

#84-B-15

RESOLUTION

JUN 25 1984

APPROVING THE ISSUANCE OF
ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT REVENUE BONDS
(KDI AMERICAN PRODUCTS, INC. PROJECT)
IN AN AGGREGATE PRINCIPAL AMOUNT OF \$2,700,000

WHEREAS, the Board of County Commissioners of Orange County declared a need for the Orange County Industrial Development Authority (the "Authority"), appointed its members and empowered it to act under the provisions of Chapter 159 Part III of the Florida Statutes; and,

WHEREAS, the Authority on June 20, 1984, following the public hearing (the "Public Hearing") held pursuant to the Notice of Public Hearing published in The Orlando Sentinel and attached hereto as Exhibit "A" (the "Notice") adopted the resolution attached hereto as Exhibit "B" (the "Resolution") providing for the issuance of an aggregate principal amount of \$2,700,000 of Orange County Industrial Development Authority Industrial Development Revenue Bonds (KDI American Products, Inc. Project) (the "Bonds") for acquisition, construction and equipping of the therein described manufacturing and distribution facility for KDI American Products, Inc. (the "Project") in Orange County; and,

WHEREAS, the Board of County Commissioners of Orange County has jurisdiction over Orange County; and,

WHEREAS, the Board of County Commissioners of Orange County has been furnished with a copy of the Notice and of the minutes or extracts of the minutes of the Meeting and Public Hearing of the Authority held on June 20, 1984, with respect to the Authority's approval of the Resolution indicating that the Notice apprised residents of Orange County of the proposed issuance of the Bonds not less than 14 days before the Public Hearing and that the Public Hearing was conducted in a manner which provided a reasonable opportunity for persons with differing views on both the issuance of the Bonds and the location and nature of the Project to be heard; and,

WHEREAS, the Board of County Commissioners has been requested by the Authority to consider and approve the Authority's issuance of the Bonds under the provisions of Section 125.01(1)(z) of the Florida Statutes, as amended, and Section 103(k) of the Internal Revenue Code of 1954, as amended;

NOW, THEREFORE, BE IT RESOLVED by the Board of County


Commissioners of Orange County as follows:

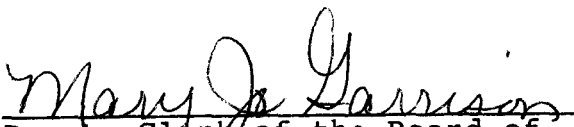
1. Issuance of the Bonds by the Authority in an aggregate principal amount of \$2,700,000 of Orange County Industrial Development Authority Industrial Development Revenue Bonds (KDI American Products, Inc. Project) as contemplated by the Resolution is hereby approved.

2. This approval is intended to comply with the provisions of Section 125.01(1)(z) of the Florida Statutes, as amended, and Section 103(k) of the Internal Revenue Code of 1954, as amended.

3. Nothing contained in this approval shall be deemed to create any obligation or obligations of Orange County, Florida or the Board of County Commissioners of Orange County.

ADOPTED as of this 25th day of June, 1984, and effective immediately upon its adoption.


VICE Chairman of the Board of
County Commissioners


Deputy Clerk of the Board of
County Commissioners

State of Florida) ss.
COUNTY OF ORANGE

Before the undersigned authority personally appeared
Catherine Deering, who on oath says that

she is the Legal Advertising Representative of the Orlando Sentinel, a Daily newspaper published at Orlando, in Orange County, Florida; that the attached copy of advertisement, being a Notice of Public Hearing in the matter of Orange County Industrial Development

Authority in the Court,

was published in said newspaper in the issues of June 6, 1984

Affiant further says that the said Orlando Sentinel is a newspaper published at Orlando, in said Orange County, Florida, and that the said newspaper has heretofore been continuously published in said Orange County, Florida, each Week Day and has been entered as second-class mail matter at the post office in Orlando, in said Orange County, Florida for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he/she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Catherine Deering

Sworn to and subscribed before me this 6th day

of June 84 A.D., 19

Virginia M. Hollingsworth

Notary Public, State of Florida at Large

My Commission Expires July 13, 1985

Bonded by American Fire & Casualty Co. FORM NO. AD-262



NOTICE OF PUBLIC HEARING
ORANGE COUNTY
INDUSTRIAL DEVELOPMENT
AUTHORITY

A public hearing will be held by the Orange County Industrial Development Authority to consider and act on approval for purposes of Section 103(k) of the Internal Revenue Code of 1954, as amended, of the bond issues for the projects listed below:

1. Maximum of \$3,500,000 of industrial development revenue bonds for General Accident Insurance Company of America, Pennsylvania General Insurance Company, Camden Fire Insurance Association and Potomac Insurance Company of Illinois to acquire approximately 4.5 acres of land in the Maitland Center, in the City of Maitland, in North Orange County and construct, furnish and equip a two-story, 34,000 square foot office building to be used as a regional headquarters facility by the companies in the selling, underwriting and servicing of insurance policies.
2. Maximum of \$2,700,000 of industrial development revenue bonds for KDI American Products, Inc., to be guaranteed by its parent corporation, KDI Corporation, to acquire approximately 4.5 acres of land and construct, furnish and equip an approximately 40,000 square foot manufacturing and distribution facility in the Regency Industrial Park in South Orange County.
3. Maximum of \$4,400,000 of industrial development revenue bonds for Beverly Enterprises, to acquire approximately 5 acres of land and construct and equip an approximately 42,000 square foot, 180 bed intermediate and skilled nursing care home facility on the South side of Lake Underhill Road, approximately 700 feet East of Goldenrod Road in East Orange County.
4. Maximum of \$1,700,000 of industrial development revenue bonds for W. Durward Alexander and Carley Zell to acquire approximately 7.5 acres of land and construct, furnish and equip an approximately 106,000 square foot addition to their existing approximately 79,000 square foot warehouse located in the Regency Industrial Park in South Orange County. The existing facility is, and the proposed addition will be, leased to Z Trucking & Forwarders, Inc.

Members of the public will be given a reasonable opportunity to express their views on the issuance of the bonds and the location and nature of the proposed project at the public hearing which will be conducted as a part of the Authority's regular monthly public meeting to be held on Wednesday, June 20, 1984 at 2:00 p.m. in Suite 890, Hartford Building, 200 East Robinson Street, Orlando, Florida.

If a person decides to appeal any decision made by the Orange County Industrial Development Authority with respect to any matter considered at this meeting or hearing, he will need a record of the proceedings, and for such purpose, he may need to insure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

June 6, 1984

ORANGE COUNTY
INDUSTRIAL
DEVELOPMENT
AUTHORITY

By: Roy L. Harris, Jr.
Title: Secretary

EXHIBIT B 1

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A LETTER OF INTENT AND INDUCEMENT TO KDI AMERICAN PRODUCTS, INC.; PROVIDING FOR THE FINANCING OF THE PURCHASE OF LAND AND THE CONSTRUCTION, FURNISHING AND EQUIPPING THEREON OF AN APPROXIMATELY 40,000 SQUARE FOOT MANUFACTURING AND DISTRIBUTION FACILITY IN REGENCY INDUSTRIAL PARK IN SOUTH ORANGE COUNTY; PROVIDING FOR THE ISSUANCE BY THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY OF \$2,700,000 INDUSTRIAL DEVELOPMENT REVENUE BONDS, SERIES 1984 (KDI AMERICAN PRODUCTS, INC. PROJECT), TO PAY THE COST OF SUCH FACILITIES; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SUCH BONDS; PROVIDING FOR THE PAYMENT THEREOF; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF A TRUST INDENTURE AND LOAN AGREEMENT, MORTGAGE AND SECURITY AGREEMENT; APPROVING THE FORM OF GUARANTY AND INDEMNIFICATION AGREEMENT; FIXING THE DATE, MATURITIES AND INTEREST RATES FOR THE BONDS; AWARDING SALE OF THE BONDS; DESIGNATING THE TRUSTEE AND PAYING AGENT FOR THE BONDS; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY:

Section 1. AUTHORITY FOR THIS RESOLUTION. This resolution, hereinafter called "instrument", is adopted pursuant to the provisions of Parts II and III, Chapter 159, Florida Statutes and other applicable provisions of law (the "Act").

Section 2. DEFINITIONS. Unless the context otherwise requires, the terms used in this resolution shall have the meanings specified in the Trust Indenture by and between the Orange County Industrial Development Authority of Orange County, Florida (the "Issuer") and the Trustee, as hereinafter defined (the "Trustee"), dated as of June 1, 1984 (the "Indenture"), the Loan Agreement, Mortgage and Security Agreement by and between the Issuer and KDI American Products, Inc. (the "Borrower"), dated as of June 1, 1984 (the "Loan Agreement"), and the Guaranty and Indemnification Agreement from KDI Corporation to Trustee, dated as of June 1, 1984 (the "Guaranty"), attached hereto as Exhibits "B", "C" and "D", respectively.

Section 3. FINDINGS. It is hereby ascertained, determined and declared as follows:

A. The Issuer is authorized by the Act to make and execute financing agreements, contracts, deeds and other instruments necessary or convenient for the purpose of facilitating the financing of the acquisition, construction and equipping of projects as defined in the Act, including machinery, equipment, land, rights in land and other appurtenances and facilities related thereto, to the end that the Issuer may be able to promote the economic growth of the State of Florida, increase opportunities for gainful

employment and otherwise contribute to the welfare of the State of Florida and its inhabitants, and to finance the cost of such projects by the issuance of revenue bonds.

B. The Borrower seeks the acquisition of approximately 4.5 acres of land and the construction, furnishing and equipping thereon of an approximately 40,000 square foot manufacturing and distribution facility in Regency Industrial Park in south Orange County (the "Project") and the Borrower has requested that the Issuer indicate to the Borrower its intentions in this respect in order to induce the Borrower to proceed with the Project and incur expenses for its initiation and its financing and by this resolution take affirmative official action toward the issuance of such bonds within the meaning of Section 1.103-8(a)(5) of the Internal Revenue Service Regulations, as amended, pertaining to Industrial Development Bonds.

C. The Project is appropriate to the needs and circumstances of, and shall make a significant contribution to the economic growth of Orange County, Florida (the "County"), shall increase opportunities for gainful employment, and shall serve a public purpose by advancing the general welfare of the State of Florida and its people.

D. Giving due regard to the ratio of the Borrower's current assets to its current liabilities, net worth, earnings, trends, coverage of all fixed charges, the nature of its business and the industry in which its is involved, its inherent stability, and all other factors determinative of the Borrower's capabilities, financial and otherwise, of fulfilling its obligations consistently with the purpose of the Act, the Borrower is financially responsible and fully capable and willing to fulfill its obligations under the Loan Agreement, including the obligation to make payments thereunder in the amounts and at the times required pursuant to the terms of the Loan Agreement and the obligation to repair and maintain the Project, and the Borrower is desirous of serving the purposes of the Act and is willing and capable of fully performing all other obligations and responsibilities imposed upon it pursuant to the provisions of the Loan Agreement.

E. The appropriate local agencies in the County are able to cope satisfactorily with the impact of the Project, and all the necessary public facilities, utilities and services that will be necessary for the construction, operation, repair and maintenance of the Project and on account of any increase in population or other circumstances resulting by reason of the location of the Project within the County are available now or can be provided when needed.

F. Adequate provision is made under the provisions of the Loan Agreement for the repair and maintenance of the Project at the expense of the Borrower, and for the payment of the principal of and premium, if any, and interest on the Bonds.

G. The principal of and premium, if any, and interest on the Bonds and all payments required under the Loan Agreement and the Indenture shall be payable solely from the proceeds derived by the Issuer under the Loan Agreement. The Issuer shall never be required to (i) levy ad valorem taxes on any property within its territorial limits, to pay the principal of and premium, if any, and interest on the Bonds or to make any other payments provided for under the Loan Agreement and the Indenture, or (ii) pay the same from any funds of the Issuer other than those derived by the Issuer under the Loan

Agreement; and such Bonds shall not constitute a lien upon any property owned by or situated within the territorial limits of the Issuer except the Project in the manner provided in the Loan Agreement and the Indenture.

H. The payments to be made by the Borrower to the Trustee under the Loan Agreement will be sufficient to pay all principal of and interest, and premium, if any, on Bonds, as the same shall become due, and to make all other payments required by the Loan Agreement and the Indenture.

I. The Borrower's performance of its obligations, financial and otherwise, under the Loan Agreement shall be secured by a first mortgage lien on real property and a security interest in the project furnishings, machinery and equipment. The payment of the Bonds shall additionally be secured by the Guaranty.

J. The costs to be paid from the proceeds of the Bonds will be costs of the Project, within the meaning of the Act.

K. The interest on the Bonds will be exempt from federal income taxation under existing laws of the United States. The receipt of the advice of Livermore Klein & Lott, P.A., Bond Counsel, in this regard is acknowledged, and their letter dated June 20, 1984 is accepted and entered into Issuer's minutes.

Section 4. AUTHORIZATION OF EXECUTION AND DELIVERY OF INDUCEMENT LETTER. The Chairman or Vice Chairman of the Issuer is hereby authorized to execute, and the Secretary or Assistant Secretary of the Issuer is hereby authorized to attest, the Issuer's letter or letters addressed to the Borrower and its affiliates in substantially the form attached to this resolution as Exhibit "A" and incorporated herein, with such changes therein, whether made prior to the execution thereof or thereafter, as shall be approved from time to time by such officers executing the same, such approval to be conclusively evidenced by their execution thereof.

Such officers and all other officers and employees of the Issuer are hereby authorized to execute such further agreements and take such further action as shall be necessary to carry out the intent and purposes expressed in such letter attached as Exhibit "A", upon becoming an agreement on its execution by the Borrower, and are further authorized to take such other steps and actions as may be required and necessary in order to issue such bonds.

Section 5. FINANCING OF THE PROJECT AUTHORIZED. The financing of the cost of the Project in the manner provided in the Loan Agreement is hereby authorized.

Section 6. AUTHORIZATION OF BONDS. Obligations of the Issuer to be known as "Industrial Development Revenue Bonds, Series 1984 (KDI American Products, Inc. Project)", are hereby authorized to be issued in an aggregate principal amount of Two Million Seven Hundred Thousand Dollars (\$2,700,000), in the form and manner described in the Indenture. The Bonds will be dated such date and mature in such years and amounts, will contain such redemption provisions, and will bear interest at such rates (not exceeding the maximum interest rate permitted by the Act or by other applicable provision of law), as provided in the Indenture.

Section 7. AUTHORIZATION OF EXECUTION AND DELIVERY OF INDENTURE. As security for the payment of the principal of and premium, if any, and interest on the Bonds, pro rata and without preference of any one of the Bonds over any other thereof, the Indenture, in substantially the form attached hereto as Exhibit "B", with such changes, alterations and corrections as may be approved by the Chairman or Vice Chairman of the Issuer, such approval to be presumed by his execution thereof, is hereby approved by the Issuer, and the Issuer hereby authorizes and directs said Chairman or Vice Chairman to execute, and the Secretary or Assistant Secretary of the Issuer to attest under the seal of the Issuer, the Indenture and to deliver to the Trustee the Indenture, all of the provisions of which, when executed and delivered by the Issuer as authorized herein and by the Trustee duly authorized, shall be deemed to be a part of this instrument as fully and to the same extent as if incorporated verbatim herein. The Issuer does hereby provide in the Indenture the terms, conditions, covenants, rights, obligations, duties and agreements to and for the benefit of the holders of the Bonds, the Issuer, the Borrower and the Trustee.

Section 8. AUTHORIZATION OF EXECUTION AND DELIVERY OF LOAN AGREEMENT. The Loan Agreement, in substantially the form attached hereto as Exhibit "C", with such changes, alterations and corrections as may be approved by the Chairman or Vice Chairman of the Issuer, such approval to be presumed by his execution thereof, is hereby approved by the Issuer, and the Issuer hereby authorizes and directs said Chairman or Vice Chairman to execute, and the Secretary or Assistant Secretary of the Issuer to attest under the seal of the Issuer, the Loan Agreement and to deliver to the Borrower the Loan Agreement, all of the provisions of which, when executed and delivered by the Issuer as authorized herein and by the Borrower duly authorized, shall be deemed to be a part of this instrument as fully and to the same extent as if incorporated verbatim herein.

Section 9. NO PERSONAL LIABILITY. No covenant, stipulation, obligation or agreement herein contained or contained in the Loan Agreement or the Indenture shall be deemed to be a covenant, stipulation, obligation or agreement of any member, agent or employee of the Issuer or its governing body in his individual capacity, and neither the members of the Issuer nor any official executing the Bonds shall be liable personally thereon or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 10. NO THIRD PARTY BENEFICIARIES. Except as herein or in the Loan Agreement or in the Indenture otherwise expressly provided, nothing in this instrument or in the Loan Agreement or in the Indenture, expressed or implied, is intended or shall be construed to confer upon any person, firm or corporation other than the Issuer, the Borrower, the holders from time to time of the Bonds and the Trustee any right, remedy or claim, legal or equitable, under and by reason of this instrument or any provision thereof or of the Loan Agreement or of the Indenture, this instrument, the Loan Agreement and the Indenture intended to be and being for the sole and exclusive benefit of the Issuer, the Borrower, the holders from time to time of the Bonds and the Trustee.

Section 11. PREREQUISITES PERFORMED. All acts, conditions and things relating to the passage of this instrument, to the issuance of the Bonds, and to the execution of the Loan Agreement and the Indenture, required by the Constitution or laws

of the State of Florida to happen, exist, and be performed precedent to and in the passage hereof, and precedent to the issuance of the Bonds, and precedent to the execution and delivery of the Loan Agreement and the Indenture, have happened, exist and have been performed as so required.

Section 12. GENERAL AUTHORITY. The members of the Issuer and its officers, attorneys, engineers or other agents or employees are hereby authorized to do all acts and things required of them by this instrument, the Loan Agreement or the Indenture, or desirable or consistent with the requirements hereof or such Loan Agreement or Indenture, for the full, punctual and complete performance of all the terms, covenants and agreements contained in the Bonds, the Loan Agreement, the Indenture, and this instrument.

Section 13. ARBITRAGE. The Issuer covenants that it will not direct the Trustee to make any investments or acquiesce in the making of any investments by the Trustee pursuant to or under the Loan Agreement or the Indenture which could cause the Bonds to be "arbitrage bonds" within the meaning of Section 103(c)(2) of the Internal Revenue Code of 1954, as amended, and the applicable regulations issued thereunder.

Section 14. THIS INSTRUMENT CONSTITUTES A CONTRACT. The Issuer covenants and agrees that this instrument shall constitute a contract between the Issuer and the holders from time to time of any of the Bonds then outstanding and that all covenants and agreements set forth herein and in the Loan Agreement and the Indenture to be performed by the Issuer shall be for the equal and ratable benefit and security of all holders of the Bonds without privilege, priority or distinction as to lien or otherwise of any of the Bonds over any other of the Bonds.

Section 15. ELECTION UNDER SECTION 103(b)(6)(D). The Issuer does hereby elect to have the provisions of Section 103(b)(6)(D) of the Internal Revenue Code of 1954, as amended, apply to the Bonds and said Chairman or Vice Chairman is hereby authorized and directed to evidence such election by executing and filing on behalf of the Issuer a statement in the form required by Section 1.103-10(b)(2)(vi) of the Regulations of the Internal Revenue Service.

Section 16. AWARD OF BONDS. The Issuer hereby finds, determines and declares that the small size of the issue, the individualized nature of the financing plan for the Bonds, and current rapidly changing bond market conditions require that the bond issue be negotiated at private sale rather than offered by competitive bid at public sale in order to assure the necessary flexibility to obtain the most favorable terms in the bond market. The negotiated sale of \$2,700,000 principal amount of Bonds to Barnett Banks of Central Florida, N.A., Orlando, Florida, a national banking association (the "Purchaser"), is hereby authorized pursuant to Section 218.385, Florida Statutes, the Borrower and the Purchaser prior to delivery of the Bonds. Such determination shall be conclusively established by Issuer's and Borrower's execution and delivery of the Indenture. The Bonds shall be dated, mature, bear interest and be redeemable as stated in the Indenture attached hereto as Exhibit "B". The acceptance of the Purchaser's offer to buy the Bonds at the price of par plus accrued interest, less the commitment fee set forth in the Disclosure Statement filed with the Issuer this date by the Purchaser, is hereby authorized, and the Issuer hereby authorizes and directs said Chairman or Vice Chairman and the Secretary or Assistant Secretary of the Issuer to take all other action necessary to consummate such sale.

Section 17. TRUSTEE AND PAYING AGENT. Barnett Banks Trust Company, N.A. is hereby designated Trustee and paying agent for the Bonds under and pursuant to the Indenture.

Section 18. APPROVAL OF FORM OF GUARANTY AND INDEMNIFICATION AGREEMENT. The Guaranty and Indemnification Agreement from KDI Corporation to the Trustee, dated as of June 1, 1984, in substantially the form attached hereto as Exhibit "D", and made a part hereof, is hereby approved, with such changes and amendments as may be approved by the Trustee.

Section 19. EXECUTION OF BONDS AND AUTHORIZATION OF ALL OTHER NECESSARY ACTION. The proper officers of the Issuer are hereby authorized and directed to execute the Bonds when prepared and to deliver the same to the Trustee for authentication and delivery to the Purchaser upon payment of the purchase price pursuant to the conditions stated in the Indenture. The Chairman, Vice Chairman, Secretary, Assistant Secretary and Attorney of the Issuer, and Livermore Klein & Lott, P.A., are designated agents of the Issuer in connection with the issuance and delivery of the Bonds, and are authorized and empowered, collectively or individually, to take all action and steps to execute and deliver any and all instruments, documents or contracts on behalf of the Issuer which are necessary or desirable in connection with the execution and delivery of the Bonds and which are not inconsistent with the terms and provisions of this instrument and other actions relating to the Bonds heretofore taken by the Issuer.

Section 20. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Bonds issued hereunder.

Section 21. REPEALING CLAUSE. All resolutions or parts thereof of the Issuer in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 22. EFFECTIVE DATE. This instrument shall take effect immediately upon its adoption.

(SEAL)

**ORANGE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**

ATTEST:

BY: _____
Chairman

BY: _____
Secretary

ADOPTED: _____

STATE OF FLORIDA
COUNTY OF ORANGE

I, Roy L. Harris, Jr., the Secretary of the Orange County Industrial Development Authority, do hereby certify that the above and foregoing is a true and correct copy of a resolution as the same was duly adopted and passed at a Regular Meeting of the Issuer on June 20, 1984, and as the same appears on record in my office.

IN WITNESS WHEREOF, I hereunto set my hand this _____ day of _____, 1984.

By : _____
Secretary