheet of the Debt Service Fund and of the Construction Fund (until the Construction Fund shall have been fully disposed of).

(c) Right to Inspect. The Issuer, the User, and the owners of any Bonds shall have the right, at all reasonable times and upon reasonable notice, to inspect all records,

accounts, and data of the Trustee relating to the Debt Service Fund and the Construction Fund.

Article 5. ENFORCEMENT OF RIGHTS IN CASE OF DEFAULT.

(a) Appointment of the Trustee and Rights of the Holder. The Trustee is hereby irrevocably appointed the special agent and representative of the owners of the Bonds and vested with full power in their behalf to effect and enforce the Agreement, this Trust Indenture, and the Bond Resolution for their benefit as provided herein and in the Bond Resolution; but anything contained in this Trust Indenture to the contrary notwithstanding, the owners of a majority in aggregate principal amount of the Bonds then outstanding, in case of any subsisting Event of Default (hereinafter defined) or of any other event entitling the Trustee to proceed hereunder, shall have the right from time to time to direct and control the Trustee in connection with the enforcement of any of the provisions of the Agreement, the Trust Indenture, and the Bond Resolution, and any other proceedings taken by virtue of any provisions of the aforesaid instruments, including the right to have withdrawn and discontinued at any stage thereof any proceedings taken hereunder by the Trustee, provided that the Event of Default upon which such proceedings were based and all other Events of Default hereunder shall have been remedied and made good. Anything contained in this Trust Indenture to the contrary notwithstanding, each owner of any Bond shall have a right of action to enforce the payment of all amounts due with respect to any Bond owned by him when or after the same shall have become due, at the place, from the sources, and in the manner expressed in the Agreement, the Bond Resolution, or this Trust Indenture; provided that no right of action shall exist subsequent to the time of waiver of an Event of Default in the payment of any such amount so due and such Event of Default having been remedied and made good, as provided in Article 5(g).

(b) Control by Trustee. Except as otherwise provided in this Article, the rights of action with respect to this Trust Indenture shall be exercised by the Trustee and no owner of any Bond shall have any right to institute any suit, action or proceeding at law or equity for the appointment of a receiver or for any other remedy hereunder or by reason hereof unless and until in addition to the fulfillment of all other conditions precedent specified in this Trust Indenture, the Trustee shall have received the written request of the owners of not less than 25% in aggregate principal amount of the Bonds then outstanding and shall have been offered reasonable indemnity and shall have refused, or for 30 days thereafter neglected, to institute such suit, action, or proceeding; and it is hereby declared that the making of such request and the furnishing of such

indemnity are in each case conditions precedent to the execution and enforcement by any owner of any Bond of the powers and remedies given to the Trustee hereunder and to the institution and maintenance by any owner of any Bond of any action or cause of action for the appointment of a receiver or for any other remedy hereunder; but the Trustee may, in its discretion, or when duly requested in writing by the owners of at least 25% in aggregate principal amount of the Bonds then outstanding and upon being furnished indemnity satisfactory to the Trustee against expenses, charges, and liability shall, forthwith take such appropriate action by judicial proceedings or otherwise to enforce the covenants of the User and the Issuer as the Trustee may deem expedient in the interest of the owners of the Bonds.

(c) Events of Default. Any one or more of the following events shall constitute and hereinafter shall be called an "Event of Default":

(1) the failure by the Issuer to make due and punctual payment of principal and redemption premium, if any, on the Bonds, whether payment is required at maturity or by call for redemption or otherwise, and the failure to pay interest on the Bonds within three days after it becomes due.

(2) the failure of the User to make or pay, or cause to be made or paid, any Installment Loan Payment, or any part thereof (other than portions of such payments which relate to interest on the Bonds), when and to the extent due and required by the Agreement or the Bond Resolution, and the failure by the User to make such Payments with respect to interest on the Bonds within three days after such amounts become due.

(3) the dissolution or liquidation of the User in any manner not specifically authorized by the Agreement, or the filing by the User of a voluntary petition in bankruptcy or failure by the User promptly to lift or suspend any execution, garnishment, or attachment of such consequence as will materially impair its ability to carry out its obligations under the Agreement or the Bond Resolution, or failure of the User generally to pay its debts as they become due, or entry of an order for relief of the User in a bankruptcy case of the User or assignment by the User of a substantial portion of its assets for the benefit of its creditors, or the entry by the User into an agreement of composition with its creditors, or the entry of an order or decree applicable to the User in any proceeding for its reorganization or arrangement in any proceedings instituted under the provisions of any applicable

38-100
00187

federal or state bankruptcy statutes, including the federal Bankruptcy Code, as they now exist or are hereafter amended or enacted.

(4) the User defaulting in the observance or performance of any other of its covenants, conditions, or obligations in the Bonds, the Agreement, the Bond Resolution, or this Trust Indenture, and the User not remedying such default within 30 days after written notice to do so has been received by the User from the Trustee or the owners of the Bonds; and the Trustee may serve such notice, in its discretion, or shall serve such notice at the written request of the owners of not less than 25% in aggregate principal amount of the Bonds then outstanding.

(5) any warranty or representation by or on behalf of the User contained in the Agreement or in any instrument or certificate furnished in compliance with or in reference to the Agreement, the Bonds, this Trust Indenture proves false or misleading in any material respect as of the time it was made; or

(d) Declaration of Principal and Interest Due. Upon the happening of an Event of Default, the Trustee may, in its discretion, or upon the written request of the owners of at least 25% in aggregate principal amount of the Bonds then outstanding, and upon being indemnified to the satisfaction of the Trustee, shall, declare the principal of all Bonds then outstanding and the interest accrued thereon immediately due and payable, and such principal and interest, together with any applicable agreed liquidated damages, and any applicable redemption premium, and any other amounts then due, shall thereupon become and be immediately due and payable, anything in the Bonds, the Agreement, the Bond Resolution, or this Trust Indenture to the contrary notwithstanding.

(e) Enforcement by Trustee. Upon the happening of an Event of Default, the Trustee may, in its discretion, or upon the written request of the owners of at least 25% in aggregate principal amount of the Bonds then outstanding, and upon being indemnified to the satisfaction of the Trustee, shall, take such appropriate action by judicial proceedings or otherwise to cure the Event of Default and/or to require the User or the Issuer to carry out its or their covenants and obligations under and with respect to the Bonds, the Agreement, the Bond Resolution, or this Trust Indenture, including without limitation, the use and filing of actions for specific performance, and mandamus proceedings, in any court of competent jurisdiction, against the Issuer, its Board of Directors, and its officers, employees,

.00188

and/or agents, and to obtain judgments against the User for any Installment Loan Payments due but unpaid into the Debt Service Fund, or for any other amounts due hereunder, under the Bond Resolution, or under the Agreement, including all amounts due with respect to the Bonds then outstanding if declared due and payable as provided herein.

(f) Remedies Non-Exclusive. No remedy herein conferred upon or reserved to the Trustee is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Agreement, the Bonds or the Bond Resolution, or now and hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon the happening of an Event of Default continuing as aforesaid shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and so often as may be deemed expedient.

(g) Waiver of Defaults. The Trustee may, and upon the written request of the owners of a majority in aggregate principal amount of the Bonds then outstanding shall, waive any Event of Default hereunder and its consequences, except that an Event of Default in the payment of Installment Loan Payments, or in the payment of any amounts with respect to the Bonds when and as the same shall become due and payable, may be waived only if, the Event of Default therein shall have been remedied and made good. In case of any such waiver, the Issuer, the User, the Trustee, and the owners of the Bonds shall be restored to their former position and rights hereunder respectively, but such waiver shall not extend to any subsequent or other Event of Default or impair any right consequent thereon.

(h) Discretion of Trustee. In the event the Trustee shall receive conflicting or inconsistent requests and indemnity from two or more groups of owners of Bonds, each representing less than a majority of the aggregate principal amount of Bonds then outstanding, the Trustee in its sole discretion may determine what action, if any, shall be taken, notwithstanding any other provisions of this Trust Indenture.

(i) Application of Moneys. All money collected by the Trustee pursuant to the exercise of the remedies and powers provided in this Article, together with all other sums which then may be held by the Trustee under any provision of this Trust Indenture as security for the Bonds, shall be applied as follows:

FIRST: to the payment of the costs and expenses of the proceedings whereunder such money was collected, including a reasonable compensation to the Trustee, its agents, attorneys, and all other necessary or proper expenses, liabilities, and advances incurred or made by the Trustee under this Trust Indenture, and to the payment of all taxes, assessments, and liens superior to the lien of this Trust Indenture.

SECOND: to the payment of matured interest on the Bonds, including, to the extent legally permissible, interest thereon at the rate of 10% per annum from due date to date of payment.

THIRD: to the payment of principal of, redemption premium, if any, and agreed liquidated damages, if any, on the Bonds which have been called for redemption as permitted or required by the Bond Resolution or have matured as provided thereby, and interest thereon, to the extent legally permissible, at the rate of 10% per annum from the date of redemption or maturity to date of payment.

FOURTH: to the payment of principal of the Bonds which have become due by virtue of the declaration of the Trustee pursuant to Article 5(d), and interest thereon, to the extent legally permissible, at the rate of 10% per annum from the date declared due to date of payment.

FIFTH: to the payment of the surplus, if any, to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

If in making distribution pursuant to the order above stated, the amount available for distribution in a particular classification shall be insufficient to pay in full all of the items in such classification, the amount available for distribution to items in such classification shall be prorated among such items in the proportion that the amount each item bears to the total of all such items. Notwithstanding anything contained in this Trust Indenture to the contrary, if the Trustee shall declare the principal of all Bonds then outstanding and the interest accrued thereon immediately due and payable as the result of an Event of Default, or if the Bonds are to be redeemed as a whole pursuant to mandatory redemption provisions provided in the Bond Resolution, or if the User shall exercise any option to redeem the Bonds as a whole in accordance with their terms, any amounts remaining in the Construction Fund



shall be deposited in the Debt Service Fund and applied by the Trustee as provided in this subsection (i).

(j) Judicial Proceedings. In any judicial proceeding in which the Issuer is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of the owners of the Bonds, the Trustee, if permitted by the court having jurisdiction over such proceeding, may, in its discretion, or upon the written request of the owners of at least 25% in aggregate principal amount of the Bonds then outstanding, and upon being indemnified to the satisfaction of the Trustee, shall, intervene on behalf of the owners of the Bonds to assert the rights of such owners.

(k) Enforcement of Remedies Without Possession of Bonds. All rights of action or other rights under this Trust Indenture or otherwise may be brought by the Trustee in its own name as Trustee of an express trust and may be enforced by the Trustee without the possession of any of the Bonds or any interest coupons appertaining thereto, or the production thereof on the trial or other proceedings relative thereto.

(l) Direction by Majority in Principal Amount of Bondholders. It is expressly provided, however, that the owners of a majority in aggregate principal amount of the Bonds then outstanding, or a committee representing, pursuant to a written appointment filed with the Trustee, the owners of a majority in aggregate principal amount of the Bonds then outstanding, shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the Trustee's rights and remedies under the Agreement or the rights of the owners of the Bonds or the Trustee's rights and remedies under the Pcmd Resolution and this Trust Indenture, and may exercise any right or perform any action hereunder, with the same effect as the Trustee under this Trust Indenture, provided, that such direction shall not be otherwise than in accordance with the provisions of law and of this Trust Indenture, and provided that the Trustee shall be indemnified to its satisfaction.

(m) Notice By Trustee. The Trustee shall not be required to take notice nor be deemed to have notice of any default specified in this Trust Indenture, except for those Events of Default specified in Article 5(c)(1) and 5(c)(2), unless specifically notified in writing of such default by the owners of at least 25% in aggregate principal amount of the Bonds then outstanding.

(n) Concurrence of Bondholders. In determining whether the owners of a requisite aggregate principal amount of Bonds outstanding have concurred in any request, demand, authorization, direction, notice, consent, or waiver under this Trust Indenture or the Bond Resolution, Bonds owned by or for the account of the User or any person controlled by, controlling, or under common control of the User, shall be disregarded and deemed not to be outstanding for the purpose of any such determination; provided however, that for the purpose of determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent, or waiver, only Bonds of which the Trustee has actual knowledge of such ownership shall be so disregarded.

(o) Default of Payments. In the event of a default in the payment of any Installment Loan Payment, or in the performance of any agreement or covenant contained in the Bonds, the Agreement, the Bond Resolution, or this Trust Indenture, such payment and performance may be enforced by the Trustee by mandamus, specific performance, or by the appointment of a receiver (in equity with power to charge and collect Installment Loan Payments) in accordance with the Agreement, the Bond Resolution and the Trust Indenture.

(p) Notice to User of Past Due Payments. Pursuant to the Agreement, Installment Loan Payments are to be paid by the User directly to the Trustee. In the event that any such payments are not timely made, the Trustee shall immediately notify the User by telephonic notice with confirmation of such notice by certified mail, return receipt requested, at the address provided in the Agreement, that payment has not been made. Such notice shall be deemed given at the time the wire is received or telephonic notice is given, whichever is earlier. Failure of the Trustee to give, or the User to receive, such notice shall not relieve the User of any covenant or obligation under the Agreement, the Bond Resolution or this Trust Indenture and shall not constitute a waiver of any Event of Default under this Trust Indenture.

Article 6. CONCERNING THE TRUSTEE. The Trustee accepts the trust imposed upon it by this Trust Indenture, but only upon and subject to the following express terms and conditions:

(a) Not Accountable for Bond Proceeds. In no event shall the Trustee be liable except for its negligence or willful misconduct in relation to its duties under this Trust Indenture and the Bond Resolution. The Trustee shall not be responsible for any recitals herein, in the Bonds, the interest coupons, if any, appertaining thereto, the Bond Resolution, the Agreement, or for the sufficiency of the

security for the Bonds or interest coupons, if any, appertaining thereto. The Trustee shall have no responsibility hereunder except to the extent of the duties placed upon the Trustee to hold, administer, deposit, secure, invest, and use the Debt Service Fund and the Construction Fund as expressly required by the Bond Resolution, to the extent funds for such purposes are received by the Trustee, and to perform the other express covenants and agreements made by the Trustee under the provisions of this Trust Indenture and the Bond Resolution.

(b) Reliance by Trustee. The Trustee may rely and shall be protected in acting or refraining from acting in accordance with the provisions of this Trust Indenture and the Bond Resolution upon any notice, requisition, request, consent, certificate, order, affidavit, letter, telegram, or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons, and the Trustee shall not be bound to recognize any person as an owner of Bonds or to take any action at his request, unless the Bond or Bonds owned by such owner of Bonds shall be deposited with the Trustee, be registered in the name of such owner on the Bond Registration Books kept by the Trustee, or submitted to it for inspection. Any action taken by the Trustee pursuant to this Trust Indenture upon the request or authority or consent of any person who, at the time of making such request, or giving such authority or consent, is the owner of any Bond secured hereby, shall be conclusive and binding upon all future owners of the same Bond and of Bonds issued in exchange therefor or in place thereof.

(c) Compensation of Trustee from Debt Service Fund. There shall be paid from the Debt Service Fund the Trustee's reasonable compensation, and its reasonable expenses, advances, and counsel fees, and its liabilities incurred in and about the execution of the trusts hereby created and the exercise and performance of the powers and duties of the Trustee hereunder (except liabilities incurred as a result of the negligence or willful misconduct of the Trustee, or as provided in the Bond Resolution), and the reasonable cost and expenses, including counsel fees, of defending against liabilities.

(d) Limited Responsibilities. The responsibilities of the Trustee elsewhere set forth herein shall be further limited as follows:

FIRST: the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with a direction of the owners of Bonds pursuant to any provision of this Trust

Indenture relating to the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Trust Indenture.

SECOND: no provision of this Trust Indenture shall require the Trustee (1) 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, nor (2) to take any action, whether or not directed to take such action by the owners of Bonds, pursuant to this Trust Indenture, which in the judgment of the Trustee would conflict with any rule of law, or with the terms of this Trust Indenture, or would be unjustly prejudicial to the owners of Bonds not taking part in such direction. When acting pursuant to the direction of any owners of Bonds pursuant to this Trust Indenture, the Trustee may take other action deemed proper by the Trustee which is not inconsistent with such direction; provided, however, that the terms of this subparagraph SECOND shall not impose any additional duties or responsibilities upon the Trustee and shall not be construed to limit the effect of subparagraph FIRST of this paragraph (d).

(e) Advice. The Trustee may act upon the professional opinion or advice of any legal counsel, engineer, accountant, or other expert, reasonably believed by the Trustee to be qualified in relation to the subject matter, whether retained by the Trustee or the Issuer or otherwise, and the Trustee shall not be responsible for anything suffered or done or not done by it in good faith in accordance with any such opinion or advice.

(f) Trustee May Own Bonds. Except as prohibited by law, the Trustee may become the owner of any of the Bonds secured by this Trust Indenture with the same rights which it would have if it were not the Trustee; and nothing herein contained shall be construed to prohibit the Trustee, either as principal or agent, from engaging in or being interested in any financial or other transaction with the Issuer or the User or from acting as depository, trustee, or agent for any committee or body of owners of the Bonds or of other obligations of the Issuer as freely as if it were not the Trustee.

(g) Fees. The Issuer has agreed with the User in the Agreement and the Bond Resolution provides that, as part of the Installment Loan Payments the User shall pay to the

CC194

Trustee its charges for performing the duties of Trustee, Registrar, and Paying Agent for the Bonds. In addition, the User is and will be obligated (by virtue of its approval, as required by the Agreement, of each Bond Resolution, which approval specifically includes approval of this Trust Indenture) to pay to the Trustee its fees, charges, and expenses for performing the duties of Escrow Agent as provided herein, in any Bond Resolution, and on the face of any of the Bonds. It is agreed by the Trustee that the User may, without causing or creating a default or Event of Default hereunder, contest in good faith (and withhold payment of the contested amount until such contest is resolved) the reasonableness of any of the foregoing charges for services. All payments due the Trustee for such charges, fees, or expenses shall be paid by the User and no such charges, fees, or expenses shall be charged against or be payable by the Issuer, except the initial fees and expenses of the Trustee which are paid as part of the costs of issuance of the Bonds.

Article 7. SUCCESSOR TRUSTEE. (a) Resignation of Trustee. The Trustee at the time acting hereunder may at any time resign and be discharged from all trusts created by this Trust Indenture by giving not less than 60 days written notice to the Issuer, the User, and to any owners of Bonds as shown on the Bond Registration Books and any other list of owners of Bonds kept by the Trustee, and such resignation shall take effect upon the appointment of a successor Trustee by the owners of Bonds or by the Issuer as herein-after provided.

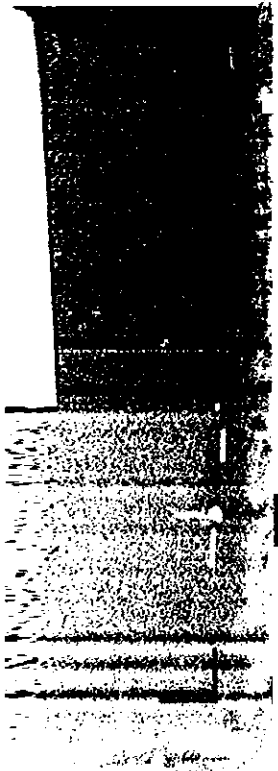
(b) Removal of Trustee. The Trustee may be discharged and removed at any time by an instrument or concurrent instruments in writing, delivered to the Trustee and to Issuer, and signed by the owners of a majority in aggregate principal amount of the then outstanding Bonds.

(c) Appointment of Successor Trustee. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Trustee shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the owners of a majority in aggregate principal amount of the then outstanding Bonds by an instrument or concurrent instruments in writing, signed by such owners of Bonds, or by their attorneys in fact duly authorized in writing, and delivered to the Issuer; provided, nevertheless, that in any such event the Issuer by an instrument executed by authority of a resolution of its Board of Directors and signed by the President and by the Secretary of such Board, may appoint a

temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the owners of Bonds in the manner above provided, and any such temporary Trustee so appointed by the Issuer shall immediately and without further act be superseded by the Trustee so appointed by such owners of Bonds. Every such successor or temporary Trustee shall be a trust company or bank in good standing located in the State of Texas or the State of Georgia, and having a capital and surplus of not less than Twenty-Five Million Dollars (\$25,000,000), if there be such a trust company or bank willing, qualified, and able to accept the trust upon reasonable and customary terms. In the event that no appointment of a temporary or successor Trustee shall be made pursuant to the foregoing provisions of this Article within 60 days after the Trustee gives written notice of resignation or the Trustee is removed, any owner of Bonds or any retiring Trustee may apply to any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice, if any, as it shall deem proper, prescribe or appoint a successor Trustee.

(d) Transfer to Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge, and deliver to its predecessor, the Issuer, and the User an instrument in writing accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, deed, or conveyance, shall become fully vested with all the estates, rights, powers, trusts, duties, and obligations hereunder of its predecessor; but such predecessor shall nevertheless, on the written request of the Issuer, execute and deliver an instrument transferring to such successor Trustee all of the estates, rights, powers, and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and money held by it to its successor; provided, however, that before any such delivery is required or made, all reasonable, customary, and legally accrued fees, advances, and expenses of such predecessor Trustee shall be paid in full. Should any deed, assignment, or instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such Trustee the estates, rights, powers, and duties hereby vested or intended to be vested in the predecessor Trustee, any and all such deeds, assignments, and instruments in writing shall, on request, be executed, acknowledged, and delivered by the Issuer.

(e) Merger or Consolidation of Trustee. Any corporation or association into which the Trustee, or any successor to it in the trusts created by this Trust Indenture, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation or association resulting from any merger, conversion, or consolidation to



00196

which the Trustee or any successor to it shall be a party, shall be the successor Trustee under this Trust Indenture without the necessity of the execution or filing of any paper or any other act on the part of any of the parties hereto anything herein to the contrary notwithstanding.

Article 8. RELEASE OF INDENTURE AND SATISFACTION OF INDEBTEDNESS. If, when the Bonds shall have become due and payable in accordance with their terms or otherwise as provided in this Trust Indenture or shall have been duly called for redemption, and the whole amount of the principal, redemption premium, if any, and the interest so due and payable upon all of the Bonds, and the agreed liquidated damages, if any, with respect to the Bonds then due, shall be paid, or sufficient money or obligations issued or guaranteed by the United States shall be held by the Trustee for such purpose, and provision shall also be made for paying all other sums payable hereunder and/or under the Agreement and/or the Bond Resolution by the User, then and in that case all right, title, and interest of the Trustee in these presents and the estate and rights hereby granted shall thereupon cease, determine, and become void, and the Trustee in such case shall release this Trust Indenture and shall execute such documents to evidence such release as may be reasonably required by the Issuer, and the User, and shall turn over any surplus funds held by it to whomsoever may then be entitled pursuant to the Bond Resolution, the Agreement, or by law to receive the same; and thereupon this Trust Indenture shall terminate and be of no effect; provided, that until the Bonds are finally paid, the Trustee shall continue to act as Paying Agent and Registrar for the Bonds.

Article 9. AMENDMENTS. This Trust Indenture may be amended only as provided in the Bond Resolution; provided, however, that Additional Bonds may be issued pursuant to the Bond Resolution as provided therein, and may be secured by this Trust Indenture without the necessity of amending or supplementing this Trust Indenture.

Article 10. MISCELLANEOUS PROVISIONS. (a) Acknowledgments and Ownership of Bonds. Any request, direction, consent, or other instrument required by this Trust Indenture to be signed or executed by owners of Bonds may be in any number of concurrent writings of similar tenor and may be signed or executed by such owners of Bonds in person or by an agent appointed in writing. Proof of the execution of any instrument, or of the writing appointing such agent, and of the ownership of the Bonds, if made in the following manner, shall be sufficient for any purpose of this Trust Indenture and shall be conclusive in favor of the

Trustee with regard to any action taken by it under such instrument:

(i) the fact, date, and due authorization of the execution by any person of any such instrument may be proved by the certificate of any officer in any jurisdiction, who, by the laws thereof, has power to take acknowledgments within such jurisdiction to the effect that the person signing such instrument acknowledged before him the execution thereof, or by an affidavit of a witness to such execution.

(ii) the fact of the owning of the Bonds by any owner thereof, the amount and numbers of such Bonds, and the date of his owning same may be proved by (A) with respect to bearer Bonds, the affidavit of the person claiming to be such owner, if such affidavit shall be deemed by the Trustee to be satisfactory, or by a certificate executed by any trust company, bank, banker, or any other depository, wherever situated, if such certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such person had on deposit with such trust company, bank, banker, or other depository, the Bonds described in such certificate or in any other manner, whether or not the Bonds are deposited, as the Trustee may approve or (B) with respect to registered Bonds, the appropriate entries in the Bond Registration Books maintained by the Trustee as Registrar. The Trustee may conclusively assume that such ownership continued until written notice to the contrary is served upon the Trustee.

(b) Trustee May Require Proof of Ownership. Nothing contained in this Article shall be construed as limiting the Trustee to the proof hereinabove specified, it being intended that the Trustee may accept any other evidence of the matters herein stated which it may deem sufficient.

(c) Consent of Bondholders. Unless otherwise provided in the Bond Resolution, any request or consent of any owner of Bonds shall bind every future owner of the same Bond in respect of anything done by the Trustee in pursuance of such request or consent. In the event of the dissolution of the Issuer, all of the covenants, stipulations, promises, and agreements in this Trust Indenture contained by, on behalf of, or for the benefit of the Issuer, shall bind or inure to the benefit of the successor or successors of the Issuer from time to time and any officer, board, or commission to whom or to which any power or duty affecting such covenants, stipulations, promises, and agreements shall be transferred by or in accordance with law.

00198

(d) Survival of Valid Bonds. If any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or at the date fixed for redemption thereof or otherwise, or in the event any coupons shall not be presented for payment at the due date, thereof, all liability of the Issuer and the User to the owners thereof and to the Trustee for the payment of such Bond or coupons, as the case may be, shall forthwith cease, determine, and be completely discharged whenever funds sufficient to pay such Bond or coupons shall be paid to the Trustee by the User, and such funds shall be segregated by the Trustee and held in trust for the benefit of the owners of such Bond or coupons, as the case may be, without interest, who shall thereafter be restricted exclusively to such funds for the satisfaction of any claim of whatever nature on their part relating to such Bond or coupons.

(e) Unclaimed Funds. Any money deposited with the Trustee in trust for the payment of the principal of, redemption premium, if any, agreed liquidated damages, if any, or interest on any Bond and remaining unclaimed for six years after such principal of, redemption premium, if any, agreed liquidated damages, if any, or interest on such Bond has become due and payable shall be paid to the User; provided, however, that before the Trustee shall be required to make any such repayment, the Trustee may at the expense of the User cause to be published at least once, in a financial newspaper, journal, or publication of general circulation in The City of New York, New York, or in the State of Texas, a notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication, any unclaimed balance of such money then remaining will be repaid to the User. After the payment of such unclaimed moneys to the User, the owner of such Bond or the owner of the relevant coupon shall thereafter look only to the User for the payment thereof, and all liability of the Trustee with respect to such money shall thereupon cease.

(f) Rights of Parties. Except as herein otherwise expressly provided, nothing in this Trust Indenture expressed or implied is intended or shall be construed to confer upon any person, firm, or corporation other than the User, the Guarantor, the Issuer, the Trustee, and the owners of Bonds, any right, remedy, or claim, legal or equitable, under or by reason of this Trust Indenture or any covenant, condition, or stipulation contained herein.

(g) Severability. In case any one or more of the provisions of this Trust Indenture or of the Bonds, or any interest coupons appertaining thereto, shall be held to be invalid or ineffective as to any person or circumstance, the

remainder thereof and the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

(h) Law. The validity, interpretation, and performance of this Trust Indenture shall be governed by the laws of the State of Texas.

Article 11. RECORDING. (a) Trustee to Record. The Issuer shall cause the Agreement and this Trust Indenture to be filed in such manner and in such places as are now required by law to establish initially the lien of this Trust Indenture, and the priority thereof. The Trustee shall (1) cause each memorandum, financing statement, or continuation statement with respect to the Agreement and this Trust Indenture to be filed, registered, and recorded and to be refiled, reregistered, and rerecorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect the lien of this Trust Indenture and to publish notice of and to protect the rights and security of the owners of the Bonds and the rights of the Trustee under the Agreement, the Bond Resolution, and this Trust Indenture and (2) perform or cause to be performed from time to time any other act as required by law, and execute and file or cause to be executed and filed any and all instruments of further assurance, that may be necessary for such publication and protection. The Issuer shall, when so requested by the Trustee, execute all such instruments, memoranda, or statements necessary to maintain, protect, or preserve the interests assigned to the Trustee under this Trust Indenture.

(b) Non-Encumbrance. This Trust Indenture is, and always will be kept, a direct lien and security interest upon the Installment Loan Payments, the Debt Service Fund, and the Construction Fund, and the Issuer will not create or suffer to be created any lien prior to or on a parity with the lien of this Trust Indenture or any part thereof.

Article 12. NOTICE TO TEXAS INDUSTRIAL COMMISSION. If the User fails to timely make or pay any Installment Loan Payment, or upon receiving notice that a Final Determination of Taxability has occurred, the Trustee promptly shall inform the Commission of such an occurrence, by sending written notice to the following address:



00200

Texas Industrial Commission
Attention: Executive Director
410 East Fifth Street
Box 12728, Capitol Station
Austin, Texas 78711

or the latest address specified by said Commission in writing.

IN WITNESS WHEREOF, the Issuer acting through its Board of Directors, has caused this Trust Indenture to be executed in multiple counterparts, each of which shall be considered an original for all purposes, in its name, and for and on its behalf, by the President of such Board and attested by the Secretary of such Board, and its corporate seal to be hereto affixed; and the Trustee, to evidence its acceptance of the trusts hereby created and vested in it, has caused this Trust Indenture to be executed in multiple counterparts, each of which shall be considered an original for all purposes, in its behalf by one of its Vice Presidents, attested by one of its Trust Officers, and its corporate seal to be hereunto affixed, all as of the date first above written.

MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION

By _____
President, Board of Directors

ATTEST:

Secretary-Treasurer, Board of
Directors

(SEAL)

00201

TRUST COMPANY BANK, Atlanta, Georgia

By _____
Vice President

ATTEST:

Trust Officer

(SEAL)