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ORDINANCE NO. _____

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ORDINANCE OF THE FISCAL COURT OF MADISON COUNTY, KENTUCKY,
RELATING TO AND APPROVING AN INDUCEMENT CONTRACT BETWEEN
THE COUNTY AND WILLIAM KENNETH CUMMINS, IN WHICH THE COUNTY
AGREES TO FINANCE THE CONSTRUCTION OF AN ECONOMIC DEVELOPMENT
PROJECT FOR WILLIAM KENNETH CUMMINS, OR AN ENTITY DESIGNATED
BY HIM (THE "BORROWER"), ON A TRACT OF LAND LOCATED WITHIN
THE CITY LIMITS OF THE CITY OF BEREA, IN THE COUNTY, THROUGH
THE ISSUANCE BY THE COUNTY OF APPROXIMATELY \$3,000,000 OF
ECONOMIC DEVELOPMENT REVENUE BONDS, FOR THE PURPOSE OF CREATING
ADDITIONAL EMPLOYMENT OPPORTUNITIES IN SAID COUNTY; AND AUTHO-
RIZING THE BEGINNING OF CONSTRUCTION OF SAID PROJECT PRIOR TO
THE ISSUANCE OF SAID BONDS, WITH SAID BORROWER TO BE REIMBURSED
OUT OF THE PROCEEDS OF SAID BONDS FOR ALL COSTS ADVANCED BY THE
BORROWER TOWARD THE COST OF THE PROJECT.

MADISON COUNTY COURT
KENTUCKY

*Judy Perkins
DC*

WHEREAS, it is necessary and desirable for the general welfare and economy of the County that the County provide additional permanent opportunities for employment in the County, and

WHEREAS, William Kenneth Cummins, on behalf of himself or an entity to be designated by him (the "Borrower"), has submitted to the County a proposed Inducement Contract, in which the Borrower proposes to construct and equip a motel complex as a new commercial building project (the "Project"), on a tract of land of approximately 7 acres, located within the City limits of the City of Berea in the County, and

WHEREAS, the Borrower has proposed in said Inducement Contract that if the County will agree to authorize, issue, and sell its County of Madison Economic Development Revenue Bonds in the amount of approximately \$3,000,000, pursuant to Sections 103.200 through 103.285 of the Kentucky Revised Statutes, for the purpose of financing the construction of the Project on said tract, the Borrower would agree to operate the Project and to make loan payments to the County sufficient to pay all principal and interest requirements of the Bonds as same become due, and

WHEREAS, in the opinion of the Fiscal Court of the County, the Project would relieve to some appreciable degree the condition of unemployment now existing

WHEREAS, said plan of financing and the aforesaid Statutes contemplate that said Bonds would not be a general obligation debt of the County, but would be secured only by a foreclosable mortgage lien against and a first pledge of the revenues of the Project, which revenues would be derived by the County from loan payments from the Borrower sufficient to pay all principal and interest requirements of the Bonds, and

WHEREAS, it is deemed advisable and in the best interests of the County that said Inducement Contract be approved and executed,

NOW, THEREFORE, BE IT ORDAINED BY THE FISCAL COURT OF THE COUNTY OF MADISON, COMMONWEALTH OF KENTUCKY, AS FOLLOWS:

1. That the Inducement Contract referred to in the preamble hereto is hereby accepted and approved, said Contract contemplating that the County shall cause a new commercial building project (the "Project"), to be constructed on a certain site located at the Intersection of I-75 and Kentucky Highway 21, within the City limits of the City of Berea in the County, which Project is to be financed by the issuance of approximately \$3,000,000 of County of Madison Economic Development Revenue Bonds.

2. That the County shall cooperate fully with the Borrower, with the County Attorney, William G. Clouse, Jr., Madison County Courthouse, Richmond, Kentucky, and with Bond Counsel designated in said Inducement Contract (viz., Rubin & Hays, 300 Fireside Building, 209 South Fifth Street, Louisville, Kentucky 40202), in the issuance of the proposed Bonds in order to induce said Borrower to locate and construct and operate the Project on said site and thus create new opportunities for employment within the County and the surrounding area.

3. That the County agrees to enter into the appropriate Loan Agreement between the County and the Borrower and agrees that this Ordinance commits the County insofar as the laws of the Commonwealth of Kentucky allow, (a) to issue

issuance of said Bonds must be approved by said County Attorney, Bond Counsel, and the governing body of the County. Since Kentucky law (KRS 103.230) permits the sale of such Bonds to be made at a negotiated interest rate and price without public advertising, if such rate and price are agreeable to the Borrower, and since the Borrower desires that such Bonds be sold in that manner by negotiation, the County agrees to cooperate fully in effecting such negotiated sale.

4. That the County Judge/Executive is hereby authorized and directed to execute said Inducement Contract on behalf of the County and to execute all necessary documents, instruments, and obligations of the County, in order effectively to carry out the intent and purpose of this Ordinance and of said Contract, all without expense to the County. A copy of said Contract is hereby ordered to be made a part of this Ordinance the same as if copied in full herein, and such copy shall be filed in the records of the County with this Ordinance.

5. That the County specifically approves and authorizes the beginning of construction of the Project as soon as the Oversight Committee referred to in Section 6 below shall review and approve the issuance of the proposed Bonds, with the agreement by the County in the Inducement Contract, that the Borrower may be reimbursed out of the proceeds of the Bonds when issued for any and all costs of the Project advanced by the Borrower.

6. That this Ordinance, and the Inducement Contract approved herein, shall be effective to the maximum extent permitted by law, provided it is acknowledged by both parties that the Act provides that a commercial project of the kind contemplated in this Ordinance and in the Inducement Contract cannot be financed by the County under the Act unless and until the proposed Project has been "reviewed and approved" by the "Oversight Committee" pursuant to KRS 103.200(11) and 103.2101(4); and the signing and filing by the County Judge/Executive of the application for approval of the Project by the "Oversight Committee" is hereby

of the County and by the furnishing of a certified copy of same to the Borrower and to Bond Counsel.

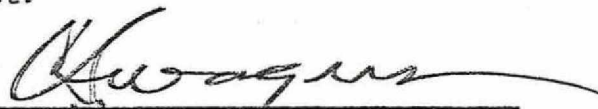
8. That this Ordinance shall be in force immediately upon its enactment and approval.

INTRODUCED AND GIVEN FIRST READING ON FEBRUARY 21, 1983.

GIVEN SECOND READING, ENACTED, AND APPROVED ON MARCH 7, 1983.


County Judge/Executive

Attest:


County Clerk

(Seal of County)

CERTIFICATE OF COUNTY CLERK

I, CHARLES S. WAGERS, hereby certify that I am the duly qualified and acting County Clerk of Madison County, Kentucky, that the foregoing Ordinance is a true copy of an Ordinance duly given first reading by the Fiscal Court of said County on February 21, 1983, and given second reading, enacted, and approved by said Fiscal Court on March 7, 1983, and that said Ordinance (together with the Inducement Contract approved herein) appears as a matter of public record in the official records of said County.

I further certify that said meetings were duly held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820, and 61.825, that a quorum was present at each of said meetings, that said Ordinance has not been modified, amended, revoked, or repealed, and that same is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature as County Clerk and the