

ORDINANCE NO. 94-003 SERIES 1994

AN ORDINANCE RELATING TO THE ISSUANCE OF THE COUNTY OF SCOTT COUNTY, KENTUCKY, ADJUSTABLE RATE INDUSTRIAL BUILDING REVENUE BONDS, SERIES 1994 (ROPAK CORPORATION PROJECT), IN AN AMOUNT OF UP TO \$5,500,000.

WHEREAS, The County of Scott, Kentucky (the "Issuer"), a political subdivision of the Commonwealth of Kentucky, is authorized and empowered by the Industrial Building Revenue Bond Act (Section 103.200 et seq.) of the Kentucky Revised Statutes, hereinafter referred to as the "Act", to issue bonds to defray the costs of an industrial building as defined in the Act; and

WHEREAS, Ropak Corporation, a Delaware corporation (the "Company"), has offered to the Issuer an "industrial building" project on a site described in the Trust Indenture (hereinafter identified), if the Issuer will agree to issue industrial building revenue bonds in the aggregate amount of up to \$5,500,000 (the "Bonds") pursuant to the Act, such industrial building project to be leased by, used, and occupied by the Company as a facility for manufacturing plastic containers and related products (the "Project"), which will result in the employment of a number of workers and promote the economic development of the area; and

WHEREAS, under the terms of the proposed Lease Agreement dated as of May 1, 1994, between the Issuer and the Company, the Issuer will receive payments from the Company sufficient to pay the principal and interest requirements of the Bonds, and which payments shall be pledged, together with the Lease Agreement itself, as security for the payment of the principal of and interest on the Bonds; and

WHEREAS, the Issuer has found and determined that the operation of the proposed Project will tend to relieve existing conditions of unemployment in the area and will otherwise promote the general welfare and economic development of the County and all of its citizens;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY OF SCOTT AS FOLLOWS:

1. AUTHORIZATION OF BONDS

For the purpose of paying the costs, not otherwise provided, of the Project, the Issuer hereby authorizes and approves the issuance of the County of Scott, Kentucky Adjustable Rate Industrial Building Revenue Bonds, Series 1994 (Ropak Corporation Project) (the "Bonds") dated as of the date of delivery of the Bonds, in the principal amount of up to Five Million Five Hundred Thousand Dollars (\$5,500,000) as more fully provided for in the Trust Indenture hereinafter approved. The Bonds shall mature on May 1, 2014 and bear interest from the date of delivery to the purchaser(s) thereof as provided in the Trust Indenture with a maximum rate of

interest of 10%. The principal and interest requirements of the Bonds are specified in the Trust Indenture.

2. APPROVAL AND AUTHORIZATION OF EXECUTION OF VARIOUS DOCUMENTS: LEASE AGREEMENT; TRUST INDENTURE; AND BOND PLACEMENT AGREEMENT

The following documents in the respective forms attached to this Ordinance are hereby approved, subject to such minor changes, insertions or omissions as may be approved by the County Judge/Executive, such approval to be conclusively evidenced by his execution of said documents, in order to effectuate the purposes of this Ordinance; and the County Judge/Executive is hereby authorized to execute and acknowledge the same for and on behalf of the Issuer; and the Clerk of the Fiscal Court is authorized to attest same and to affix thereto the corporate seal of the Issuer. Said documents are hereby ordered to be filed in the office of the Clerk of the Fiscal Court, labeled respectively Exhibits A, B and C, and each of said documents is ordered to be recorded with this Ordinance in the official records of the Issuer:

(a) The Lease Agreement dated as of May 1, 1994, between the Issuer and the Company (Exhibit A).

(b) The Trust Indenture dated as of May 1, 1994, between the Issuer and PNC Bank, Ohio, N.A., Cincinnati, Ohio, as Trustee (Exhibit B).

(c) The Bond Placement Agreement dated as of May 1, 1994, between the Issuer, the Company and Bank One, Columbus, N.A., as Placement Agent, providing for the sale of the Bonds at the aggregate price of 100% of par and upon the respective terms and conditions set forth in the Bond Placement Agreement. The approval of said Contract by the Company and a separate attached letter from the Company to the Issuer evidences the request of the Company that the Bonds be sold at private sale upon a negotiated basis as authorized by KRS 103.230 (Exhibit C).

3. DISBURSEMENT OF PROCEEDS OF BONDS

The Company and the Trustee are authorized to carry out the procedure specified in the Indenture for the supervision of the acquisition and construction of the Project and for the payment from time to time of the costs of acquisition and construction and related expenses as the same progresses.

4. REVENUES OF THE PROJECT

The revenues and other payments to be received by the Issuer under the terms of the Lease Agreement are determined to be sufficient to pay the principal of and interest on the Bonds as the same become due and payable and all said payments and other payments received under the Lease Agreement and all other revenues arising out of or in connection with

the Lease Agreement are hereby pledged to secure such payments and revenues, and in addition, for such other purposes as are more fully specified in the Indenture.

5. DESIGNATION OF TRUSTEE

PNC Bank, Ohio, N.A., Cincinnati, Ohio is hereby designated as a corporate trustee under the Indenture and also as the paying agent and bond registrar for the Bonds.

6. EXECUTION OF BONDS

The Bonds shall be executed in the manner provided in the Indenture and shall be delivered to the Trustee for proper authentication and delivery by the Trustee to the purchasers thereof with instructions to that effect, as provided in the Indenture.

7. COUNTY JUDGE/EXECUTIVE AND OTHER OFFICIALS OF ISSUER TO TAKE ANY OTHER NECESSARY ACTION

Pursuant to the Constitution and laws of the Commonwealth of Kentucky, the County Judge/Executive, the Clerk of the Fiscal Court and all other appropriate officials of the Issuer are hereby authorized and directed to take any and all further action and to execute and deliver all other documents as may be necessary to effect the issuance and delivery of the Bonds.

8. COMPLIANCE WITH FEDERAL ARBITRAGE REQUIREMENTS

The Issuer covenants that sums derived from the proceeds of the Bonds shall not be invested in investments in a manner which would cause the Bonds to be treated as "arbitrage bonds" within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder.

Prior to or at the time of delivery of the Bonds, the County Judge/Executive, the Chief Financial Officers and/or the Clerk of the Fiscal Court who are jointly and severally charged with responsibility for the issuance of the Bonds are authorized to execute the appropriate certification with reference to the matters required and contemplated by such statute and regulations, setting out all known and contemplated facts concerning the anticipated acquisition and construction, expenditures and investments, including the execution of necessary and/or desirable certifications contemplated by the aforesaid regulations in order to assure that interest on the Bonds will be exempt from all federal income taxes and that the Bonds will not be treated as "arbitrage bonds." Such Officer(s) is (are) entitled to rely upon information furnished by the Company in making such certifications and representations unless they, or either of them, shall be aware of any fact or circumstances which would cause such certifications or representations to be questioned.

9. ELECTION

The County hereby elects to have the provisions of Section 144(a)(4) of the Internal Revenue Code of 1986 (the "Code") and Treasury Regulation Section 1.103-19(b)(2) apply to the Bonds in determining their treatment as "qualified small issue bonds," as defined in Section 144(a) of the Code.

10. SEVERABILITY CLAUSE

If any section, paragraph, clause or provision of this Ordinance shall be ruled by any court of competent jurisdiction to be invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions hereof.

11. CAPTIONS OF CLAUSE

The captions of this Ordinance are for convenience only and are not to be construed as part of this Ordinance nor as defining or limiting in any way the scope or intent of the provisions hereof.

To the extent any resolution, ordinance or part thereof is in conflict, the provisions of this Ordinance shall prevail.

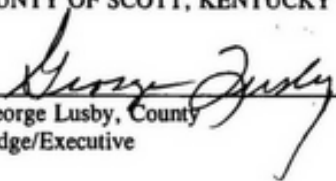
12. EFFECTIVE DATE OF ORDINANCE

This Ordinance shall take effect from and after its adoption, approval and publication of Notice of Passage hereof, including the title of this Ordinance, which publication is hereby approved by the Clerk of the Fiscal Court pursuant to KRS 60.077 and KRS 103.210.

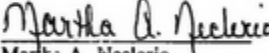
Introduced and given First Reading on April 25, 1994.

Given Second Reading, Passed and Enacted on May 2, 1994.

COUNTY OF SCOTT, KENTUCKY

By 
George Lusby, County
Judge/Executive

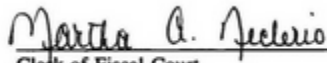
Attest:


Martha A. Neclerio
Clerk of Fiscal Court

(Seal of Issuer)

I, Martha A. Neclerio, hereby certify that I am the duly appointed and qualified Clerk of the Fiscal Court of the County of Scott, Kentucky, that the foregoing is a true copy of an Ordinance duly adopted by the Fiscal Court of said Issuer, signed by the County Judge/Executive of said Issuer, and attested under seal by the Clerk of the Fiscal Court, at a properly convened term and session of said Fiscal Court, held on May 2, 1994, as shown by official records in my custody and under my control, that Notice of Passage of said Ordinance has been ordered to be published as required by law (KRS 67.077 and KRS 103.210), that said Ordinance appears as a matter of public record in Fiscal Court Ordinance Book No. 1994, that attached hereto are true copies of the documents approved therein, and that copies of such documents have also been duly filed and recorded in the official records of the Fiscal Court of the County of Scott.

IN WITNESS WHEREOF, I have hereunto set my hand as Clerk of the Fiscal Court and the Seal of the Issuer this 2 day of May, 1994.

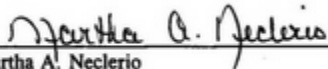

Martha A. Neclerio
Clerk of Fiscal Court

(Seal of Issuer)

CERTIFICATION

I, the Clerk of the Fiscal Court of Scott County, Kentucky, do hereby certify that the foregoing is a true, correct copy of Ordinance No. 003, Series 1994, relating to the issuance of the County of Scott County, Kentucky, Adjustable Rate Industrial Building Revenue Bonds (Ropak Corporation Project), enacted by the Fiscal Court of Scott County at its meeting held on May 2, 1994, and is in full force and effect.

Witness my hand this 2nd day of May, 1994.



Martha A. Neclerio
Fiscal Court Clerk