

RESOLUTION APPROVING AN AGREEMENT BY MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION TO ISSUE BONDS FOR CHAMPIONSHIP RODEO, L.P. AND THE BOND RESOLUTION PROVIDING FOR THE ISSUANCE OF SUCH BONDS

WHEREAS, Mesquite Industrial Development Corporation (the "Issuer") was created under the auspices of the City of Mesquite, Texas (the "Governmental Unit"); and

WHEREAS, the Issuer proposes to issue bonds to refund the outstanding balance of the Issuer's Revenue Bonds, Series 1985 (Rodeo Partners Project) (the "Prior Bonds"), which were used to finance the acquisition, construction, equipping and furnishing of a multi-use sports facilities for Championship Rodeo, L.P. located at 1818 Rodeo Drive (the intersection of Hickory Tree and Military Parkway), in Mesquite, Dallas County, Texas (the "Project");

WHEREAS, the Governmental Unit and the Issuer have agreed that it is desirable that the Issuer issue the Bonds for such purpose; and

WHEREAS, it is deemed necessary and advisable that this 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 Championship Rodeo, L.P., as successor in interest to Rodeo Partners, 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 a principal amount of \$2,665,000, are approved to be issued pursuant thereto for the purpose of refunding the Prior Bonds.


Section 2. The "Resolution Authorizing the Issuance of Mesquite Industrial Development Corporation Adjustable Rate Industrial Development Revenue Refunding Bonds Series 1995 (Championship Rodeo, L.P. Project); the Execution of a Trust Indenture, a Loan Agreement, and a Placement Agreement; Approval of a Placement Memorandum; and Other Matters in Connection Therewith", 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.

Section 3 The approvals contained herein are solely for the purposes of Section 25(f) of the Development Corporation Act of 1979, as amended (Article 5190.6, Vernon's Texas Civil Statutes) and Section 147(f) of the Internal Revenue Code of 1986, as amended, and the Governmental Unit shall have no liability for the payment of the Bonds nor shall any of its assets be pledged to the payment of the Bonds.

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DULY RESOLVED by the City Council of the City of Mesquite, Texas, on
the 19th day of June, 1995.


Cathye Ray
Mayor

ATTEST:

APPROVED:


Lynn Prugel
City Secretary


B.J. Smith
City Attorney

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EXHIBIT "A"

The Loan Agreement is enclosed elsewhere is the transcript

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EXHIBIT "B"

Resolution Authorizing the Issuance of Mesquite Industrial Development Corporation Adjustable Rate Industrial Development Revenue Refunding Bonds Series 1995 (Championship Rodeo, L.P. Project); the Execution of a Trust Indenture, a Loan Agreement, and a Placement Agreement; Approval of a Private Placement Memorandum; and Other Matters in Connection Therewith" adopted June 19, 1995, is enclosed elsewhere in transcript.

RESOLUTION AUTHORIZING MESQUITE INDUSTRIAL DEVELOPMENT CORPORATION ADJUSTABLE RATE INDUSTRIAL DEVELOPMENT REVENUE REFUNDING BONDS SERIES 1995 (CHAMPIONSHIP RODEO, L.P. PROJECT); THE EXECUTION OF A TRUST INDENTURE, A LOAN AGREEMENT, AND A PLACEMENT AGREEMENT; APPROVAL OF A PLACEMENT MEMORANDUM; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, Mesquite Industrial Development Corporation (the "Issuer") is a non-stock, non-profit industrial development corporation organized and existing under the laws of the State of Texas, including particularly the Development Corporation Act of 1979, as amended, Article 5190.6, V.A.T.C.S. (the "Act"); and

WHEREAS, the Issuer has previously issued its "Mesquite Industrial Development Corporation Revenue Bonds, Series 1985 (Rodeo Partners Project)," originally issued in the aggregate principal amount of \$4,443,397 (the "Prior Bonds") to finance a commercial project with the City of Mesquite, Texas (the "Project"); and

WHEREAS, a Loan Agreement, dated as of June 1, 1995 (the "Agreement"), will be duly executed between the Issuer and Championship Rodeo, L.P., as successor to Rodeo Partners (collectively, the "User") prior to the delivery of the bonds hereinafter authorized; and

WHEREAS, at the request of the User the Issuer has determined to issue its revenue bonds to pay a portion of the costs necessary to refund and redeem the Prior Bonds, as contemplated by the Agreement and as hereinafter provided; and

WHEREAS, the Bonds are to be secured by a Trust Indenture, dated as of June 1, 1995 (the "Indenture") between the Issuer and a corporate trustee to be designated by the User (the "Trustee") and are additionally to be secured by a Letter of Credit (the "Letter of Credit") to be issued by Bank One, Texas, NA (the "Bank") to the Trustee;

WHEREAS, as provided in the Agreement, the User has requested that the Bonds, be issued, sold, and delivered as provided in this Resolution and the Indenture, and that, upon the issuance, sale, and delivery of the Bonds, the User will be unconditionally obligated to the Issuer and the Trustee to make or pay, or cause to be made or paid, to the Trustee the "Loan Payments" required by the Agreement, this Resolution and the Indenture, in amounts sufficient to pay and redeem, and provide for the payment and redemption of, the principal of, redemption premium, if any, and interest on and purchase price of, the Bonds when due, all as hereinafter set forth;

WHEREAS, the Bonds, and the interest thereon, are and shall be payable from and secured by a first and superior lien on and pledge of the payments designated as "Loan Payments" to be made by the User pursuant to the Agreement in amounts sufficient to pay and redeem, and provide for the payment of the principal of, premium, if any, and interest on and purchase price of, the Bonds, when due, and the fees and expenses of the Trustee and any paying agent for the Bonds, all as required by the Bond Resolution;

WHEREAS, the form of a Placement Agreement (the "Placement Agreement") with Bank One, Columbus, NA (the "Placement Agent") has been presented to the Issuer;

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WHEREAS, the form of a Preliminary Placement Memorandum relating to the Bonds has been presented to the Issuer;

WHEREAS, certified copies of the Bond Resolution have been duly filed with the Trustee;

WHEREAS, there have been prepared and presented to, and are before the Issuer the following documents:

- (1) Form of proposed Indenture (presented before this meeting as Exhibit A);
- (2) Form of Bonds (contained in the Indenture);
- (3) Form of proposed Agreement (presented before this meeting as Exhibit B);
- (4) Form of proposed Placement Agreement (presented before this meeting as Exhibit C);
- (5) Form of Preliminary Placement Memorandum (presented before this meeting Exhibit D); and

WHEREAS, the Issuer has determined and does hereby determine that the issuance of the Bonds in accordance with the terms of this Resolution is in the best interests of the Issuer and the User;

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

Section 1. There is hereby authorized and directed the execution, issuance and sale by the Issuer of its Industrial Development Revenue Bonds Series 1995 (Championship Rodeo, L. P. Project) in an aggregate principal amount of \$2,665,000 for the purpose of paying a portion of the costs of refunding all of the outstanding Prior Bonds. The Bonds will mature on such date or dates, in such amounts, and will bear interest at a rate or rates per annum and may be subject to optional or mandatory redemption on such date or dates, all as approved by the President or Vice President of the Issuer. The interest on the Bonds will be payable on the dates and at such places as are specified in the Indenture. In no event will the interest rate on the Bonds exceed the maximum interest rate specified in the Indenture. The Bonds shall be dated and numbered as provided in the Indenture and shall have the form, details and specifications set out in the Indenture. The Bonds shall be additionally secured by the Letter of Credit and may be secured by such additional credit enhancement or security as approved by the President or Vice President of the Issuer. The Bonds shall be executed on behalf of the Issuer with the manual or facsimile signatures of the President and Secretary of the Issuer and shall have impressed or imprinted thereon the official seal of the Issuer or a facsimile thereof.

Section 2. For the purpose of securing the Bonds, of providing the details thereof and of prescribing the terms and conditions on which the Bonds are to be secured, executed, authenticated, accepted and held, the Indenture substantially in the form presented before this meeting as Exhibit A is hereby approved and authorized to be executed and delivered on behalf of the Issuer by the

President or Vice President and attested by the Secretary or any Assistant Secretary, with such changes therein as shall be approved by such officers, their execution thereof to constitute conclusive evidence of such approval.

Section 3. The Agreement in substantially the form presented before this meeting as Exhibit B is hereby approved and the President or the Vice President of the Board is hereby authorized and directed, for and on behalf of the Issuer to date, sign, and otherwise execute the Agreement, and the Secretary or any Assistant Secretary is hereby authorized and directed, for and on behalf of the Issuer, to sign, attest, and affix the seal of the Issuer to the Agreement, with such changes therein as shall be approved by such officers, their execution thereof to constitute conclusive evidence of such approval.

Section 4. The sale of the Bonds to the Placement Agent at a price as shall be approved by the President or Vice President of the Issuer as or before the date of issuance of the Bonds, but in no event less than 95% of the principal amount thereof plus accrued interest, if any, from the date thereof to the date of delivery, is hereby authorized and approved, and the Placement Agreement substantially in the form presented before this meeting as Exhibit C and any supplements thereto which may be necessary to accomplish issuance of Bonds is hereby authorized to be dated, executed and delivered on behalf of the Issuer by the President or Vice President and attested by the Secretary or any Assistant Secretary, with such changes therein as shall be approved by such officers, their execution thereof to constitute conclusive evidence of such approval.

Section 5. Distribution of the Preliminary Placement Memorandum for the Bonds, in substantially the form presented before this meeting as Exhibit D, is hereby authorized, and the distribution of a final Placement Memorandum for the Bonds and any supplements thereto which may be necessary to accomplish the issuance of Bonds is hereby authorized, with such changes therein as shall be approved by the President or the Vice President or the Secretary, such officer's execution of the Placement Agreement to constitute conclusive evidence of such approval, provided, however, that this approval and authorization do not apply to the information with respect to the User or the Bank, as applicable, contained in such Placement Memorandum, but nothing herein shall be construed as prohibiting the Placement Agent from including such information pursuant to authorization from the User.

Section 6. Bank One Trust is hereby designated as Trustee, Paying Agent and Bond Registrar for the Bonds under the Indenture.

Section 7. The President or the Vice President and the Secretary or any Assistant Secretary are hereby authorized and directed to execute (i) such certificates as shall be necessary to establish that the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986 (the "Code"), (ii) an Information Return for Private Activity Bond Issues (Form 8038), as required under Section 149(e) of the Code, to be filed with the Internal Revenue Service, and (iii) any certificates necessary to comply with Securities and Exchange Commission Rule 15c2-12.

Section 8. The officers are each hereby authorized and directed to execute, attest, seal and deliver any and all additional certificates, documents or other papers and to do any and all things deemed necessary to effect the issuance and sale of the Bonds and the execution and delivery of the

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Agreement, the Indenture, the Bonds, the Placement Agreement and the Placement Memorandum and to carry out the intent and purposes of this Resolution, including the preambles hereto.

The President, the Vice President, the Secretary or any Assistant Secretary of the Board of Directors of the Issuer is hereby authorized to have control of the Bonds initially issued and delivered hereunder and all necessary records and proceedings pertaining to said Bonds pending their delivery and the investigation, examination and approval by the Attorney General of the State of Texas of the proceedings authorizing the Bonds.

The President and the Vice President are each hereby authorized, appointed and designated as the officer or employee of the Issuer authorized to act on behalf of the Issuer in the selling and delivering of the Bonds and carrying out the other procedures specified in this Resolution and the Indenture, and all other matters relating to the issuance, sale, and delivery of the Bonds; and the President also is authorized to change the designation of the Bonds or any portion thereof from Series 1995 to any other series date or designation, and also to change the date of all or any portion of the Bonds from June 1, 1995, to any other date or dates not later than the date of delivery of such Bonds or portions thereof. The President and the Vice President are each further authorized, for and on behalf of the Issuer, to approve the final Placement Memorandum, and any supplements thereto, relating to the Bonds and referred to in the Placement Agreement. Don Simons is hereby authorized, appointed and designated as the person authorized to act as a hearing officer on behalf of the Issuer in conducting any public hearings required to be held by or on behalf of the Issuer.

Section 9. All details of the Bonds required to be prescribed in this Resolution by the Act not fully set forth herein are set forth in the Indenture, and the Indenture is hereby incorporated in this Resolution as if fully set forth herein.

Section 10. Based solely on representations made to the Board and to the Texas Department of Commerce by the User and the Bank, it appears and the Board hereby finds that:

(a) the Project described in the Agreement is required or suitable for the promotion of commercial or industrial development and expansion, the promotion of employment, or for use by commercial, manufacturing, or industrial enterprises, irrespective of whether in existence or required to be acquired or constructed after the making of these findings by the Board,

(b) the Project sought to be financed or refinanced pursuant to the Agreement is in furtherance of the public purpose of the promotion and development of new and expanded commercial, industrial, or manufacturing enterprises to promote and encourage employment and the public welfare.

Section 11. After the Bonds are issued, this Resolution shall be and remain irrevocable until the Bonds and the interest thereon shall have been fully paid, canceled and discharged.

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Section 12. The provisions of this Resolution are hereby declared to be separable, and, if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 13. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.