

RESOLUTION  
WITH RESPECT TO THE ISSUANCE OF BONDS TO FINANCE  
FACILITIES FOR \_\_\_\_\_

WHEREAS, the Angelina and Neches River Authority Industrial Development Corporation (the "Issuer") is a nonprofit industrial development corporation duly organized and existing under the laws of the State of Texas, including particularly the Development Corporation Act of 1979, Article 5190.6, Vernon's Texas Civil Statutes, as amended (the "Act") created by the Angelina and Neches River Authority (the "Governmental Unit"); and

WHEREAS, \_\_\_\_\_, a \_\_\_\_\_ [corporation] [limited liability company], has advised the Issuer that \_\_\_\_\_ or one of its parent, subsidiary, affiliate or related corporations, entities, or divisions (collectively referred to herein as the "User") is considering proceeding with the acquisition, construction, reconstruction, and extension of certain solid waste disposal facilities within the boundaries of the Issuer, and all property and equipment related to the foregoing, as described in Exhibit A attached hereto (collectively the "Project"); and

WHEREAS, the User has advised the Issuer that a contributing factor which would further induce the User to proceed with providing for the acquisition and construction of the Project would be a commitment and agreement by the Issuer to issue industrial development revenue bonds pursuant to the Act (whether in one or more issues, collectively, the "Bonds") to finance and pay for the Project; and

WHEREAS, the User has proposed to the Issuer that the User will be further induced to proceed with providing for the acquisition and construction of the Project if the Issuer will make such commitment and agreement and adopt this Resolution; and

WHEREAS, the User has made prior to the passage of this Resolution, and expects to make, on or after the passage of this Resolution all the expenditures relating to the Project (the "Expenditures"); and

WHEREAS, the Issuer reasonably expects (based upon information supplied by the User, upon which it is reasonable and prudent for the Issuer to rely) to reimburse the User or persons acting on its behalf for the Expenditures with the proceeds of the Bonds; and

WHEREAS, the Issuer finds, intends, and declares that this Resolution shall, in accordance with its provisions, constitute the commitment and agreement of the Issuer to issue the Bonds in such aggregate principal amount, now estimated not to exceed \_\_\_\_\_ Dollars (\$\_\_\_\_\_), as is actually required to finance and pay for the acquisition and construction of the Project; and

WHEREAS, the Issuer finds, considers, and declares that the issuance of the Bonds in such amount and for such purpose will be appropriate and consistent with the objectives of the Act, and that the adoption of this Resolution is and constitutes, and is intended as, (i) an inducement to the User to proceed with providing for the acquisition and construction of the Project, (ii) the taking of affirmative official action by the Issuer, acting by and through its Board of Directors, towards the issuance of the Bonds, and (iii) the declaration of the intention of the Issuer to reimburse Expenditures at such time as the Bonds are issued.

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF ANGELINA AND NECHES RIVER AUTHORITY INDUSTRIAL DEVELOPMENT CORPORATION THAT:

Section 1. The Issuer is committed and agrees as follows:

(a) To adopt a bond resolution or bond resolutions prepared by the Issuer's Bond Counsel, when requested by the User, authorizing the issuance of Bonds pursuant to the Act, and to issue the Bonds, subject to the requirements of the Act, the execution of the appropriate

agreements or contracts described in (b), below, and the sale of the Bonds under terms and conditions satisfactory to the Issuer and the User, to finance and pay for the acquisition and construction of the Project, including amounts sufficient to pay the fees, expenses, and costs in connection with such issuance, including an amount adequate to reimburse the Issuer and/or the Governmental Unit for administrative and overhead expenses and costs with respect to the Bonds and the Project, with the Bonds to be payable from payments by the User, and from any other sources approved by the Issuer, to the Issuer and/or to a corporate trustee under a trust indenture securing the Bonds in such sums as are required to pay the principal of, interest on, and redemption premium, if any, together with the paying agents' and trustee's fees on, the Bonds, as and when the same shall become due and payable.

(b) Prior to the issuance of the Bonds when requested by the User, to enter into such loan agreement, installment sale agreement, lease, and/or any other appropriate contracts or agreements between the Issuer and the User as are mutually acceptable in all respects to the Issuer and the User, under which the User will be obligated to make or cause to be made, payments to the Issuer and/or to a corporate trustee of amounts which, together with amounts from any other sources approved by the Issuer, will be sufficient to pay the principal of, interest on, and redemption premium, if any, together with the paying agents' and trustee's fees on, the Bonds, as and when the same shall become due and payable, and with such payments also to be sufficient to defray the Issuer's and/or Governmental Unit's administrative, overhead, and other expenses and costs with respect to the Bonds and the Project.

(c) To take, or cause to be taken, such other action, and to execute such additional contracts and agreements mutually agreeable to the Issuer and the User in all respects, when requested by the User as may be required in accordance with the Act and this Resolution to cause the issuance of the Bonds and to obtain any necessary and available state volume cap for the Bonds.



Section 2. By the acceptance of this Resolution and proceeding with the Project, the User thereby agrees that (i) it will fully indemnify and hold the Issuer and the Governmental Unit harmless from any and all damages, losses, and reasonable expenses, including attorneys' fees, arising at any time from or with respect to the Project (except those resulting from willful misconduct of the Issuer), and (ii) it will pay or reimburse the Issuer and/or the Governmental Unit for all reasonable and necessary out-of-pocket expenses, including attorneys' fees and expenses and the fees and expenses of other consultants, which the Issuer and or the Governmental Unit may have incurred at the request of the User arising from the performance or attempted performance by the Issuer of its obligations hereunder.

Section 3. The adoption of this Resolution shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing for the acquisition and construction of the Project, and said proposal and acceptance shall constitute an agreement between the Issuer and the User in accordance with the provisions of this Resolution.

Section 4. The Issuer reasonably expects (based upon information supplied by the User, upon which it is reasonable and prudent for the Issuer to rely) to reimburse the Expenditures with the proceeds of the Bonds.

Section 5. Immediately after the adoption of this Resolution, the acquisition and construction of the Project may continue to completion in accordance with methods and procedures determined by the User, pursuant to this Resolution and the agreement it constitutes.

Section 6. The officers and directors of the Issuer, the Governmental Unit, and the Port Director of the Governmental Unit are each hereby authorized to do all things necessary to accomplish the purposes of this Resolution, including, without limitation, the execution of any certificates, documents, or applications required or authorized by any governmental bodies (including, without limitation, the Attorney General of the State of Texas, the Comptroller of Public

Accounts of the State of Texas, the Texas Bond Review Board, and the Texas Economic Development and Tourism Office) having jurisdiction over the Issuer or the issuance of the Bonds or the regulation thereof.

Section 7. This Resolution may be assigned, at any time, in whole or in part, to the Governmental Unit.

EXHIBIT "A"

DESCRIPTION OF PROJECT