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OCONEE COUNTY, GEORGIA

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IN THE SUPERIOR COURT OF OCONEE COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,	)	
	)	
Plaintiff,	)	CIVIL ACTION FILE NO. 2016-CV-0056-S
	)	
v.	)	BOND VALIDATION
	)	
OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY and OCONEE COUNTY, GEORGIA	)	
	)	
Defendants.	)	

PETITION AND COMPLAINT FOR BOND VALIDATION

TO THE SUPERIOR COURT OF SAID COUNTY:

The STATE OF GEORGIA, by and through Kenneth W. Mauldin, District Attorney of the Western Judicial Circuit, files this petition and complaint against the Oconee County Industrial Development Authority (the "Authority") and Oconee County, Georgia (the "County"), as defendants, and respectfully shows:

1.

The Authority was duly created as a body corporate and politic and is validly existing pursuant to an amendment to the Constitution of the State of Georgia (1962 Ga. Laws, p. 871, *et seq.*), as amended by a resolution of the General Assembly (1977 Ga. Laws, p. 1582) and continued by an act of the General Assembly (1987 Ga. Laws, p. 3562, *et seq.*), as thereafter amended (the "Amendment"). The Authority is existing and operating as a public corporation and is subject to the jurisdiction of this Court.

2.

The County is a legally created, valid and existing political subdivision of the State of Georgia, created and existing under the Constitution and laws of the State of Georgia and is subject to the jurisdiction of this Court.

3.

This Court has jurisdiction over the above-named defendants and the subject matter of this proceeding by virtue of, among other things, the Amendment and the Revenue Bond Law of the State of Georgia (O.C.G.A. Section 36-82-60, *et seq.*, as amended (the "Revenue Bond Law").

4.

Pursuant to the Amendment and the Revenue Bond Law, the Authority has the power to (a) issue revenue bonds and use the proceeds for the purpose of paying all or part of the cost of any "undertaking" including (i) causeways, bridges and other crossings and (ii) highways and parkways; and (b) make and execute contracts and other instruments necessary to exercise the powers of the Authority.

5.

Pursuant to Article IX, Section II, Paragraph III(a)(4) of the Constitution of the State of Georgia, the County has the power to provide the following services: street and road construction and maintenance, including curbs, sidewalks, street lights and devises to control the flow of traffic on streets and roads constructed by counties, and pursuant to the Revenue Bond Law, the County has the power to issue revenue bonds and use the proceeds for the purpose of paying all or part of the cost of any "undertaking" including (i) causeways, bridges and other crossings and (ii) highways and parkways.

6.

Article IX, Section III, Paragraph I(a) of the Constitution authorizes, among other things, any county, municipality, or other political subdivision of the State to contract for a period not exceeding 50 years with another county, municipality or political subdivision or with any other public agency, public corporation or public authority for joint services, for the provision of services, or for the provision of separate use of facilities or equipment, provided that such contracts deal with activities, services or facilities which the contracting parties are authorized by law to undertake or to provide.

7.

The Authority and the County propose to acquire, construct, reconstruct, improve, better and extend certain economic development road projects to be sold by the Authority to the County upon completion (as more fully described in the Bond Resolution herein referred to) (the "Project"). The defendants Authority and the County have determined that the Project should be acquired, constructed, reconstructed, improved, bettered and extended substantially in accordance with the plans and specifications for said Project on file with the County and as more specifically shown in the Bond Resolution (as defined below).

8.

The Authority proposes to issue (a) its revenue bond designated as the Oconee County Industrial Development Authority Revenue Bond (Oconee County Economic Development Project), Series 2016 (the "Series 2016 Bond") in the principal of $4,285,000 to provide funds to (1) pay the costs of acquiring, constructing, reconstructing, improving, bettering and extending the Project (as more fully described in the Bond Resolution herein referred to), and (2) pay expenses necessary to accomplish the foregoing. The Series 2016 Bond shall bear

interest at a maximum rate of 2.358 per annum. The Series 2016 Bond shall be payable November 1, 2016, and semiannually thereafter on the first days of May and November in each year, and shall mature as to principal on November 1 of each year, the actual interest rates and principal maturing annually to be specified pursuant to the terms of a supplemental resolution of the Authority to be adopted prior to the issuance of the Series 2016 Bond in accordance with the terms of the Bond Resolution. The final principal and interest installments on the Series 2016 Bond shall be due and payable on November 1, 2025.

9.

The Series 2016 Bond now proposed to be issued was duly authorized pursuant to the Constitution of the State of Georgia, including specifically the Amendment and the Revenue Bond Law, and under and by virtue of a resolution of the Authority adopted on February 8, 2016 (the "Bond Resolution"). A certified copy of the Bond Resolution forms a part of the Notice to the District Attorney attached hereto as Exhibit A, and said Notice and Bond Resolution are by this reference thereto incorporated herein and made a part hereof.

10.

The County and the Authority will enter into an Intergovernmental Contract, dated as of March 1, 2016 (the "Contract"), pursuant to which the Authority will agree to issue the Series 2016 Bond to pay the costs of acquiring, constructing, reconstructing, improving, bettering and extending the Project to be sold to the County upon completion, and the County, in consideration of the Authority's doing so, is obligated to make payments to the Authority in amounts sufficient to pay the debt service on the Series 2016 Bond (the "Contract Payments") and to levy an ad valorem property tax (if necessary), unlimited as to rate or amount, on the assessed value of all property in the County subject to such tax, in order to pay the Contract

Payments. The County covenants and agrees that in order to make funds available for such purpose, it will, in its general revenue, appropriation and budgetary measures whereby its tax funds or revenues and the allocation thereof are controlled or provided for, include sums sufficient to satisfy any such Contract Payments that may be required to be made, whether or not any other sums are included in such measure, until all payments so required to be made shall have been made in full. The Contract is a lawful intergovernmental contract within the meaning of Article IX, Section III, Paragraph I(a) of the Constitution of the State of Georgia of 1983 and is security for the Series 2016 Bond. A copy of the Contract forms a part of the Bond Resolution and the Contract is, by this reference thereto, incorporated herein and made a part hereof.

11.

The Board of Commissioners of the County will, pursuant to a resolution to be duly adopted on February 23, 2016, approve the terms and conditions of the Bond Resolution and will authorize the execution and delivery of the Contract. The obligations of the County to make the payments under the Contract when due as therein provided and to perform its other obligations thereunder, are absolute and unconditional general obligations of the County as therein provided. The payments thereunder required of the County shall be made from any lawfully available funds and, if necessary, from monies derived pursuant to the levy of an ad valorem tax, all as more fully provided in the Contract.

12.

Under the terms of the Bond Resolution, the Authority has assigned and pledged the Contract and the Contract Payments to the payment of the principal of and interest on the Series 2016 Bond issued as provided in the Bond Resolution. The purposes for which the Series 2016 Bond are issued and the provisions made for their payment, are, therefore, sound,

reasonable and feasible.

13.

The Series 2016 Bond will not constitute a debt or a general obligation or a pledge of the faith and credit of the State of Georgia or of any political subdivision thereof, including the County. Neither the State of Georgia nor any political subdivision thereof, including the County, shall be subject to any pecuniary liability thereon. No owner of the Series 2016 Bond shall ever have the right to compel the exercise of the taxing power of said State or any political subdivision thereof, including the County, to pay the same or the interest thereon, and the Series 2016 Bond shall be payable solely from the Contract Payments described in paragraph 10 of this Petition and Complaint. The pledge of and lien on the Contract and the Contract Payments shall be valid and binding against the defendant Authority and against all parties having claims against the defendant Authority whether such claims arise in contract, tort or otherwise, and regardless of whether such parties have notice thereof.

14.

The Authority has taken all necessary and proper steps to authorize the issuance of the Series 2016 Bond, the adoption of the Bond Resolution and the execution, delivery and performance of the Contract. The Authority desires to issue the Series 2016 Bond as aforesaid, and desires that the same and the security therefor may be confirmed and validated according to law, and to this end has notified the District Attorney of the Western Judicial Circuit in writing, which Notice was personally served upon said District Attorney. The Notice with acknowledgment of service thereon is attached hereto and marked Exhibit A and is, by this reference thereto, incorporated herein.

15.

Said District Attorney, pursuant to the laws of the State of Georgia, particularly O.C.G.A. Section 9-11-52, waives, in the name of the State of Georgia, the requirement that separate findings of fact and conclusions of law be entered in this action.

WHEREFORE, within twenty (20) days from the date of service of said Notice on the District Attorney as described in this petition and complaint, your District Attorney, pursuant to the laws of the State of Georgia, files this petition and complaint in the name of the State of Georgia against the above-named defendants, and prays:

(a) that an order be issued requiring the defendants to appear and to show cause, if any exists, at such time and place, whether in term or chambers, within twenty (20) days from the filing of this petition and complaint, as the Judge of this Court may direct, why the Series 2016 Bond should not be confirmed and validated, as well as to pass upon all questions of law and fact pertaining to the right to issue the Series 2016 Bond and the security therefor (including the Contract) and the right to finance the costs of the Project with the proceeds thereof;

(b) that this petition and complaint and such order as shall be issued be served upon the defendants in the manner provided by law, and that the order so issued be served as process;

(c) that all actions of the defendant Authority and the defendant County in connection with the issuance of the Series 2016 Bond and the security therefor (including the Contract) be confirmed and validated in all respects; and

(d) that this Court make such other adjudications with respect to the Series 2016 Bond and the security therefor (including the Contract) as may be proper or necessary in connection with the matters before it.

Kenneth W. Mauldin,
District Attorney,
Western Judicial Circuit

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16 FEB 12 AM 9:30
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OCONEE COUNTY, GEORGIA
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EXHIBIT 1

TO NOTICE TO DISTRICT ATTORNEY

[BOND RESOLUTION ATTACHED]

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ANGELA WATSON, CLERK
OCONEE COUNTY, GEORGIA

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BOND RESOLUTION

RESOLUTION OF THE OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY PROVIDING FOR THE ISSUANCE OF ITS REVENUE BOND (OCONEE COUNTY ECONOMIC DEVELOPMENT PROJECT), SERIES 2016, IN THE PRINCIPAL AMOUNT OF $4,285,000, IN ORDER TO PROVIDE FUNDS TO (A) FINANCE THE COST OF ACQUIRING, CONSTRUCTING, RECONSTRUCTING, IMPROVING, BETTERING, AND EXTENDING CERTAIN ECONOMIC DEVELOPMENT ROAD PROJECTS OF THE COUNTY, AND (B) PAY THE COSTS OF ISSUING THE SERIES 2016 BOND ISSUED HEREUNDER; TO PROVIDE FOR THE CREATION OF CERTAIN FUNDS; TO PROVIDE FOR THE CREATION OF REMEDIES OF THE HOLDER OF THE BOND ISSUED HEREUNDER; TO AUTHORIZE THE EXECUTION OF A CONTRACT WITH OCONEE COUNTY, GEORGIA; AND FOR OTHER RELATED PURPOSES.

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BOND RESOLUTION

RESOLUTION OF THE OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY PROVIDING FOR THE ISSUANCE OF ITS REVENUE BOND (OCONEE COUNTY ECONOMIC DEVELOPMENT PROJECT), SERIES 2016, IN THE PRINCIPAL AMOUNT OF $4,285,000, IN ORDER TO PROVIDE FUNDS TO (A) FINANCE THE COST OF ACQUIRING, CONSTRUCTING, RECONSTRUCTING, IMPROVING, BETTERING, AND EXTENDING CERTAIN ECONOMIC DEVELOPMENT ROAD PROJECTS OF THE COUNTY, AND (B) PAY THE COSTS OF ISSUING THE SERIES 2016 BOND ISSUED HEREUNDER; TO PROVIDE FOR THE CREATION OF CERTAIN FUNDS; TO PROVIDE FOR THE CREATION OF REMEDIES OF THE HOLDER OF THE BOND ISSUED HEREUNDER; TO AUTHORIZE THE EXECUTION OF A CONTRACT WITH OCONEE COUNTY, GEORGIA; AND FOR OTHER RELATED PURPOSES.

WHEREAS, the Oconee County Industrial Development Authority (the "Authority") is a public body corporate and politic duly created and existing pursuant to the Constitution and Laws of the State of Georgia (the "State"), including an amendment to the Constitution of the State (1962 Ga. Laws, p. 871, *et seq*.), as amended (1977 Ga. Laws, p. 1582) as continued (1987 Ga. Laws, p. 3562, *et seq*.), as hereafter amended (the "Amendment"); and the Authority is now existing and operating and its members have been duly appointed and entered into their duties; and

WHEREAS, the Revenue Bond Law (O.C.G.A. § 36-82-60 *et seq*., as amended) provides that in addition to the other powers which it may have, any governmental body shall have the power under the Revenue Bond Law to issue revenue bonds to finance in whole or in part, the cost of the acquisition, construction, reconstruction, improvement, betterment, or extension of any "undertaking" (as defined in the Revenue Bond Law); and

WHEREAS, under the Revenue Bond Law, the term "governmental body" is defined to include counties and local authorities having corporate powers which have been created by general, local or special act of the General Assembly, and the term "undertaking" is defined to include (i) causeways, bridges and other crossings and (ii) highways and parkways; and

WHEREAS, under the Amendment and the Revenue Bond Law, the Authority is a "governmental body" and has the power (a) to issue revenue bonds and use the proceeds for the purpose of paying all or part of the cost of any "undertaking" (as defined in the Revenue Bond Law) which includes (i) causeways, bridges and other crossings and (ii) highways and parkways; and (b) to make and execute contracts and other instruments necessary to exercise the powers of the Authority; and

WHEREAS, under Article IX, Section II, Paragraph III(a)(4) of the Constitution of the State of Georgia, Oconee County, Georgia (the "County") has the power to provide the following services: street and road construction and maintenance, including curbs, sidewalks, street lights

and devises to control the flow of traffic on streets and roads constructed by counties, and under the Revenue Bond Law, the County has the power to issue revenue bonds and use the proceeds for the purpose of paying all or part of the cost of any "undertaking" (as defined in the Revenue Bond Law) which includes (i) causeways, bridges and other crossings and (ii) highways and parkways; and

WHEREAS, Article IX, Section III, Paragraph I(a) of the Constitution of the State of Georgia authorizes, among other things, any county, municipality or other political subdivision of the State to contract, for a period not exceeding fifty (50) years, with another county, municipality or political subdivision or with any other public agency, public corporation or public authority for joint services, for the provision of services, or for the provision or separate use of facilities or equipment, provided that such contract deals with activities, services or facilities which the contracting parties are authorized by law to undertake or to provide; and

WHEREAS, the Authority proposes to issue its Revenue Bond (Oconee County Economic Development Project), Series 2016, in principal amount of $4,285,000 (the "Series 2016 Bond") for the purposes of (i) providing funds to finance the acquisition, construction, reconstruction, improvement, betterment, or extension of certain economic development road projects to be sold to the County upon completion (the "Project"), and (ii) paying the costs of issuing the Series 2016 Bond; and

WHEREAS, it is proposed that the Authority and the County should authorize the execution and delivery of an Intergovernmental Contract, dated as of March 1, 2016 (the "Contract"), between the County and the Authority, pursuant to which the Authority will agree to issue the Series 2016 Bond to provide funds to finance the Project to be sold to the County upon completion, and the County, in consideration of the Authority's doing so, will agree to pay to the Authority from its general fund or from the proceeds of a tax levied on all taxable property located within the boundaries of the County, at such rate or rates, as may be necessary to make the payments to the Authority for its services as called for pursuant to the Contract in amounts sufficient to pay the principal of and interest on the Series 2016 Bond.

WHEREAS, the Authority and the County have made a finding of fact that the Project is in the public interest and is a project in furtherance of the Authority's purpose and mission under the Amendment and the Revenue Bond Law; and

WHEREAS, the Series 2016 Bond will be issued pursuant to the Amendment, the Revenue Bond Law, and this resolution (the "Bond Resolution"); and

WHEREAS, the Series 2016 Bond shall contain such terms and provisions as provided in the Bond Resolution; and

NOW, THEREFORE, BE IT RESOLVED, by the Oconee County Industrial Development Authority, and it is hereby resolved by authority of same, as follows:

The Authority has made a finding of fact that:

(a) The acquisition, construction, reconstruction, improvement and extension of the

Project and the financing thereof with the proceeds of the Series 2016 Bond are lawful and valid public purposes in that they will further the public purposes to be served by the Amendment;

(b) The Project financed with the proceeds of the Series 2016 Bond is a "project" and/or an "undertaking" as defined pursuant to the Amendment or the Revenue Bond Law and is "self-liquidating" as defined pursuant to the Amendment;

(c) the specified payments to be received by the Authority under the Contract will be fully sufficient to pay the principal of, redemption premium (if any) and interest on the Series 2016 Bond as the same become due and payable;

(d) the issuance of the Series 2016 Bond to finance the Project will increase employment in the County; and

(e) any lessee or purchaser of the Project will not by virtue of establishing operations in the County, reduce the number of employees employed by said lessee or purchaser elsewhere in the State of Georgia.

ARTICLE I.

DEFINITIONS

In addition to the terms hereinabove defined, whenever the following terms are used in this Bond Resolution, the same, unless the context shall clearly indicate another or different meaning or intent, shall be construed or used and are intended to have the meaning set forth in the Contract or set forth below:

"Amendment" means an amendment to the Constitution of the State of Georgia (1962 Ga. Laws, p. 871, *et seq*.), as amended by a resolution of the General Assembly (1977 Ga. Laws, p. 1582) and continued by an act of the General Assembly (1987 Ga. Laws, p. 3562, *et seq*.), as thereafter amended, which created the Authority.

"Authority" means the Oconee County Industrial Development Authority, its successors and assigns.

"Bond Registrar" means the Finance Director of the County or any successor bond registrar hereafter appointed by the Authority and approved by the County.

"Bond Resolution" means this Bond Resolution, as the same may be supplemented from time to time.

"Bondholder" and **"owner"** means the registered owner of the Series 2016 Bond.

"Business Day" means a day which is not (a) a Saturday, and Sunday, or a legal holiday on which banking institutions in the State of Georgia are authorized by law or executive order to close or (b) a day on which the New York Stock Exchange is authorized or obligated by law or executive order to close.

"Code" means the Internal Revenue Code of 1986, as amended and any applicable regulations thereunder.

"Contract" means the Intergovernmental Contract, dated as of March 1, 2016 between the Authority and the County, with respect to the Series 2016 Bond, as the same from time to time may be amended.

"Contract Payments" means the payments received by the Authority from the County pursuant to the Contract.

"County" means Oconee County, Georgia and its successors or assigns.

"Installment Date" means each May 1 and November 1, beginning November 1, 2016, on which installments or principal and interest installments on the Series 2016 Bond shall be paid.

"Paying Agent" means the Finance Director of the County or any successor paying agent hereafter appointed by the Authority and approved by the County.

"Permitted Investments" means and includes any of the following securities, if and to the extent the same are at the time legal for investment of Authority funds:

(1) the local government investment pool created in Chapter 83 of Title 36 of the Official Code of Georgia Annotated, as amended;

(2) Bonds or obligations of such county, municipal corporation, school district, political subdivision, authority, or body or bonds or obligations of the State of Georgia or other states or of other counties, municipal corporations, and political subdivisions of the State of Georgia;

(3) Bonds or other obligations of the United States or of subsidiary corporations of the United States government which are fully guaranteed by such government;

(4) Obligations of and obligations guaranteed by agencies or instrumentalities of the United States government, including those issued by the Federal Land Bank, Federal Home Loan Bank, Federal Intermediate Credit Bank, Bank for Cooperatives, and any other such agency or instrumentality now or hereafter in existence; provided, however, that all such obligations shall have a current credit rating from a nationally recognized rating service of at least one of the three highest rating categories available and have a nationally recognized market;

(5) Bonds or other obligations issued by any public housing agency or municipal corporation in the United States, which such bonds or obligations are fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States government, or project notes issued by any public housing agency, urban renewal agency, or municipal corporation in the United States which are fully secured as to payment of both principal and interest by a requisition, loan, or payment agreement with the United States government;

(6) Certificates of deposit of national or state banks located within this state which have deposits insured by the Federal Deposit Insurance Corporation and certificates of deposit of federal savings and loan associations and state building and loan or savings and loan associations located within this state which have deposits insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, including the certificates of deposit of any bank, savings and loan association, or building and loan association acting as depository, custodian, or trustee for any such bond proceeds. The portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation, or the Georgia Credit Union Deposit Insurance Corporation, if any, shall be secured by deposit, with the Federal Reserve Bank of Atlanta, Georgia, or with any national or state bank or federal savings and loan association or state building and loan or savings and loan association located within this state or with a trust office within this state, of one or more of the following securities in an aggregate principal amount equal at least to the amount of such excess: direct and general obligations of the State of Georgia

or other states or of any county or municipal corporation in the State of Georgia, obligations of the United States or subsidiary corporations described in (3) above, obligations of the agencies and instrumentalities of the United States government described in (4) above, or bonds, obligations, or project notes of public housing agencies, urban renewal agencies, or municipalities described in (5) above;

(7) Securities of or other interests in any no-load, open-end management type investment company or investment trust registered under the Investment Company Act of 1940, as from time to time amended, or any common trust fund maintained by any bank or trust company which holds such proceeds as trustee or by an affiliate thereof so long as:

(A) The portfolio of such investment company or investment trust or common trust fund is limited to the obligations referenced in paragraphs (3) and (4) above and repurchase agreements fully collateralized by any such obligations;

(B) Such investment company or investment trust or common trust fund takes delivery of such collateral either directly or through an authorized custodian;

(C) Such investment company or investment trust or common trust fund is managed so as to maintain its shares at a constant net asset value; and

(D) Securities of or other interests in such investment company or investment trust or common trust fund are purchased and redeemed only through the use of national or state banks having corporate trust powers and located within the State of Georgia; and

(8) Interest-bearing time deposits, repurchase agreements, reverse repurchase agreements, rate guarantee agreements, or other similar banking arrangements with a bank or trust company having capital and surplus aggregating at least $50 million or with any government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York having capital aggregating at least $50 million or with any corporation which is subject to registration with the Board of Governors of the Federal Reserve System pursuant to the requirements of the Bank Holding Company Act of 1956, provided that each such interest-bearing time deposit, repurchase agreement, reverse repurchase agreement, rate guarantee agreement, or other similar banking arrangement shall permit the moneys so placed to be available for use at the time provided with respect to the investment or reinvestment of such moneys.

(9) any other investments authorized by the laws of the State of Georgia.

"Project shall mean the acquisition, construction, reconstruction, improvement, betterment, or extension of certain economic development road projects by the Authority financed with the proceeds of the Series 2016 Bond.

"Project Fund" shall mean the Oconee County Industrial Development Authority Project Fund, Series 2016 created in Section 3.3 of this Bond Resolution.

"Project Fund Depository" shall mean South State Bank, Watkinsville, Georgia, its successors and assigns, or any successor project fund custodian hereafter appointed by the Authority and approved by the County; provided, however, the Project Fund Depository shall at all times be a commercial bank or trust company.

"Series 2016 Bond" shall mean the Oconee County Industrial Development Authority Revenue Bond (Oconee County Economic Development Project), Series 2016, in principal amount of $4,285,000, authorized to be issued pursuant to Article II of this Bond Resolution.

"Sinking Fund" shall mean the Oconee County Industrial Development Authority Sinking Fund, Series 2016 created in Section 5.1 of this Bond Resolution.

"Sinking Fund Custodian" shall mean the Finance Director of the County or any successor sinking fund custodian hereafter appointed by the Authority and approved by the County.

"Sinking Fund Investments" shall mean (a) obligations of the United States and its agencies and instrumentalities, (b) certificates of deposit of banks which have deposits insured by the Federal Deposit Insurance Corporation, provided, however, that the portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation must be secured by direct obligations of the State of Georgia or the United States which are of a par value equal to that portion of such certificates of deposit which would be uninsured, and (c) the local government investment pool established by Section 36-83-8 of the Official Code of Georgia Annotated.

"Sinking Fund Year" shall mean the period commencing on the 2nd day of November in each year and extending through the 1st day of November in the next year.

Whenever used in this Bond Resolution, the singular shall include the plural and the plural shall include the singular, unless the context otherwise indicates.

[END OF ARTICLE I]

ARTICLE II.

AUTHORIZATION, TERMS, FORM AND REGISTRATION OF SERIES 2016 BOND

Section 2.1. Authorization and Designation of the Series 2016 Bond.

There is hereby authorized to be issued the Series 2016 Bond designated as the "Oconee County Industrial Development Authority Revenue Bond (Oconee County Economic Development Project), Series 2016" in the principal amount of $4,285,000 for the purpose of providing funds to finance, in whole or in part, the cost of (1) financing the Project and (2) issuing the Series 2016 Bond.

Section 2.2. Date, Denomination, Maturities, Installment Dates, and Other Particulars of the Series 2016 Bond.

(a) The Series 2016 Bond shall mature and be paid on November 1 in the years and in such principal amounts, as provided in Schedule 1 attached hereto, and shall bear interest at the rate of interest per annum, calculated on the basis of the actual number of days elapsed and a 360-day year, as provided in Schedule 1 attached hereto. Interest on the Series 2016 Bonds shall be payable on May 1 and November 1 of each year (each an "**Interest Payment Date**"), beginning November 1, 2016. If payment of semiannual amounts under the Series 2016 Bond is more than ten (10) days late, there shall be due a late fee equal to five percent (5%) of the semiannual amount due.

(b) The principal and interest on the Series 2016 Bond shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

(c) Principal and interest installments other than the final principal and interest installment on the Series 2016 Bond shall be paid by check or draft mailed by first class mail to the Bondholder at such owner's address as it shall appear on the bond register kept by the Bond Registrar (or by wire transfer to a wire transfer address which the Bondholder has provided to the Paying Agent not less than five days prior to an Installment Date, which wire instructions shall remain in effect until the Paying Agent is notified to the contrary). The final principal and interest installment of the Series 2016 Bond shall be payable upon the presentation and surrender of the same at the office of the Paying Agent.

Section 2.3. Execution of Series 2016 Bond.

The Series 2016 Bond shall be executed in the name of the Authority by the manual or facsimile signature of the Chairman or Vice Chairman and attested by the Secretary or Assistant Secretary of the Authority, and the official seal of the Authority shall be imprinted or impressed thereon. The validation certificate to appear on the Series 2016 Bond shall be executed by the manual or the facsimile signature of the Clerk of the Superior Court of Oconee County, and the official seal of said court shall be imprinted or impressed thereon. In case any officer whose signature shall appear on the Series 2016 Bond shall cease to be such officer before delivery of the Series 2016 Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 2.4. Proof of Ownership.

The person in whose name the Series 2016 Bond shall be registered shall be deemed and regarded as the absolute holder thereof for all purposes and the payment of the principal and interest installments. The principal and interest installments shall be made only to or upon the order of the registered holder thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Series 2016 Bond, including the interest thereon to the extent of the sums so paid.

Section 2.5. Bond Registrar; Transfer of Series 2016 Bond.

The Bond Registrar shall keep the bond registration book for the registration of the Series 2016 Bond and for the registration of transfers of the Series 2016 Bond as herein provided. Subject to transfer restrictions as described in the Series 2016 Bond, the transfer of the Series 2016 Bond shall be registered upon the bond registration book upon the surrender and presentation of the Series 2016 Bond to the Bond Registrar duly endorsed for transfer or accompanied by an assignment duly executed by the registered holder or attorney authorized in writing in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Authority shall execute and the Bond Registrar shall deliver in exchange for such Bond so surrendered, a new Series 2016 Bond registered in the name of the transferee.

Section 2.6. Replacement of the Series 2016 Bond.

Upon receipt by the Authority of evidence reasonably satisfactory to it of the ownership of and the loss, theft, destruction, or mutilation of the Series 2016 Bond, and

(a) in the case of loss, theft, or destruction, of indemnity reasonably satisfactory to it, or

(b) in the case of mutilation, upon surrender and cancellation thereof,

the Authority at its own expense shall execute and deliver, in lieu thereof, a new single, fully registered Series 2016 Bond, dated and bearing interest from the date to which interest shall have been paid on such lost, stolen, destroyed, or mutilated Series 2016 Bond or dated the date of such lost, stolen, destroyed, or mutilated Series 2016 Bond if no interest shall have been paid thereon.

Section 2.7. No Additional Bonds.

The Authority covenants that, other than the Series 2016 Bond, no other bonds or obligations of any kind or nature will hereafter be issued which are payable from or enjoy a lien on the Contract Payments.

Section 2.8. Form of Series 2016 Bond.

The Series 2016 Bond and the certificate of validation to be endorsed thereon will be in substantially the following terms and form, with such variations, omissions, substitutions and insertions as may be required, in accordance with this Bond Resolution, to complete properly the Series 2016 Bond and as may be approved by the officer or officers executing the Series 2016 Bond, which approval shall be conclusively evidenced by such execution:

[FORM OF SERIES 2016 BOND]

This Bond shall not be sold or transferred if such sale or transfer would void the exemption, contained in U.S. Securities and Exchange Commission Rule 15c2-12(d)(1)(i), from the disclosure requirements of Securities and Exchange Commission Rule 15c2-12(b)(5) or any similar rules or statutes in effect at the time of such sale or transfer.

No. R - 1

UNITED STATES OF AMERICA
STATE OF GEORGIA
OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
REVENUE BOND (OCONEE COUNTY ECONOMIC DEVELOPMENT PROJECT),
SERIES 2016

Bond Date: March ____, 2016 Interest Rate: 2.358%
Registered Owner: South State Bank Principal Amount: $4,285,000

The Oconee County Industrial Development Authority (the "Authority"), a public body corporate and politic, duly created and existing pursuant to an amendment to the Constitution of the State of Georgia (1962 Ga. Laws, p. 871, *et seq*.), as amended by a resolution of the General Assembly (1977 Ga. Laws, p. 1582), and continued by an act of the General Assembly (1987 Ga. Laws, p. 3562, *et seq*.), as thereafter amended (the "Amendment"), for value received hereby promises to pay to or cause to be paid to the registered owner specified above or to payee's registered assigns (the "owner"), the principal sum specified above, in annual installments due on November 1 of each year beginning November 1, 2017, as set forth on the schedule attached hereto and made a part hereof by this reference, and to pay interest on the outstanding principal amount due (calculated on the basis of the actual number of days elapsed and a 360-day year), on May 1 and November 1 of each year beginning November 1, 2016 (each an "Installment Date") as set forth in Exhibit A, which is attached hereto and made a part hereof, by check or draft mailed by first class mail to such owner at such owner's address as it shall appear on the bond register kept by the Bond Registrar (or by wire transfer to the registered owner at a wire transfer address which said registered owner has provided to the Paying Agent not less than five days prior to an Installment Date, which wire instructions shall remain in effect until the Paying Agent is notified to the contrary). Both the principal of and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

If payment of semiannual amounts hereunder is more than ten (10) days late, there shall be due a late fee equal to five percent (5%) of the semiannual amount due.

This Bond is the duly authorized bond designated OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY REVENUE BOND (OCONEE COUNTY ECONOMIC DEVELOPMENT PROJECT), SERIES 2016 (the "Series 2016 Bond"), in the principal amount of $4,285,000, issued under authority of the Constitution of the State of Georgia, the Revenue Bond Law (O.C.G.A. Section 36-82-60 *et seq.*, as amended) and the Amendment and was duly authorized and secured by a Bond Resolution adopted by the Authority on February 8, 2016 (the "Bond Resolution"), for the purpose of providing funds to finance, in whole or in part, the cost of

(a) acquiring, constructing, reconstructing, improving, bettering, or extending certain economic development road projects to be sold by the Authority to the County when completed, and (b) issuing the Series 2016 Bond, in furtherance of the purposes for which the Authority has been created. The Series 2016 Bond is a limited obligation of the Authority secured and payable from the Contract Payments (hereinafter defined).

The Authority has entered into an Intergovernmental Contract, dated as of March 1, 2016 (the "Contract") with Oconee County, Georgia (the "County"), pursuant to which the County has agreed to make payments equal to the debt service on the Series 2016 Bond (the "Contract Payments"). The County has agreed in the Contract to pay the Contract Payments to the Authority from its general fund or from the proceeds of a tax levied on all taxable property located within the boundaries of the County, at such rate or rates as may be necessary to produce amounts sufficient to make the Contract Payments to the Authority in return for the sale by the Authority of the Project to the County, all as called for pursuant to the Contract in amounts sufficient to make the Contract Payments. The Contract and the Contract Payments have been pledged for the benefit of the owner of the Series 2016 Bond pursuant to the provisions of the Bond Resolution. The Contract provides that the obligation to make Contract Payments shall be absolute and unconditional and that such Contract Payments shall not be abated or reduced because of damage to or destruction of the Project or any reason whatsoever.

Reference to the Bond Resolution is hereby made for a complete description of the fund charged with, and pledged to, the payment of the principal installments of and the interest on the Series 2016 Bond, the nature and extent of the security for the payment of the Series 2016 Bond, a statement of the rights duties and obligations of the Authority, the terms under which the Bond Resolution may be supplemented, and the rights of the owner of the Series 2016 Bond, to all the provisions of which Bond Resolution the owner hereof, by acceptance of this Series 2016 Bond, assents.

THIS SERIES 2016 BOND SHALL NOT CONSTITUTE A DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF GEORGIA, THE COUNTY OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE OF GEORGIA, BUT SHALL BE PAYABLE SOLELY FROM THE SINKING FUND, AND THE ISSUANCE OF THIS SERIES 2016 BOND SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF GEORGIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING SPECIFICALLY THE COUNTY, TO LEVY OR PLEDGE ANY FORM OF TAXATION WHATEVER OR TO MAKE ANY APPROPRIATION FOR ITS PAYMENT. NO HOLDER OF THE SERIES 2016 BOND SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY TAXING POWER OF THE COUNTY TO PAY THIS SERIES 2016 BOND OR THE INTEREST THEREON, NOR TO ENFORCE PAYMENT THEREOF AGAINST ANY OTHER PROPERTY OF THE AUTHORITY, NOR SHALL THE SERIES 2016 BOND CONSTITUTE A CHARGE, LIEN OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY OTHER PROPERTY OF THE AUTHORITY OR THE COUNTY.

NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL INSTALLMENTS OF OR THE INTEREST ON THIS SERIES 2016 BOND AGAINST ANY OFFICER, DIRECTOR OR MEMBER OF THE AUTHORITY OR THE COUNTY, PAST, PRESENT OR FUTURE, IN HIS OR HERE INDIVIDUAL CAPACITY.

Terms defined in the Bond Resolution and used but not defined herein, shall, unless the context otherwise requires, have the meanings ascribed to such terms in the Bond Resolution.

This Series 2016 Bond is transferable only upon the registration book kept by the Bond Registrar for that purpose at the principal office of the Bond Registrar by the registered owner hereof in person, or by such owner's attorney duly authorized in writing, upon the surrender and presentation to the Bond Registrar of this Series 2016 Bond accompanied by a written instrument of transfer duly executed by the registered owner or such owner's attorney duly authorized in writing, and thereupon a new registered Series 2016 Bond, in the same principal amount and of the same maturity and interest rate, shall be issued to the transferee in exchange therefor.

Principal on the Series 2016 Bond may be prepaid at the option of the Authority, at the direction of the County, in whole or in part, at any time upon payment of the principal amount to be prepaid, together with accrued interest thereon.

In certain events, on the conditions, in the manner and with the effect set forth in the Bond Resolution, the principal of the Series 2016 Bond then outstanding together with the interest thereon may become or may be declared to be due and payable.

To the extent permitted by the Bond Resolution, modifications or alterations of the Bond Resolution or of any resolution supplemental thereto may be made by the Authority. As provided in the Bond Resolution, certain modifications may only be made with the consent of the registered owner.

No covenant or agreement contained in this Series 2016 Bond or the Bond Resolution shall be deemed to be a covenant or agreement of any member, official, officer, agent or employee of the Authority in his or her individual capacity, and neither the members of the Authority nor any official executing this Series 2016 Bond shall be liable personally on this Series 2016 Bond or be subject to any personal liability or accountability by reason of the issuance of this Series 2016 Bond.

It is hereby certified and recited that all conditions, acts, and things required by law and the Bond Resolution to exist, to have happened, and to have been performed precedent to and in connection with the issuance of this Series 2016 Bond, do exist, have happened, and have been performed and that this Series 2016 Bond complies in all respects with the Amendment and with all applicable laws of the State of Georgia.

This Series 2016 Bond is issued, executed, and delivered to the registered owner in the State of Georgia with the intent that the laws of the State of Georgia shall govern its construction, and the Authority certifies that this Series 2016 Bond has been executed and delivered to the registered owner in the State of Georgia. In case of default, the owner of this Series 2016 Bond shall be entitled to the remedies provided by the Bond Resolution, the Amendment, and the Revenue Bond Law.

IN WITNESS WHEREOF, the Oconee County Industrial Development Authority has caused this Bond to be executed with the manual signature of its Chairman, and its corporate seal to be hereunto impressed and attested with the manual signature of its Secretary, as of the day first above written.

OCONEE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

(S E A L)

By: ____(Form)_____
Chairman

Attest: __(Form)_____
Secretary

VALIDATION CERTIFICATE

STATE OF GEORGIA

COUNTY OF OCONEE

The undersigned Clerk of the Superior Court of Oconee County, Georgia, HEREBY CERTIFIES that the within Bond was confirmed and validated by judgment of the Superior Court of Oconee County, Georgia, rendered on the ____ day of _____, 2016, that no intervention or objection was filed thereto and that no appeal has been taken therefrom.

WITNESS my signature and the seal of said Court.

(SEAL)

_____
Clerk, Superior Court,
Oconee County, Georgia

CERTIFICATE OF REGISTRATION

The transfer of this Bond shall be registered on books kept by the Bond Registrar, such registration being noted hereon by the Bond Registrar in the registration blanks below, and no transfer shall be valid unless made on said books at the request of the registered holder or attorney duly authorized, and such transfer is similarly noted in the registration blank below.

Date of Registration	In Whose Name Registered	Authority Signature

(Form of Assignment and Transfer)

FOR VALUE RECEIVED, _____ the undersigned, hereby sells, assigns and transfers unto _____ (Tax Identification or Social Security No. _____) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:_____

Signature Guarantee:

_____
(Authorized Officer)
Signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

_____
NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

EXHIBIT A

[DEBT SERVICE SCHEDULE]

Period Ending	Principal	Interest	Debt Service
11/1/2016	$ -	$ 68,202.20	$ 68,202.20
5/1/2017	-	50,800.82	50,800.82
11/1/2017	430,000.00	51,642.82	481,642.82
5/1/2018	-	45,702.95	45,702.95
11/1/2018	445,000.00	46,460.46	491,460.46
5/1/2019	-	40,427.26	40,427.26
11/1/2019	455,000.00	41,097.32	496,097.32
5/1/2020	-	35,226.56	35,226.56
11/1/2020	465,000.00	35,613.66	500,613.66
5/1/2021	-	29,520.20	29,520.20
11/1/2021	475,000.00	30,009.48	505,009.48
5/1/2022	-	23,888.83	23,888.83
11/1/2022	485,000.00	24,284.78	509,284.78
5/1/2023	-	18,138.92	18,138.92
11/1/2023	500,000.00	18,439.56	518,439.56
5/1/2024	-	12,278.63	12,278.63
11/1/2024	510,000.00	12,413.56	522,413.56
5/1/2025	-	6,164.86	6,164.86
11/1/2025	520,000.00	6,267.04	526,267.04
	$4,285,000.00	*$ 596,579.91*	*$4,881,579.91*

* * *

[END OF SERIES 2016 BOND FORM]

[END OF ARTICLE II]

ARTICLE III.

PREPAYMENT AND APPLICATION OF BOND PROCEEDS

Section 3.1. Prepayment of Series 2016 Bond

Principal on the Series 2016 Bond may be prepaid at the option of the Authority, at the direction of the County, in whole or in part, at any time upon payment of the principal amount to be prepaid, together with accrued interest thereon.

Section 3.2. Application of Bond Proceeds.

The proceeds of the sale of the Series 2016 Bond shall be used and applied as follows:

(a) $4,200,000 shall be deposited into the Project Fund and used to pay the costs of the Project; and

(b) $85,000 shall be deposited into the Cost of Issuance Fund and used to pay costs of issuance.

Notwithstanding the foregoing, if the Chairman of the Authority shall determine that a different application of funds is required to carry out the intent of this resolution, the Chairman may provide for such different application of funds in a closing certificate to be delivered at the time of issuance of the Series 2016 Bond.

Section 3.3. Project Fund.

(a) A special trust fund is hereby created for the benefit of the Bondholder and designated "Oconee County Industrial Development Authority Project Fund, Series 2016" (the "Project Fund"). There shall be deposited with the Project Fund Depository, the amounts specified in Section 3.2 hereof and a supplemental resolution to be adopted prior to the delivery of the Series 2016 Bond.

(b) The moneys in the Project Fund shall be held by the Project Fund Depository and withdrawn and applied to pay costs of the Project. Any moneys in the Project Fund not presently needed for the payment of current obligations during the course of construction may be invested in Permitted Investments upon the written direction of an authorized representative of the County, and proper evidence of the same being delivered to the Project Fund Depository. Any such securities shall be held by the Project Fund Depository for the account of the Project Fund until maturity or until sold, and at maturity or upon such sale, the proceeds received therefrom, including interest income and premium, if any, shall be immediately deposited into the Project Fund and shall be disbursed in the manner and for the purposes hereinafter set forth.

(c) Withdrawals from the Project Fund may be made for the purpose of paying the cost of the undertaking herein contemplated or contemplated by a supplemental resolution, including the purchase of such property and equipment as may be useful in connection therewith, including, but not limited to: (i) the cost of indemnity and fidelity bonds

either to secure deposits in the Project Fund or to insure the faithful completion of any contract pertaining to said improvements; (ii) any taxes or any charges lawfully levied or assessed against the undertaking; (iii) fees and expenses of consulting engineers for engineering studies, surveys and estimates, and the preparation of plans and supervising the construction; (iv) legal expenses and fees and all other items of expense not elsewhere in this Section specified incident to said undertaking; (v) payments made for labor, contractors, builders and materialmen in connection with the improvements contemplated by the undertaking and payment for machinery and equipment and for the restoration of property damaged or destroyed in connection therewith and the repayment of advances or loans made for the purpose of paying any of the aforementioned costs; (vi) the cost of acquiring by purchase, and the amount of any award or final judgment in any proceeding to acquire by condemnation, lands and rights of way necessary for the improvements and appurtenances in connection therewith, and options and payments thereon, and any easements or rights or any damages incident to or resulting from the making of such improvements; and (vii) to reimburse the Authority or the County for the advance payment of costs pertaining to the undertaking prior to the receipt of the proceeds derived from the sale of the Series 2016 Bond.

(d) Before any moneys are disbursed, there shall be filed with the Project Fund Depository: (i) a requisition for such payment stating each amount to be paid, the circumstances of such obligation and the name of the person, firm or corporation to whom payment thereof is due; and (ii) a certificate attached to the requisition and certifying: (1) that an obligation in the stated amount has been incurred, is a proper charge against the Project Fund and has not been paid; (2) a bill or statement of account for such obligation, or a copy thereof, is attached to the requisition or is on file in the office of the Finance Director of the County; (3) that they have no notice of any vendor's, mechanic's or other liens or rights to liens, security interests, chattel mortgages or conditional sales contracts, which should be satisfied or discharged before such payment is made; (4) that such requisition contains no item representing payment on account or any retained percentages which the County is, at the date of such certificates, entitled to retain; and (5) that insofar as such obligation was incurred for work, materials, supplies or equipment in connection with the undertaking, such work was actually performed or such materials, supplies or equipment were actually installed in or about the construction or delivered at the site of the work for that purpose. The requisition shall be signed by a duly authorized representative of the Authority and approved by a duly authorized representative of the County. A form of such requisition is attached hereto as Exhibit B.

Section 3.4. Availability of Requisitions and Certificates.

All requisitions and certificates required by this Article shall be retained by the Project Fund Depository, subject at all times to inspection by an officer of the Authority or the County or the Bondholder.

Section 3.5. Completion of Project.

If upon the Completion Date, as established pursuant to Section 3.7 of the Contract, any moneys remain in the Project Fund, such remaining moneys shall be transferred to the Sinking Fund created in Article V hereof and shall be used to pay the next occurring principal amount due on the Series 2016 Bond.

Section 3.6. Transfer Upon Event of Default of Final Bond Payment.

Upon the occurrence of an Event of Default, no further moneys shall be disbursed from the Project Fund, except that all moneys in the Project Fund shall be transferred, as soon as practicable, to the Sinking Fund.

Section 3.7. Designation of Project Fund Depository.

South State Bank, Watkinsville, Georgia is hereby designated as the Project Fund Depository. The Authority may, from time to time, designate a successor Project Fund Depository, at the direction of the County, provided said Project Fund Depository shall at all times be a commercial bank or trust company and shall comply with all of the provisions of this Article and the applicable provisions of this Bond Resolution.

Section 3.8. Cost of Issuance Fund.

There is hereby created by the Authority and ordered established with the Cost of Issuance Fund Depository a special trust fund to be designated "Oconee County Industrial Building Authority Revenue Bond (Oconee County Economic Development Project), Series 2016 Cost of Issuance Fund." All moneys deposited into the Cost of Issuance Fund shall be held in trust by the Cost of Issuance Fund Depository separate from other deposits of the Authority and the County. South State Bank, Watkinsville, Georgia is hereby designated as the Cost of Issuance Fund Depository.

All payments from the Cost of Issuance Fund shall be made upon checks signed or bank wires authorized by authorized signatories of the Cost of Issuance Fund Depository, on behalf of the Authority, or by officers of the Authority properly authorized to sign on its behalf, but before they shall sign any such checks or authorize any such bank wire there shall be filed with the Cost of Issuance Fund Depository: (a) a requisition for such payment (the above-mentioned checks and bank wires may be deemed a requisition for the purpose of this Section), stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is due; (b) a certificate attached to the requisition and certifying that an obligation in the stated amount has been incurred, and that the same is a proper charge against the Cost of Issuance Fund and has not been paid (or is a reimbursement to the Authority for previously paying such obligation), specifying the purpose and circumstances of such obligation in reasonable detail and to whom such obligation is owed, accompanied by the bill or statement of account for such obligation, or a copy thereof. If upon payment of all of the costs of issuance of the Series 2016 Bond any moneys remain in the Cost of Issuance Fund, such remaining moneys shall be remitted to the Sinking Fund Custodian to deposit into the Sinking Fund and used to pay the next occurring principal installment due on the Series 2016 Bond

[END OF ARTICLE III]

ARTICLE IV.

GENERAL AUTHORIZATIONS AND AGREEMENTS

Section 4.1. Payment of Principal and Interest; Limited Obligation.

The Authority agrees that it will promptly pay the principal installments of and the interest on the Series 2016 Bond at the places, on the dates, and in the manner provided herein and in the Series 2016 Bond according to the true intent and meaning hereof and thereof. The Series 2016 Bond shall not constitute a debt or a loan or pledge of the faith and credit of the State of Georgia or of any political subdivision thereof, including the County or the Authority, but shall be payable from moneys held in the Sinking Fund as provided in Section 5.1 herein. The issuance of the Series 2016 Bond shall not obligate the State of Georgia or any political subdivision thereof, including the County, to levy or pledge any form of taxation whatever for the payment thereof. No holder of the Series 2016 Bond or receiver or trustee in connection therewith shall have the right to enforce payment thereof against any property of the State of Georgia or any political subdivision thereof, including the County, or against any property of the Authority or the County (other than the funds specifically pledged therefor pursuant to this Bond Resolution), nor shall the Series 2016 Bond constitute a charge, lien or encumbrance, legal or equitable, upon any such property. No recourse shall be had for the payment of the principal of or interest on the Series 2016 Bond against any officer, director or member of the Authority or the County. The Authority has no taxing power.

Section 4.2. Performance of Covenants; Authority.

The Authority covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Bond Resolution, in the Contract, and in the Series 2016 Bond executed and delivered hereunder and in all of its proceedings pertaining hereto. The Authority covenants that it is duly authorized under the Constitution and laws of the State, including particularly and without limitation the Amendment and the Revenue Bond Law, to issue the Series 2016 Bond authorized hereby and to execute this Bond Resolution and the Contract, that all action on its part for the issuance of the Series 2016 Bond and the execution and delivery of this Bond Resolution and the Contract has been duly and effectively taken, and that the Series 2016 Bond in the hands of the owner thereof are and will be a valid and enforceable obligation of the Authority according to the terms thereof and hereof.

Section 4.3. Instruments of Further Assurance.

The Authority will execute, acknowledge, and deliver or cause to be executed, acknowledged and delivered, such resolutions supplemental hereto and such further acts and instruments for the better assuring, pledging and confirming the amounts pledged hereby to the payment of the principal of and interest on the Series 2016 Bond. The Authority, except as herein and in the Contract provided, will not encumber any part of its interest in the Contract Payments or its rights under the Contract.

Section 4.4. Priority of Pledge.

The pledge made in Section 4.1 hereof of the Contract Payments payable under the Contract constitutes a first and prior pledge of and lien on said Contract Payments for the

purpose of paying the principal installments of and interest on the Series 2016 Bond. Said pledge shall at no time be impaired by the Authority and said Contract Payments shall not otherwise be pledged.

Section 4.5. Authorization of Contract.

The execution, delivery, and performance of the Contract between and among the Authority and the County be and the same are hereby authorized. The Contract shall be in substantially the form attached hereto as Exhibit A, subject to such changes, insertions or omissions as may be approved by the Chairman or Vice-Chairman of the Authority and the execution and delivery by the Chairman or Vice-Chairman of the Authority and the attestation of the same by the Secretary of the Authority, as hereby authorized, shall be conclusive evidence of the approval of any such changes, insertions or omissions.

Section 4.6. Authorization for Validation of Series 2016 Bond.

In order to carry out the issuance of the Series 2016 Bond, and pursuant to the Constitution and laws of the State of Georgia, the Chairman, Vice-Chairman or Secretary of the Authority is hereby authorized and directed to immediately notify the District Attorney of the Western Judicial District of Georgia of the adoption of this Bond Resolution by the Authority, to request said District Attorney to file a petition and complaint to confirm and validate the Series 2016 Bond and to pass upon the security therefor, and said Chairman, Vice- Chairman or Secretary is further authorized to acknowledge service and make answer in such proceeding.

Section 4.7. General Authorization.

The proper officers of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of this Bond Resolution and the Contract and are further authorized to take any and all further actions and execute and deliver any and all other documents as may be necessary in the issuance of the Series 2016 Bond and the execution and delivery of the Contract and all other documents authorized hereby.

Section 4.8. Exemption from Disclosure Requirements.

The Authority covenants that the disclosure requirements of U.S. Securities and Exchange Commission Rule 15c2-12 do not apply to the Series 2016 Bond because the issuance and delivery of the Series 2016 Bond to the purchaser thereof comply with the exemption contained in Section 15c2-12(d)(1)(i) of said rule.

[END OF ARTICLE IV]

ARTICLE V.

SINKING FUND AND REVENUES

Section 5.1. Creation of Sinking Fund.

(a) The Contract and the Contract Payments are hereby pledged to the payment of the Series 2016 Bond, and the Contract and the Contract Payments so pledged shall immediately be subject to the lien of this pledge without any physical delivery thereof or further acts, and the lien of this pledge shall be valid and binding against the Authority and the County and against all parties having claims of any kind against them, whether such claims shall have arisen in contract, tort or otherwise and irrespective of whether or not such parties have notice hereof.

(b) There is hereby created a special trust fund for the benefit of the owner of the Series 2016 Bond designated as "Oconee County Industrial Development Authority Sinking Fund, Series 2016" (the "Sinking Fund").

(c) There shall be paid into the Sinking Fund, on or prior to May 1 and November 1 each year, commencing November 1, 2016, the amount required to pay the Contract Payments. The Contract Payments made by the County pursuant to the Contract shall be deposited directly into the Sinking Fund. Moneys deposited in the Sinking Fund shall be used to pay the principal of and interest on the Series 2016 Bond when due.

(d) If the Sinking Fund Custodian should be a person other than the Finance Director of the County, the Sinking Fund Custodian shall give notice to the Authority and the County of any deficiency in the Sinking Fund to pay amounts due or to become due on the Series 2016 Bond, such notice to be given for receipt on the business day preceding the date established for such payment on the Series 2016 Bond.

(e) If for any reason the full amount herein required to be paid for any payment shall not be paid into the Sinking Fund, any deficiency shall be added to and shall become a part of the amount required to be paid into the Sinking Fund on the next payment date.

Section 5.2. Custody and Application of Sinking Fund.

The Sinking Fund shall be in the custody of the Sinking Fund Custodian but in the name of the Authority. In the event the Sinking Fund Custodian and the Paying Agent are the Finance Director of the County or are the same bank acting in both capacities, then the Authority hereby authorizes and directs the Sinking Fund Custodian to withdraw sufficient funds from the Sinking Fund to pay the principal installments of and interest on the Series 2016 Bond as the same shall become due and payable, whether at maturity, by prepayment, upon acceleration pursuant to Section 8.2 hereof, or otherwise. If the Sinking Fund Custodian and the Paying Agent are not the Finance Director of the County nor the same bank, the Sinking Fund Custodian shall transfer to the Paying Agent from moneys held in the Sinking Fund, in immediately available funds, moneys in amount and at or before such times as shall be required to pay the principal installments of and interest on the Series 2016 Bond as and when the same are due and payable.

Any moneys held as a part of the Sinking Fund shall be invested and reinvested in accordance with the provisions of Section 5.3 hereof.

Section 5.3. Sinking Fund as a Trust Fund; Investment of Moneys.

The Sinking Fund shall be kept as a trust account for the benefit of the Bondholder separate from other deposits of the Authority and the County. Moneys on deposit in the Sinking Fund shall be invested only in Sinking Fund Investments upon the written direction of the County. Any such securities shall be held by the Sinking Fund Custodian for the account of the Sinking Fund until maturity or until sold. At the maturity or upon such sale, the proceeds received therefrom, including interest income and premium, if any, shall be immediately deposited into the Sinking Fund and shall be disbursed in the manner and for the purposes herein set forth. No moneys belonging to the Sinking Fund shall be deposited or remain on deposit with the Sinking Fund Custodian in an amount in excess of the amount guaranteed by the Federal Deposit Insurance Corporation, unless such institution shall have pledged for the benefit of the Authority and the Bondholder as collateral security for the moneys deposited, direct obligations of or obligations the principal and interest of which are unconditionally guaranteed by the United States of America, or other marketable securities eligible as security for the deposit of trust funds under regulations of the Board of Governors of the Federal Reserve Bank and having a market value (exclusive of accrued interest) at least equal to the amount of such deposits.

Section 5.4. Designation of Sinking Fund Custodian, Paying Agent and Bond Registrar.

The Finance Director of the County is hereby designated as the Sinking Fund Custodian, the Paying Agent and the Bond Registrar. The Authority may, from time to time, at the direction of the County, designate a successor Sinking Fund Custodian, Paying Agent or Bond Registrar, provided said Sinking Fund Custodian, Paying Agent or Bond Registrar complies with all of the provisions of this Article and the applicable provisions of this Bond Resolution.

[END OF ARTICLE V]

ARTICLE VI.

NON-ARBITRAGE AND TAX COVENANTS

Section 6.1. Non-Arbitrage and Tax Covenants.

(a) The Authority covenants and agrees for the benefit of the owner of the Series 2016 Bond that so long as the Series 2016 Bond remains outstanding, it will not intentionally cause any proceeds of the Series 2016 Bond to be used to acquire higher yielding investments, except as may be otherwise permitted by Section 148 of the Code, and that it will comply with, and take such action and make such payments as may be permitted or required by Section 148(f) of the Code, to insure that the Series 2016 Bond does not constitute an "arbitrage bond" within the meaning of Section 148(a) of the Code.

(b) The Authority hereby covenants and agrees that it will expend the proceeds from the sale of the Series 2016 Bond and will take such action as may be necessary so that the interest on the Series 2016 Bond will be and will remain excluded from the gross income of the owner thereof for federal income tax purposes, including, without limitation, compliance with provisions of Sections 141- 149 of the Code, as applicable.

Section 6.2. Authorization of Execution of 8038-G, Tax and Non-Arbitrage Certificate, and Other Documents.

The Chairman of the Authority is hereby authorized to execute and file with the Internal Revenue Service an Information Return for Tax-Exempt Governmental Obligations, Form 8038-G. The Chairman and/or Secretary of the Authority are hereby authorized to execute and deliver a certification, based upon facts, estimates and circumstances, as to reasonable expectations regarding the amount, expenditure and use of the proceeds of the Series 2016 Bond, as well as such other documents as may be necessary or desirable in connection with the issuance and delivery of the Series 2016 Bond.

[END OF ARTICLE VI]

ARTICLE VII.

DEFEASANCE

Section 7.1. Defeasance.

(a) The Series 2016 Bond shall be deemed to have been paid in full and the lien of this Bond Resolution shall be discharged, (A) after there shall have been irrevocably deposited in a special fund to be created by the Authority for that purpose, either (i) sufficient moneys, or (ii) obligations of, or guaranteed as to principal and interest by, the United States of America, or certificates of an ownership interest in the principal or interest of obligations of or guaranteed as to principal and interest by the United States of America ("Escrow Obligations"), which shall not contain provisions permitting the redemption thereof prior to its stated maturity, the principal of and the interest on which when due, will be sufficient, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon (said earnings to be held in trust also), together with any moneys deposited therewith, for the payment at the respective maturity or prepayment dates of the Series 2016 Bond, of the principal thereof and the interest to accrue thereon to such maturity or prepayment dates, as the case may be; (B) there shall have been paid to the Bond Registrar and Paying Agent all fees and expenses due or to become due in connection with the payment or prepayment of the Series 2016 Bond or satisfactory arrangements have been made with the Bond Registrar and Paying Agent to make said payments; (C) if the Series 2016 Bond is to be prepaid on any date prior to its maturity, the Authority shall have given to the Bond Registrar and Paying Agent in form satisfactory to the Bond Registrar and Paying Agent irrevocable instructions to prepay such Series 2016 Bond on such date and either evidence satisfactory to the Bond Registrar and Paying Agent that all prepayment notices, if any, required by this Bond Resolution have been given or irrevocable power authorizing the Bond Registrar and Paying Agent to give such prepayment notices; and (D) unless the Series 2016 Bond is to mature or be prepaid within the next 60 days, the Authority shall have given the Bond Registrar and Paying Agent irrevocable instructions to give notice, as soon as practicable, to the owner of the Series 2016 Bond, by first class mail, postage prepaid, at its last address appearing upon the books of registration, that the deposit required by (A) above has been made with the Bond Registrar and Paying Agent and that the Series 2016 Bond is deemed to have been paid in accordance with this Section 7.1 and stating such maturity or prepayment date upon which moneys are to be available for the payment of the principal on the Series 2016 Bond.

(b) In addition to the foregoing provisions of this Article VII, the lien of this Bond Resolution shall only be discharged pursuant to this Article VII if the Authority delivers an opinion of Bond Counsel providing that all conditions precedent to the discharge of the lien of this Bond Resolution pursuant to this Article VII have been satisfied and, with respect to the Series 2016 Bond, such deposit and discharge will not adversely affect the exclusion of the interest on the Series 2016 Bond from federal income taxation.

(c) Whenever the Series 2016 Bond shall be deemed to have been paid pursuant to this Section 7.1, any balances remaining in the Sinking Fund shall be retained by the County and used for any lawful purpose.

[END OF ARTICLE VII]

ARTICLE VIII.

DEFAULT PROVISIONS AND REMEDIES OF BONDHOLDER

Section 8.1. Defaults; Events of Default.

If any of the following events occur, it is hereby declared to constitute an "Event of Default":

(a) default in the due and punctual payment of the principal installments of the Series 2016 Bond when and as the same shall become due and payable, whether at maturity, call for prepayment, or otherwise; or

(b) default in the due and punctual payment of any installment of interest on the Series 2016 Bond when and as such interest installment shall become due and payable; or

(c) default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Authority in this Bond Resolution or in the Series 2016 Bond and failure to remedy the same within 30 days after written notice specifying such default and requiring the same to be remedied shall have been received by the Authority and the County from the Bondholder; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, within a greater number of days if corrective action is instituted by the Authority or the County within the applicable period and diligently pursued until the default is corrected; or

(d) the occurrence and continuance of any event of default as described in Section 7.1(a) of the Contract; or

(e) the occurrence and continuance of any event of default as described in Section 7.1(b) of the Contract; or

Section 8.2. Acceleration.

Upon the occurrence and continuance of an Event of Default under Section 8.1(a), (b), or (d) hereof, the Bondholder may (a) declare the principal balance of the Series 2016 Bond then outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable, and (b) declare an amount equal to all amounts then due and payable on the principal balance the Series 2016 Bond then outstanding to be immediately due and payable as accelerated contract payments due under Section 7.2 of the Contract. If at any time after such declaration, but before the principal installments of the Series 2016 Bond shall have matured by their terms, all overdue installments of principal and interest upon the Series 2016 Bond, together with interest on such overdue installments of principal and interest, to the extent permitted by law, and the reasonable and proper charges, expenses and liabilities of the Bond Registrar and Paying Agent and all other sums then payable by the Authority under this Bond Resolution (except the principal of, and interest accrued since the next preceding Installment Date on the Series 2016 Bond due and payable solely by virtue of such declaration) shall be paid either by or for the account of the Authority or provision shall be made for such payment, and all defaults under the Series 2016 Bond or under this Bond Resolution (other than the payment of principal and interest due and

payable solely by reason of such declaration) shall be made good, the Bondholder may rescind such declaration and annul such default in its entirety. In such event, said owner shall rescind any declaration of acceleration of amounts payable under the Contract. In case of any rescission, then and in every such case the Authority and the Bondholder shall be restored to their former positions and rights hereunder respectively, but no such rescission shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

Section 8.3. Remedies; Rights of Bondholder.

Upon the occurrence of an Event of Default, the Bondholder may pursue any available remedy (other than the remedy of acceleration set forth in Section 8.2 hereof, which remedy is limited to an Event of Default under Section 8.1(a), (b), and (d) hereof) provided by the Contract as well as any available remedy at law or in equity to enforce the payment of the principal installments of and interest on the Series 2016 Bond.

If an Event of Default shall have occurred, the Bondholder may exercise such one or more of the rights and powers conferred by this Section 8.3 and by Section 8.2 hereof, including the right to secure specific performance by the Authority of any covenant or agreement herein contained; the right to protect and enforce the rights of the owner of the Series 2016 Bond by suit, action or special proceedings in equity or at law in aid or execution of any power herein granted or for the enforcement of any proper legal or equitable remedy deemed most effectual to protect and enforce such rights; and the right to enforce remedies afforded to the Bondholder, as a third party beneficiary, under the Contract.

No remedy by the terms of this Bond Resolution conferred upon or reserved to the Bondholder is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Bondholder hereunder or now or hereafter existing at law or in equity.

Section 8.4. Right of Bondholder to Direct Proceedings.

The Bondholder shall have the right to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Bond Resolution, or any other proceedings hereunder, provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Bond Resolution.

Section 8.5. Waiver by Authority.

Upon the occurrence of an Event of Default, to the extent that such rights may then lawfully be waived, neither the Authority, nor anyone claiming through or under it, shall set up, claim or seek to take advantage of any appraisement, valuation, stay, extension or redemption laws of any jurisdiction now or hereafter in force, in order to prevent or hinder the enforcement of this Bond Resolution, and the Authority, for itself and all who may claim through or under it, hereby waives, to the extent that it lawfully may do so, the benefit of all such laws.

Section 8.6. Application of Moneys.

After payment of the costs and expenses of the proceedings resulting in the collection of moneys and of the expenses, liabilities and advances incurred or made pursuant to any right

given or action taken under the provisions of this Article, all moneys received shall be deposited in the Sinking Fund and all moneys in the Sinking Fund shall be applied to or in connection with the payment to the Bondholder in respect of all accrued and unpaid interest, unpaid principal which has become due on the Series 2016 Bond.

Section 8.7. Limitation on Rights and Remedies of Bondholder.

The Bondholder shall not have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Bond Resolution, for the execution of any trust thereof or to enforce any other right or remedy hereunder, unless a default has occurred nor unless also such default shall have become an Event of Default and the Bondholder shall have instituted an action, suit or proceeding in its own name, it being understood and intended that the Bondholder shall not have any right in any manner whatsoever to affect, disturb or prejudice the lien of this Bond Resolution by its action or to enforce any right or remedy hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had, and maintained in the manner herein provided. Nothing in this Bond Resolution contained, however, shall affect or impair the right of the Bondholder to enforce the payment of the principal of and interest on the Series 2016 Bond at and after the maturity thereof, or the obligation of the Authority to pay the principal of and interest on the Series 2016 Bond to the owner thereof at the time, place, from the source and in the manner expressed in the Series 2016 Bond.

Section 8.8. Termination of Proceedings.

In case any proceedings taken by the owner of the Series 2016 Bond on account of any default shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Authority and the owner of the Series 2016 Bond shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the owner of the Series 2016 Bond shall continue as if no such proceedings had been taken.

Section 8.9. No Waiver

No delay or omission of the Bondholder to exercise any right or power accruing upon any default occurring and continuing as aforesaid, shall impair any such default or be construed as an acquiescence therein and every power and remedy given by this Article to the Bondholder may be exercised from time to time and as often as may be deemed expedient.

[END OF ARTICLE VIII]

ARTICLE IX.

SUPPLEMENTAL RESOLUTION; AMENDMENTS TO CONTRACT

Section 9.1. Supplemental Resolutions Not Requiring Consent of Bondholder.

The Authority, without the consent of, or notice to, the Bondholder, may adopt such resolution or resolutions supplemental to this Bond Resolution, as shall be consistent with the terms and provisions hereof, for any one or more of the following purposes: (a) to cure any ambiguity or formal defect or omission or inconsistent provision in this Bond Resolution; (b) to grant to or confer upon the Bondholder any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondholder; and (c) to subject to the lien and pledge of this Bond Resolution additional revenues, properties or collateral.

Section 9.2. Supplemental Resolutions Requiring Consent of Bondholder.

(a) Exclusive of supplemental resolutions covered by Section 9.1 hereof, and subject to the terms and provisions contained in this Section 9.2, and not otherwise, the Bondholder shall have the right, from time to time, anything contained in this Bond Resolution to the contrary notwithstanding, to consent to and approve, in writing, the adoption by the Authority of such other resolution or resolutions supplemental hereto as shall be deemed necessary and desirable by the Authority for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Bond Resolution or in any supplemental resolution, provided, that without the written consent of the Bondholder the Authority may not adopt any supplemental resolution that has the effect of permitting:

(1) a change in the terms of maturity of the principal installments of the Series 2016 Bond or of any installment of interest thereon;

(2) a reduction in the principal amount or in the rate of interest thereon; or

(3) the creation of a lien or charge on the Contract Payments ranking prior to or, on a parity with the lien or charge thereon contained in this Bond Resolution.

(b) If at any time the Authority shall seek to adopt any such supplemental resolution for any purposes of this Section, it shall notify the Bond Registrar, and the Bond Registrar shall cause notice of the proposed execution of such supplemental resolution to be mailed by first class mail to the Bondholder, but no failure to mail any such notice nor any defect in any notice shall affect the right of the Authority to effect the validity of such supplemental resolution if all necessary consents are obtained. Such notice shall briefly set forth the nature of the proposed supplemental resolution and shall state that a copy of the same is on file with the Bond Registrar. Upon the adoption of any such supplemental resolution as in this Section 9.2 permitted and provided, this Bond Resolution shall be deemed to be modified and amended in accordance therewith.

(c) Anything herein to the contrary notwithstanding, a supplemental resolution adopted under this Article IX shall not become effective unless and until the County

shall have consented in writing to the adoption and delivery of such supplemental resolution. In this regard, the Authority shall cause notice of the proposed adoption and delivery of any such supplemental resolution to which the County has not already consented, together with a copy of the proposed supplemental resolution and a written consent form to be signed by the County to be hand delivered to the County at least 30 days prior to the proposed date of adoption and delivery of any such supplemental resolution.

Section 9.3. Amendments to Contract Not Requiring Consent of Bondholder.

The Authority and the County without the consent of or prior notice to the Bondholder, may amend the Contract to cure any ambiguity or formal defect or omission or inconsistent provisions of the Contract.

Section 9.4. Amendments to Contract Requiring Consent of Bondholder.

Except for the amendments as provided in Section 9.3 hereof, neither the Authority nor the County may amend the Contract whereby such amendment would operate to affect adversely the interest of the Bondholder unless written consent is obtained of the Bondholder. No such amendment shall ever affect the obligations of the County to make Contract Payments under the Contract.

Section 9.5. Notice of Supplemental Resolutions and Amendments.

To the extent herein not otherwise required, a copy of each supplemental resolution or Contract amendment made or entered into in accordance with the preceding Sections of this Article IX shall be furnished to each of the Authority, the County, and the Bondholder.

Section 9.6. No Notation on Series 2016 Bond Required.

Any supplemental resolution adopted and becoming effective in accordance with the provisions of this Article shall thereafter form a part of this Bond Resolution, and all the terms and conditions contained in any such supplemental resolution as to any provision authorized to be contained therein shall be a part of the terms and conditions of this Bond Resolution and shall be effective as to the Bondholder, and no notation or legend of such modifications and amendments shall be required to be made on the Series 2016 Bond. Any request or consent of the Bondholder shall bind every future Bondholder.

[END OF ARTICLE IX]

ARTICLE X.
MISCELLANEOUS

Section 10.1. Consent of Bondholder.

Any consent, request, direction, approval, objection or other instrument required by this Bond Resolution to be signed and executed by the Bondholder may be in any number of concurrent documents and may be executed by such Bondholder in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the written appointment of any such agent or the ownership of Series 2016 Bond, if made in the following manner, shall be sufficient for any of the purposes of this Bond Resolution, and shall be conclusive with regard to any action taken under such request or other instrument, namely:

(a) The fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by an affidavit of any witness to such execution; and

(b) The fact of ownership of the Series 2016 Bond and the date of holding the same shall be provided by the registration books of the Authority maintained by the Bond Registrar pursuant to Section 2.5.

Section 10.2. Designation of Placement Agent.

Stifel Nicolaus & Company, Incorporated is hereby designated as the placement agent for the Authority in connection with the issuance of the Series 2016 Bond.

Section 10.3. Limitation of Rights.

With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Bond Resolution or the Series 2016 Bond is intended or shall be construed to give to any person or company other than the parties hereto and the Bondholder any legal or equitable right, remedy or claim under or with respect to this Bond Resolution or any covenants, conditions and provisions herein contained; this Bond Resolution and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the Bondholder as herein provided.

Section 10.4. Severability.

In case any one or more of the provisions of this Bond Resolution, or the Series 2016 Bond issued hereunder, shall for any reason be held illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Bond Resolution or the Series 2016 Bond, but this Bond Resolution and the Series 2016 Bond shall be construed and enforced as if such illegal or invalid provisions had not been contained therein.

Section 10.5. Bond Resolution as Contract.

The provisions of this Bond Resolution shall constitute a contract by and among the Authority, the County and the Bondholder, and after the issuance of the Series 2016 Bond this Bond Resolution shall not be repealed or amended in any respect which will adversely affect the rights and interest of the Bondholder, nor shall the Authority pass any proceedings in any way adversely affecting the rights of the Bondholder, so long as the Series 2016 Bond authorized by this Bond Resolution, or the interest thereon, shall remain unpaid; provided, however, that this covenant shall not be construed as prohibiting modifications hereof or amendments hereto to the extent and in the manner as provided in Article IX hereof.

Section 10.6. No Performance Audits or Reviews.

The Authority has determined that the costs of independent performance audits or performance reviews with respect to the Series 2016 Bond and the application of the proceeds thereof are unwarranted, and that no such performance audits or reviews are to be required. Notice to the public of the waiver of such performance audits or reviews is to contain an appropriate statement of such waiver.

Section 10.7. Notice.

All communications provided for herein shall be in writing and shall be sufficiently given and served upon the Authority or the County if sent by facsimile with the original to follow by United States registered mail, return receipt requested, postage prepaid (unless otherwise required by the specific provisions hereof in respect of any matter) and addressed as follows:

If to the Authority:

Oconee County Industrial Development Authority
23 North Main Street
Watkinsville, Georgia 30677
Attention: Chairman
Facsimile: _____

cc:

Daniel C. Haygood, Esq.
Two South Main Street, Suite C
Watkinsville, Georgia 30677
Facsimile: (706) 310-0003

If to the County:

Oconee County, Georgia
23 North Main Street
Watkinsville, Georgia 30677
Attention: Chairman
Facsimile: (706) 769-0705

cc:

Daniel C. Haygood, Esq.
Two South Main Street, Suite C

Watkinsville, Georgia 30677
Facsimile: (706) 310-0003

Any party, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 10.8. Payments Due on Saturdays, Sundays, and Holidays.

When the date on which any payment is due hereunder shall not be a Business Day, then such payment may be made on the next succeeding Business Day with the same force and effect as if made on the date fixed for such payment and no additional interest shall accrue because of such payment occurring on said next Business Day.

Section 10.9. Laws Governing Resolution.

The effect and meaning of this Bond Resolution and the rights of all parties hereunder shall be governed by, and construed according to, the laws of the State.

Section 10.10. Captions.

The captions and headings in this Bond Resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Bond Resolution.

Section 10.11. Immunity of Members, Officers, and Employees of Authority.

No recourse shall be had for the enforcement of any obligation, covenant, promise or agreement of the Authority contained in this Bond Resolution or in the Series 2016 Bond or for any claim based hereon or otherwise in respect hereof or upon any obligation, covenant, promise or agreement of the Authority contained in the Contract, against any member, officer or employee, as such, in his or her individual capacity, past, present or future, of the Authority or of any successor corporation, either directly or through the Authority or any successor corporation, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and understood that this Bond Resolution, the Series 2016 Bond, and the Contract are solely corporation obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any member, officer or employee as such, past, present or future, of the Authority or of any successor corporation, either directly or by reason of the obligations, covenants, promises or agreements entered into between and among the Authority and the County to be implied therefrom as being supplemental hereto or thereto, and that all personal liability of that character against every such member, officer and employee is, by the adoption of this Bond Resolution and the Series 2016 Bond, and as a condition of, and as a part of the consideration for, the adoption of this Bond Resolution and execution of the Series 2016 Bond, expressly waived and released. The immunity of members, officers and employees of the Authority under the provisions contained in this Section 10.11 shall survive the termination of this Bond Resolution.

Section 10.12. Repealer.

Any and all ordinances or resolutions or parts of ordinances or resolutions in conflict with this Bond Resolution shall be and the same hereby are repealed, and this Bond Resolution shall be in full force and effect from and after its adoption.

Section 10.13. Actions Approved and Confirmed.

All prior findings and determinations of the Authority with respect to the Series 2016 Bond, and all acts and doings of the officers, agents and employees of the Authority, which are in conformity with the purposes and intents of this Bond Resolution and in the furtherance of the issuance of the Series 2016 Bond and the execution, delivery and performance of the agreements authorized by this Bond Resolution are, in all respects, approved and confirmed.

[END OF ARTICLE X]

This Bond Resolution adopted by the Authority on the 8th day of February, 2016.

OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By: _____
Chairman

OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
SEAL
1962
GEORGIA

(SEAL)

Attest:

_____
Secretary

Schedule 1

Series 2016 Bond Terms

Period Ending	Principal	Interest	Debt Service
11/1/2016	$ -	$ 68,202.20	$ 68,202.20
5/1/2017	-	50,800.82	50,800.82
11/1/2017	430,000.00	51,642.82	481,642.82
5/1/2018	-	45,702.95	45,702.95
11/1/2018	445,000.00	46,460.46	491,460.46
5/1/2019	-	40,427.26	40,427.26
11/1/2019	455,000.00	41,097.32	496,097.32
5/1/2020	-	35,226.56	35,226.56
11/1/2020	465,000.00	35,613.66	500,613.66
5/1/2021	-	29,520.20	29,520.20
11/1/2021	475,000.00	30,009.48	505,009.48
5/1/2022	-	23,888.83	23,888.83
11/1/2022	485,000.00	24,284.78	509,284.78
5/1/2023	-	18,138.92	18,138.92
11/1/2023	500,000.00	18,439.56	518,439.56
5/1/2024	-	12,278.63	12,278.63
11/1/2024	510,000.00	12,413.56	522,413.56
5/1/2025	-	6,164.86	6,164.86
11/1/2025	520,000.00	6,267.04	526,267.04
	$4,285,000.00	*$ 596,579.91*	*$4,881,579.91*

Exhibit A

FORM OF CONTRACT

[Attached.]

INTERGOVERNMENTAL CONTRACT

by and between

OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

and

OCONEE COUNTY, GEORGIA

Dated as of March 1, 2016

Relating to the
$4,285,000
Oconee County Industrial Development Authority
Revenue Bond
(Oconee County Economic Development Project),
Series 2016

The rights and interest of Oconee County Industrial Development Authority (the "Authority") in the revenues and receipts derived from this Intergovernmental Contract have been assigned and pledged under a Bond Resolution, adopted by the Authority on February 8, 2016.

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INTERGOVERNMENTAL CONTRACT

THIS INTERGOVERNMENTAL CONTRACT (this "Contract") is entered into as of March 1, 2016, by and between the **OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY** (the "Authority"), a public body corporate and politic, and **OCONEE COUNTY, GEORGIA** (the "County"), a political subdivision of the State of Georgia.

W I T N E S S E T H:

WHEREAS, the Oconee County Industrial Development Authority (the "Authority") is a public body corporate and politic duly created and existing pursuant to an amendment to the Constitution of the State of Georgia (1962 Ga. Laws, p. 871, *et seq*.), as amended by a resolution of the General Assembly (1977 Ga. Laws, p. 1582) and continued by an act of the General Assembly (1987 Ga. Laws, p. 3562, *et seq*.), as thereafter amended (the "Amendment"); and

WHEREAS, the Revenue Bond Law (O.C.G.A. § 36-82-60 *et seq*., as amended) provides that in addition to the other powers which it may have, any governmental body shall have the power under the Revenue Bond Law to issue revenue bonds to finance in whole or in part, the cost of the acquisition, construction, reconstruction, improvement, betterment, or extension of any "undertaking" (as defined in the Revenue Bond Law); and

WHEREAS, under the Revenue Bond Law, the term "governmental body" is defined to include counties and local authorities having corporate powers which have been created by general, local or special act of the General Assembly, and the term "undertaking" is defined to include (i) causeways, bridges and other crossings and (ii) highways and parkways; and

WHEREAS, under the Amendment and the Revenue Bond Law, the Authority is a "governmental body" and has the power (a) to issue revenue bonds and use the proceeds for the purpose of paying all or part of the cost of any "undertaking" (as defined in the Revenue Bond Law) by the governmental body which includes (i) causeways, bridges and other crossings and (ii) highways and parkways; and (b) to make and execute contracts and other instruments necessary to exercise the powers of the Authority; and

WHEREAS, under Article IX, Section II, Paragraph III(a)(4) of the Constitution of the State of Georgia, Oconee County, Georgia (the "County") has the power to provide the following services: street and road construction and maintenance, including curbs, sidewalks, street lights and devises to control the flow of traffic on streets and roads constructed by counties, and under the Revenue Bond Law, the County has the power to issue revenue bonds and use the proceeds for the purpose of paying all or part of the cost of any "undertaking" (as defined in the Revenue Bond Law) which includes (i) causeways, bridges and other crossings and (ii) highways and parkways; and

WHEREAS, Article IX, Section III, Paragraph I(a) of the Constitution of the State of Georgia authorizes, among other things, any county, municipality or other political

subdivision of the State to contract, for a period not exceeding fifty (50) years, with another county, municipality or political subdivision or with any other public agency, public corporation or public authority for joint services, for the provision of services, or for the provision or separate use of facilities or equipment, provided that such contract deals with activities, services or facilities which the contracting parties are authorized by law to undertake or to provide; and

WHEREAS, the Authority proposes to issue its Revenue Bond (Oconee County Economic Development Project), Series 2016, in principal amount of $4,285,000 (the "Series 2016 Bond") for the purposes of (i) providing funds to finance the acquisition, construction, reconstruction, improvement, betterment, or extension of certain economic development road projects to be sold to the County upon completion (the "Project"), and (ii) paying the costs of issuing the Series 2016 Bond; and

WHEREAS, the Authority and the County have made a finding of fact that the Project in the public interest and are projects in furtherance of the Authority's purpose and mission under the Amendment and the Revenue Bond Law; and

WHEREAS, the Series 2016 Bond will be issued pursuant to the Amendment, the Revenue Bond Law, and a resolution of the Authority adopted on February 8, 2016 (the "Bond Resolution"); and

WHEREAS, the Series 2016 Bond shall contain such terms and provisions as provided in the Bond Resolution; and

WHEREAS, the Authority and the County propose to enter into this Contract, pursuant to which the Authority will agree to issue the Series 2016 Bond to provide funds to finance the Project and will agree to sell the Project to the County, and the County, in consideration of the Authority's doing so, will agree to pay to the Authority from its general fund or from the proceeds of a tax levied on all taxable property located within the boundaries of the County, at such rate or rates as may be necessary to make the payments to the Authority for its services as called for pursuant to this Contract in amounts sufficient to pay the principal of, redemption premium and interest on the Series 2016 Bond.

NOW, THEREFORE, in consideration of the premises and undertakings as hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1.

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1. Definitions

In addition to the words and terms elsewhere defined in this Contract and the Bond Resolution, the following words and terms as used in this Contract shall have the following meanings unless the context or use indicates another or different meaning or intent and such definitions shall be equally applicable to both the singular and plural forms of the words and terms herein defined:

"State" shall mean the State of Georgia.

"Term" shall have the meaning specified in Section 4.1 hereof.

Section 1.2. Rules of Construction.

The definitions referred to in Section 1.1 shall be equally applicable to both the singular and the plural forms of the terms therein defined and shall cover all genders. "Herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter," "this Contract" and other equivalent words refer to this Contract and not solely to the particular portion thereof in which any such word is used. All references herein to particular Articles or Sections are references to Articles or Sections of this Contract unless otherwise specified.

[END OF ARTICLE I]

ARTICLE 2.

REPRESENTATIONS, WARRANTIES AND AGREEMENTS

Section 2.1. Representations, Warranties and Agreements of the Authority.

The Authority makes the following representations, warranties and agreements as the basis for the undertakings on its part herein contained:

(a) The Authority is a public body corporate and politic duly created, organized and existing under the Constitution and laws of the State, including the Amendment, and, unless otherwise required by law, shall maintain its corporate existence so long as the Series 2016 Bond is outstanding. Under the provisions of the Amendment, the Authority is authorized to (i) adopt the Bond Resolution, (ii) issue, execute, deliver and perform its obligations under the Series 2016 Bond, and (iii) execute, deliver and perform its obligations under this Contract. The Bond Resolution has been duly adopted and has not been modified or repealed. The Authority has duly authorized (i) the issuance, execution, delivery and performance of the Series 2016 Bond and (ii) the execution, delivery and performance of this Contract. The Bond Resolution, the Series 2016 Bond and this Contract are valid, binding and enforceable obligations of the Authority.

(b) The Authority has determined that the Project is a project in furtherance of the Authority's purpose and mission under the Amendment.

(c) No approval or other action by any governmental authority or agency or other person is required in connection with the (i) issuance of the Series 2016 Bond, (ii) financing of the Project, or (iii) execution, delivery and performance of this Contract by the Authority, except as shall have been obtained as of the date hereof; provided, however, no representation is given with respect to any "blue sky" laws.

(d) The adoption of the Bond Resolution, the issuance of the Series 2016 Bond and the authorization, execution, delivery and performance by the Authority of this Contract do not violate the Amendment, the Authority's bylaws, any resolutions or ordinances of the County, or the laws or Constitution of the State and do not constitute a breach of or a default under any existing court order, administrative regulation, or other legal decree, or any agreement, indenture, mortgage, lease, note or other instrument to which it is a party or by which it is bound.

(e) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the knowledge of the Authority, threatened against or affecting the Authority (or, to the knowledge of the Authority, any meritorious basis therefor) (i) attempting to limit, enjoin or otherwise restrict or prevent the Authority from issuing the Series 2016 Bond, pledging the Contract Payments and this Contract to the payment of the Series 2016 Bond, or financing the Project, (ii) contesting or questioning the existence of the Authority or the titles of the present officers of the Authority to their offices or (iii) wherein an unfavorable decision, ruling or finding would (A) adversely affect the enforceability of the Series 2016 Bond,

the Bond Resolution or this Contract or (B) materially adversely affect the transactions contemplated by this Contract.

(f) The Authority is not in violation of the Amendment, its bylaws, any resolutions or ordinances of the County or the laws or Constitution of the State and is not in default under any existing court order, administrative regulation, or other legal decree, or any agreement, indenture, mortgage, lease, note or other instrument to which it is a party or by which it is bound.

(g) The Authority has not made, done, executed or suffered, and warrants that it will not make, do, execute or suffer any act or thing whereby the County's interest in the Project will or may be, impaired or encumbered in any manner except as permitted herein and the Bond Resolution and except for acts or things done or permitted by the County.

(h) Except as herein and in the Bond Resolution provided, the Authority will not encumber any part of its interest in the Contract Payments or its rights under this Contract. The pledge made of the Contract Payments constitutes a first and prior pledge of and lien on said Contract Payments and said pledge shall at no time be impaired by the Authority and the Contract Payments shall not otherwise be pledged.

Section 2.2. Representations, Warranties and Agreements of the County.

The County makes the following representations, warranties and agreements as the basis for the undertaking on its part herein contained:

(a) The County is a political subdivision duly created under the Constitution and laws of the State. Under the Constitution and laws of the State, the County is authorized to execute, deliver and perform its obligations under this Contract. The County has duly authorized the execution, delivery and performance of this Contract. This Contract is a valid, binding and enforceable obligation of the County.

(b) The County has determined that the Project is in the public interest.

(c) No approval or other action by any governmental authority or agency or other person is required in connection with the (i) issuance of the Series 2016 Bond, (ii) financing of the Project or (iii) execution, delivery and performance of this Contract by the County, except as shall have been obtained as of the date hereof.

(d) The authorization, execution, delivery and performance by the County of this Contract do not violate the laws or Constitution of the State and do not constitute a breach of or a default under any existing resolution or ordinance, court order, administrative regulation, or other legal decree, or any agreement, indenture, mortgage, lease, note or other instrument to which it is a party or by which it is bound.

(e) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the knowledge of the County, threatened against or affecting the County (or, to the knowledge of the County,

any meritorious basis therefor) (i) attempting to limit, enjoin or otherwise restrict or prevent the County from (A) collecting ad valorem taxes and using it to make the Contract Payments or (B) financing the Project, (ii) contesting or questioning the existence of the County or the titles of the present officers of the County to their offices or (iii) wherein an unfavorable decision, ruling or finding would (A) adversely affect the enforceability of this Contract or (B) materially adversely affect (1) the financial condition or results of operations of the County or (2) the transactions contemplated by this Contract.

(f) The County is not in violation of the laws or the Constitution of the State and is not in default under any existing resolution or ordinance, court order, administrative regulation, or other legal decree, or any agreement, indenture, mortgage, lease, note or other instrument to which it is a party or by which it is bound.

[END OF ARTICLE II]

ARTICLE 3.

ISSUANCE OF SERIES 2016 BOND; APPLICATION OF BOND PROCEEDS; CONSTRUCTION

Section 3.1. Agreement to Issue the Series 2016 Bond.

In order to provide funds, as provided in the Bond Resolution to finance the Project and pay the costs incident thereto, the Authority, in accordance with the Amendment, will issue the Series 2016 Bond, and all of the covenants, agreements and provisions hereof shall, to the extent provided herein and in the Bond Resolution, be for the benefit and security of the Bondowner. The Authority has delivered a certified copy of the Bond Resolution to the County.

Section 3.2. Date, Denomination, and Maturities.

The Series 2016 Bond will be issued in fully registered form and will mature and be paid pursuant to the provisions of Article II of the Bond Resolution. Interest on the Series 2016 Bond will be paid to the person or persons and in the manner stated in the Series 2016 Bond and in the Bond Resolution, until the obligation of the Authority with respect to the payment of the principal of and interest on the Series 2016 Bond shall be discharged in accordance therewith.

Section 3.3. Obligations Relating to the Series 2016 Bond.

The County agrees to perform all such obligations as are contemplated by the Bond Resolution to be performed by the County.

Section 3.4. Application of Bond Proceeds.

At and upon the delivery of and payment for the Series 2016 Bond, the proceeds received therefrom shall be applied in the manner set forth in Section 3.2 of the Bond Resolution.

Section 3.5. Completion of Project.

The Authority shall acquire and construct the Project or cause the Project to be acquired and constructed. The County, as the sole and exclusive agent of the Authority, will provide for the acquisition, construction, reconstruction, improvement, betterment, or extension of the Project, and the County hereby agrees to undertake and complete the Project on behalf of the Authority with due diligence. Payment therefor shall be made from the Project Fund in accordance with the provisions of Section 3.6 hereof.

Section 3.6. Disbursements from the Project Fund.

The moneys credited to the Project Fund from the sale of the Series 2016 Bond shall be used and applied only for the purpose of paying the cost of the Project. All payments from the Project Fund shall be made upon the terms and conditions set forth in the Bond Resolution. The County shall prepare the requisitions and certificates required by the Bond Resolution, a form of such requisition being attached as Exhibit B to the Bond Resolution.

Section 3.7. Establishment of Completion Date.

At such time as the Project is completed (the "Completion Date"), the County shall notify the Project Fund Depository and the Authority by a certificate executed by an authorized representative of the County. Such certificate shall establish the Completion Date and shall state that, except for any amounts retained by the County for any costs of the Project not then due and payable or the liability for payment of which is being contested or disputed in good faith by the County (i) the Project has been completed and all the costs of the Project have been paid and (ii) all other facilities necessary in connection with the Project have been acquired, constructed and installed and all labor, services, materials and supplies used therefor have been paid. Notwithstanding the foregoing, such certificate may state that it is given without prejudice to any rights against third parties which exist at the date thereof or which may subsequently come into being.

Section 3.8. Completion of Project if Project Fund Insufficient.

In the event moneys in the Project Fund available for payment of the costs of the Project are not sufficient to pay the costs of the Project in full, the County shall use its best efforts to cause the Project to be completed and the County shall pay that portion of the cost of the Project in excess of the moneys available therefor in the Project Fund.

Section 3.9. Investment of Moneys.

Any moneys held as a part of the Project Fund or Sinking Fund shall be invested or reinvested as directed by the County in accordance with Articles III and V of the Bond Resolution.

[END OF ARTICLE III]

ARTICLE 4.

EFFECTIVE DATE OF THIS CONTRACT; DURATION OF TERM; SALE OF PROJECT; CONTRACT PAYMENT PROVISIONS

Section 4.1. Effective Date of this Contract; Duration of Term; Sale of Project.

This Contract shall become effective as of March 1, 2016 and the interests created by this Contract shall then begin, and, subject to the other provisions of this Contract, shall expire on the later of (a) November 1, 2025, or if at said time and on said date the Series 2016 Bond have not been paid in full as to principal and interest then on such date as such payment shall have been made or (b) the date the Series 2016 Bond have been paid in full, but in no event in excess of fifty (50) years from the date hereof. Notwithstanding the foregoing, the provisions of Sections 8.1 and 8.2 hereof shall expire fifty (50) years from the date hereof. The Authority agrees to construct and sell to the County; and the County hereby agrees to purchase from the Authority, the Project for the Contract Payments set forth in Section 4.2 hereof and in accordance with the provisions of this Contract. The sale and transfer will occur upon the Completion Date, as provided in Section 5.1 hereof; provided, however, that this Contract shall remain in force and effect, including without limitation the provisions for the payment by the County of the amounts due hereunder.

Section 4.2. Contract Payments.

On or prior to each May 1 and November 1 of each year (each a "Contract Payment Date"), commencing November 1, 2016, the County shall make the Contract Payments with respect to the Series 2016 Bond to the Authority as set forth on Schedule 1 attached hereto. Notwithstanding anything in the Bond Resolution or herein to the contrary, if such date is on or prior to November 1, the County shall pay an amount sufficient to enable the Authority to pay in full the principal and interest on the Series 2016 Bond coming due on November 1, and if such date is on or prior to May 1, the County shall pay an amount sufficient to enable the Authority to pay in full the interest on the Bond coming due on May 1, and such Contract Payments shall continue and recontinue until provision has been made for the payment in full of the Series 2016 Bond as to principal and interest. The County shall also pay any late charges due under the terms of the Series 2016 Bond. The Contract Payments provided for herein shall be made by payment directly to the Sinking Fund Custodian for deposit into the Sinking Fund.

Section 4.3. Optional Prepayment of Series 2016 Bond and Optional Prepayment of Contract Payments.

(a) The Series 2016 Bond shall be subject to optional prepayment, in whole or in part, as provided in the Bond Resolution, and the Contract Payments due under Section 4.2 shall be subject to prepayment, both at the option of the County.

(b) No prepayment of any Contract Payment in accordance with the provisions of the preceding sentence shall relieve the County to any extent from its obligations thereafter to make Contract Payments required by the provisions hereof until the Series 2016 Bond and interest thereon has been paid in full. Upon the prepayment of the Contract Payments

in whole, the amount of such prepayment shall be used to retire the Series 2016 Bond, in the manner provided in, and subject to, the Bond Resolution.

Section 4.4. Budget and Tax Levy to Pay Contract Payments.

(a) The obligations of the County to make the Contract Payments when due under Section 4.2 hereof, and to perform its other obligations hereunder, are absolute and unconditional general obligations of the County as herein provided, and the County hereby pledges its full faith and credit and taxing power to such payment and performance. In the event the amount of funds lawfully available to the County is not sufficient to pay the Contract Payments when due in any year, the County shall levy an ad valorem tax on all taxable property located within the limits of the County subject to taxation for such purposes, as now existent and as same may hereafter be extended, at such rate or rates as may be necessary to produce in each calendar year revenues which shall be sufficient to fulfill the County's obligations hereunder, from which revenues there shall be appropriated sums sufficient to pay in full when due the obligations herein contracted to be paid by the County including specifically the obligation to make the Contract Payments as provided herein. The County hereby creates a lien on any and all revenues realized by it pursuant to the provisions of this subparagraph to enable it to make the Contract Payments required pursuant to Section 4.2 hereof and such lien is superior to any that can hereafter be made.

(b) The County further covenants and agrees that in order to make funds available for such purpose, it will, in its general revenue, appropriation and budgetary measures whereby its tax funds or revenues and the allocation thereof are controlled or provided for, include sums sufficient to satisfy any such Contract Payments that may be required to be made, whether or not any other sums are included in such measure, until all payments so required to be made shall have been made in full. The obligation of the County to make the Contract Payments shall constitute a general obligation of the County and a pledge of the full faith and credit of the County to provide the funds required to fulfill such obligation; provided, however, nothing herein contained shall be construed as limiting the right of the County to pay the obligations hereunder assumed out of its general funds or from other sources lawfully available to it for such purpose.

(c) In the event for any reason any such provision or appropriation is not made as provided in the preceding subsection (b), then the fiscal officers of the County are hereby authorized and directed to set up as an appropriation on their accounts in the appropriate fiscal year the amounts required to pay the obligations which may be due from the general funds of the County. The amount of such appropriation shall be due and payable and shall be expended for the purpose of paying any such obligations, and such appropriation shall have the same legal status as if the County had included the amount of the appropriation in its general revenue, appropriation and budgetary measures, and the fiscal officers of the County shall make such Contract Payments to the Sinking Fund Custodian for deposit to the Sinking Fund if for any reason the payment of such obligations shall not otherwise have been made.

Section 4.5. Obligations of County Hereunder Absolute and Unconditional.

The obligations of the County to make the payments required in Section 4.2 hereof and to perform and observe any and all of the other covenants and agreements on its part

contained herein shall be absolute and unconditional irrespective of any defense or any rights of set off, recoupment, or counterclaim it may otherwise have against the Authority. Until such time as all amounts owing hereunder have been paid or provision for the payment thereof shall have been made in accordance with the Bond Resolution and hereof, the County (a) will not suspend, abate, reduce, abrogate, diminish, postpone, modify or discontinue the Contract Payments provided for herein, (b) will perform and observe all of its other agreements contained in this Contract, and (c) will not terminate the Term of this Contract or its obligations hereunder for any contingency, act of God, event, or cause whatsoever, including, without limiting the generality of the foregoing, failure of title in and to the Project, or any part thereof, any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Project, the taking by eminent domain of title to or the use of all or any part of the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State or any political subdivision of either, any declaration or finding that the Series 2016 Bond is unenforceable or invalid, the invalidity of any provision of this Contract, or any failure of the Authority to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Contract, or the Bond Resolution. Nothing contained in this Section shall be construed to release the Authority from the performance of any of the agreements on its part contained herein or in the Bond Resolution; and if the Authority should fail to perform any such agreement, the County may institute such action against the Authority as the County may deem necessary to compel performance or recover its damages for nonperformance as long as such action shall not do violence to or adversely affect the agreements on the part of the County contained in this Contract and to make the Contract Payments specified herein. The County may, however, at its own cost and expense and in its own name, prosecute or defend any action or proceeding or take any other action involving third persons which the County deems reasonably necessary in order to secure or protect its rights hereunder, and in such event the Authority hereby agrees to cooperate to the extent required.

Section 4.6. Enforcement of Obligations.

The obligation of the County to make Contract Payments under this Article may be enforced by (a) the Authority, (b) the owner of the Series 2016 Bond, in accordance with the applicable provisions of the Bond Resolution and independently of the Authority or (c) such receiver or receivers as may be appointed pursuant to the Bond Resolution or applicable law. The covenants and agreements hereunder, including specifically the obligation to make the Contract Payments, shall be enforceable by specific performance; it being acknowledged and agreed by the Authority and the County that no other remedy at law is adequate to protect the interests of the parties hereto.

[END OF ARTICLE IV]

ARTICLE 5.

OWNERSHIP; AND COVENANTS OF THE COUNTY AND AUTHORITY

Section 5.1. Title to the Project.

Title to the Project shall be held in the name of the Authority and transferred by the Authority to the County upon the Completion Date.

Section 5.2. Operation of the Project.

Upon the Completion Date, the County shall operate and maintain the Project or cause the Project to be operated and maintained economically, efficiently and in accordance with good business practices and in compliance with the terms of the laws, regulations and ordinances of any federal, state or county government having jurisdiction over the operation of such facilities. All compensation, salaries, fees and wages paid or caused to be paid by the County shall be reasonable, and no more persons will be employed to operate the Project than are necessary. The County shall at all times maintain the Project or cause the Project to be maintained in good condition and repair and shall promptly repair, replace or restore any damage to the Project or cause the proceeds from insurance from such damage or destruction to be applied in accordance with the terms hereof.

Section 5.3. Operating Expenses.

The County shall pay or cause to be paid the reasonable and necessary costs of operating, maintaining and repairing the Project, including salaries, wages, employee benefits, the payment of any contractual obligations incurred pertaining to the operation of the Project, cost of materials and supplies, rentals (excluding Contract Payments) of leased property, real or personal, insurance premiums, audit fees, any incidental expenses and such other charges as may properly be made for the purpose of operating, maintaining and repairing the Project in accordance with sound business practice.

Section 5.4. Rights-of-Way.

The Authority and its agents and contractors shall be entitled and have a license to utilize the rights-of-way that the County has obtained for the Project to the extent required for the construction of the Project.

Section 5.5. Sale of Assets.

The Authority or, upon the Completion Date, the County may sell, lease or give away all or a portion of the Project. Prior to such conveyance, the Authority and the County shall obtain an opinion of nationally recognized bond counsel to the effect that such sale or lease will not adversely affect the tax-exempt status of the Series 2016 Bond.

Section 5.6. Use of Proceeds and Specific Tax Covenants.

The Series 2016 Bond is being issued by the Authority in compliance with the conditions necessary for interest income on the Series 2016 Bond to be excluded from gross

income for federal income tax purposes pursuant to the provisions of Section 103(a) of the Code relating to obligations of the State or political subdivisions thereof. It is the intention of the Authority and the County that the interest on the Series 2016 Bond be and remain excludable from gross income for federal income tax purposes, and, to that end, the Authority and the County hereby covenant with the Bondholder as follows:

(a) That they will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the tax exempt status of interest on the Series 2016 Bond under Section 103 of the Code.

(b) That they will not directly or indirectly use or permit the use of any of the proceeds of the Series 2016 Bond or take or omit to take any action in a way that would cause the Series 2016 Bond to be (i) a "private activity bond" within the meaning of Section 141 of the Code or (ii) obligations which are "federally guaranteed" within the meaning of Section 149(b) of the Code.

(c) That they will not directly or indirectly use or permit the use of any proceeds of the Series 2016 Bond or any other funds of the County or the Authority or take or omit to take any action that would cause the Series 2016 Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code. To that end, the County and the Authority will comply with all requirements of Section 148 of the Code and any regulations promulgated thereunder to the extent applicable to the County or the Authority. In the event that at any time the County or the Authority is of the opinion that for purposes of this Section it is necessary to restrict or limit the yield on the investment of any moneys held under the Bond Resolution, the Authority and the County shall take such action as may be necessary to effect the same.

Section 5.7. Arbitrage Covenants.

Neither the County nor the Authority shall, subsequent to the date of the issuance and delivery of the Series 2016 Bond, intentionally use any portions of the proceeds of the Series 2016 Bond to acquire higher yielding investments, or to replace funds which were used directly or indirectly to acquire higher yielding investments, except as may otherwise be permitted by the Code, including, but not limited to, complying with the requirements of Section 148(f) of the Code and the payment of rebate, if any, required to be made by the Authority, and that it will expend the proceeds of the Series 2016 Bond in compliance with the applicable provisions of Section 141 to 149, inclusive, of the Code.

[END OF ARTICLE V]

ARTICLE 6.

SPECIAL COVENANTS AND AGREEMENTS

Section 6.1. No Warranty of Condition or Suitability by the Authority

THE AUTHORITY MAKES NO REPRESENTATION OR WARRANTY WITH RESPECT TO THE CONDITION OR WORKMANSHIP OF ANY PART OF THE PROJECT OR ITS SUITABILITY.

Section 6.2. Inspection of the Project.

The County agrees that the Authority, the Bondholder and their duly authorized agents who are acceptable to the County shall have the right at reasonable times during business hours, subject to the County's usual safety and security requirements to examine and inspect the Project without interference or prejudice to the County's operations.

Section 6.3. Further Assurances and Corrective Instruments, Recordings and Filings.

The Authority and the County agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required to facilitate the performance of this Contract.

Section 6.4. Limitations on Future Debt.

The Authority and the County covenant and agree that, other than the Series 2016 Bond, no other bonds or obligations of any kind or nature will be issued which are payable or enjoy a lien on the payments received under the Contract.

[END OF ARTICLE VI]

ARTICLE 7.

EVENTS OF DEFAULT AND REMEDIES

Section 7.1. Events of Default Defined.

The following shall be "events of default" under this Contract and the term "event of default" shall mean, whenever used in this Contract, any one of the following events:

(a) Failure by the County to pay when due any amount required to be paid under Section 4.2 hereof;

(b) The County shall fail to perform any of the other agreements, conditions, covenants or terms herein required to be performed by the County and such default shall continue for a period of 30 days after written notice has been given to the County by the Authority, the Paying Agent or the Bondholder specifying such default and requesting that it be remedied, or within a greater number of days if such remedy has been undertaken and is being diligently pursued and more than 30 days is required for its completion; provided, however, that if, by reason of force majeure, the County is unable, in whole or in part, to perform the obligations on its part herein undertaken (other than the obligations relating to the payments to be made under Section 4.2 hereof), the County shall not be deemed in default during the continuance of such inability to perform. The term force majeure shall mean, without limitation, acts of God; strikes; work stoppages or similar disturbances; acts of public enemies; orders of any kind of the government of the United States of America or of the State or any of their departments, agencies or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes, fire; hurricanes; storms; floods; washouts; droughts; arrests; restrain of government and people; civil disturbances; explosions; breakage or accident to machinery or equipment; partial or entire failure of utilities, or any other cause or event not reasonably within the control of the County. The County will use its best efforts, however, to remedy, with all reasonable dispatch, the cause or causes preventing the County from carrying out such obligation; provided, that the settlement of strikes, work stoppages and similar disturbances shall be entirely within the discretion of the County and the County shall not be required to make settlement of such disturbances by acceding to the demands of the opposing party or parties when such course is, in the judgment of the County, unfavorable to the County; and

(c) An Event of Default shall have occurred under the Bond Resolution.

Section 7.2. Remedies on Default.

(a) If an event of default referred to in Section 7.1(a) hereof occurs and is continuing, then the Bondowner (i) by written notice to the County, may declare the payments to be made under Section 4.2 hereof to be immediately due and payable, and (ii) may take whatever action at law or in equity may appear necessary or desirable to collect said amounts payable by the County under Section 4.2 hereof. No remedy conferred upon or reserved to the Bondowner in this subsection (a) is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy

given under this Contract or now or hereafter existing at law or in equity or by statute, subject to the provisions of the Bond Resolution.

(b) If an event of default referred to in Section 7.1(b) hereof occurs and is continuing, then the Paying Agent or the Bondowner, by written notice to the County, may take whatever action at law or in equity may appear necessary or desirable to enforce the performance and observance of the obligation, agreement or covenant of the County then in default under this Contract, whether for specific performance of any covenant or agreement contained herein or therein or in aid of the execution of any power herein granted. No remedy conferred upon or reserved to the Bondowner in this subsection (b) is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Contract and now or hereafter existing at law or in equity or by statute, subject to the provisions of the Bond Resolution.

No delay or omission to exercise any right or power accruing upon any event of default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Bondowner to exercise any respective remedy reserved to them in this Article VII, it shall not be necessary to give any notice, other than any notice required herein.

Any amounts collected pursuant to action taken under subsection (a) of this Section 7.2 shall be applied in accordance with the Bond Resolution to the extent the provisions of the Bond Resolution relate to such amounts.

Section 7.3. No Waiver of Breach.

In the event any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 7.4. County Authorized to Cure Default of Authority.

With regard to any default on the part of the Authority under this Contract or under the Bond Resolution, the Authority hereby vests the County, with full power, for the account of the Authority, to perform any obligation in remedy of such default in the name and stead of the Authority with full power to do any and all things and acts to the same extent that the Authority could do and perform any such acts.

Section 7.5. Failure to Enforce Agreement Not a Waiver.

The failure of the Authority or the Bondowner to enforce any agreement, condition, covenant or term by reason of any default or breach by the County shall not be deemed to void or affect the right to enforce the same agreement, condition, covenant or term on the occasion of any subsequent default or breach.

[END OF ARTICLE VII]

ARTICLE 8.

MISCELLANEOUS

Section 8.1. Agreement to Pay Attorneys' Fees and Expenses.

If a party should default under any of the provisions of this Contract and either or both the nondefaulting party or the Bondholder should employ attorneys or incur other expenses for the enforcement of performance or observance of any obligation or agreement on the part of the County or the Authority herein contained, the defaulting party agrees that it shall on demand therefor pay to the nondefaulting party and the Bondholder the reasonable fee of such attorneys and such other reasonable expenses so incurred by the nondefaulting party and the Bondholder.

Section 8.2. Reporting Requirements.

The County shall furnish to the Bondholder the following information or reports:

(a) Within 270 days from the end of each fiscal year the audited financial statements of the County issued by satisfactory accountants in a format satisfactory to the Bondholder; and

(b) Notice to the Bondholder immediately upon any material change in financial condition of the County and provide any additional information on the County's financial condition as may be reasonably requested by the Bondholder.

Section 8.3. Notices.

All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

If to the Authority:

Oconee County Industrial Development Authority
23 North Main Street
Watkinsville, Georgia 30677
Attention: Chairman
Facsimile: _____

cc:

Daniel C. Haygood, Esq.
Two South Main Street, Suite C
Watkinsville, Georgia 30677
Facsimile: (706) 310-0003

If to the County:

Oconee County, Georgia
23 North Main Street
Watkinsville, Georgia 30677
Attention: Chairman
Facsimile: (706) 769-0705

cc:

Daniel C. Haygood, Esq.
Two South Main Street, Suite C
Watkinsville, Georgia 30677
Facsimile: (706) 310-0003

Any party, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 8.4. Binding Effect; Third-Party Beneficiaries.

This Contract shall inure to the benefit of and shall be binding upon the Authority, the County and their respective successors and assigns, subject, however, to the limitations contained in this Contract. The Bondholder is a third-party beneficiary of this Contract, and may enforce the terms and provisions hereof. There are no other third-party beneficiaries.

Section 8.5. Severability

If any provision of this Contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 8.6. Amounts Remaining in Sinking Fund.

It is agreed by the parties hereto that, subject to and in accordance with the terms and conditions of the Bond Resolution certain surplus moneys remaining in the Sinking Fund after payment of the Series 2016 Bond shall belong to and be paid to the County.

Section 8.7. Amendments, Changes and Modifications.

This Contract may be amended without the consent of the Bondholder in order to grant any additional rights, remedies, powers, authority or security that may be lawfully granted to or conferred upon the Bondholder or to make any other change that does not materially adversely affect the Bondholder. All other amendments shall require the consent of the Bondholder in accordance with Section 9.4 of the Bond Resolution. Notwithstanding the foregoing, this Contract shall not be amended if such amendment reduces the Contract Payments.

Section 8.8. Execution Counterparts.

This Contract may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 8.9. Captions.

The captions and headings in this Contract are for convenience only and in no way define, limit or describe the scope or intent of any provisions of this Contract.

Section 8.10. Law Governing Contract.

This Contract shall be governed by, and construed in accordance with, the laws of the State of Georgia.

Section 8.11. County a Party to Validation.

The County hereby agrees to be a party defendant in the validation proceedings related to the Series 2016 Bond and covenants and agrees that it shall cooperate with the Authority in validating the Series 2016 Bond and in connection therewith, shall execute such certificates, consent to service of process and make sworn answers as may be necessary for the validation proceedings.

[END OF ARTICLE VIII]

IN WITNESS WHEREOF, the Authority and the County have caused this Contract to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Chairman

Attest:

_____
Secretary

OCONEE COUNTY, GEORGIA

(SEAL)

By: _____
Chairman

Attest:

_____
Clerk

SCHEDULE 1

SERIES 2016 BOND
CONTRACT PAYMENTS

Period Ending	Principal	Interest	Debt Service
11/1/2016	$ -	$ 68,202.20	$ 68,202.20
5/1/2017	-	50,800.82	50,800.82
11/1/2017	430,000.00	51,642.82	481,642.82
5/1/2018	-	45,702.95	45,702.95
11/1/2018	445,000.00	46,460.46	491,460.46
5/1/2019	-	40,427.26	40,427.26
11/1/2019	455,000.00	41,097.32	496,097.32
5/1/2020	-	35,226.56	35,226.56
11/1/2020	465,000.00	35,613.66	500,613.66
5/1/2021	-	29,520.20	29,520.20
11/1/2021	475,000.00	30,009.48	505,009.48
5/1/2022	-	23,888.83	23,888.83
11/1/2022	485,000.00	24,284.78	509,284.78
5/1/2023	-	18,138.92	18,138.92
11/1/2023	500,000.00	18,439.56	518,439.56
5/1/2024	-	12,278.63	12,278.63
11/1/2024	510,000.00	12,413.56	522,413.56
5/1/2025	-	6,164.86	6,164.86
11/1/2025	520,000.00	6,267.04	526,267.04
	$4,285,000.00	*$ 596,579.91*	*$4,881,579.91*

Exhibit B

FORM OF REQUISITION
(Project Fund)

Requisition No. _____

_____, 20___

[PROJECT FUND CUSTODIAN]

Re: Disbursement From Project Fund Relating to Oconee County Industrial Development Authority Revenue Bond (Oconee County Economic Development Project), Series 2016

To the Addressee:

The undersigned authorized representative of the Oconee County Industrial Development Authority (the "Authority") does hereby submit a requisition for a disbursement from the Project Fund established under the Resolution adopted by the Authority on February 8, 2016 ("Resolution"), relating to the captioned bond. The amount to be paid, the circumstances of such obligation and the name of the person, firm or corporation to whom payment is due is shown on Schedule 1 attached hereto. In connection with this requisition, the undersigned hereby certifies, as follows:

1. An obligation in the stated amount has been incurred, is a proper charge against the Project Fund and has not been paid.

2. A bill or statement of account for such obligation, or a copy thereof, is attached hereto or is on file in the office of the Finance Director of the County.

3. The undersigned has no notice of any vendor's, mechanic's or other liens or rights to liens, security interests, chattel mortgages, or conditional sales contracts which should be satisfied or discharge before such payment is made.

4. This requisition contains no item representing payment on account or any retained percentages which the County is, as of the date of this certification, entitled to retain.

5. Insofar as such obligation was incurred for work, materials, supplies or equipment, such work was actually performed or such materials, supplies or equipment were actually installed in or about the construction or delivered at the site of the work for that purpose.

This _____ day of _____, 20____.

OCONEE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By:_____
Authorized Representative

Approved by

OCONEE COUNTY, GEORGIA

By:_____
Authorized Representative

SCHEDULE “1”

Payee	Amount	Purpose

SECRETARY'S CERTIFICATE

The undersigned Secretary of the Oconee County Industrial Development Authority, DOES HEREBY CERTIFY that the foregoing pages constitute a true and correct copy of the resolution adopted by the Authority at an open public meeting duly called and lawfully assembled, on the 8th day of February, 2016, authorizing the issuance of the Oconee County Industrial Development Authority Revenue Bond (Oconee County Economic Development Project), Series 2016 in the principal amount of $4,285,000, the original of said resolution being duly recorded in the Minute Book of said Authority, which Minute Book is in my custody and control.

WITNESS my hand and the official seal of the Oconee County Industrial Development Authority, this the 8th day of February, 2016.

Charles R. Tice

Secretary

GEORGIA, OCONEE COUNTY

TO THE HONORABLE KENNETH W. MAULDIN,
DISTRICT ATTORNEY OF THE WESTERN JUDICIAL CIRCUIT:

YOU ARE HEREBY NOTIFIED that under and by virtue of the Constitution and laws of the State of Georgia, and applicable provisions in the Revenue Bond Law of the State of Georgia (O.C.G.A. Section 36-82-60, *et seq.*), including specifically, but without limitation, an amendment to the Constitution of the State of Georgia (1962 Ga. Laws, p. 871, *et seq.*), as amended by a resolution of the General Assembly (1977 Ga. Laws, p. 1582) and continued by an act of the General Assembly (1987 Ga. Laws, p. 3562, *et seq.*), as thereafter amended, duly ratified and proclaimed, granting to the Oconee County Industrial Development Authority (the "Authority") the power and authority, among others, (a) to issue revenue bonds and use the proceeds for the purpose of paying all or part of the cost of any "undertaking" including (1) causeways, bridges and other crossings and (2) highways and parkways; and (b) to make and execute contracts and other instruments necessary to exercise the powers of the Authority. The Authority in an open meeting duly called and assembled on February 8, 2016, adopted a resolution (the "Bond Resolution") authorizing the issuance of (a) the Oconee County Industrial Development Authority Revenue Bond (Oconee County Economic Development Project), Series 2016 (the "Series 2016 Bond"), in the principal amount of $4,285,000, for the purpose of financing the Project, referred to in said Bond Resolution, and paying the costs of issuing the Series 2016 Bond. The Series 2016 Bonds shall bear interest at a maximum rate of 2.358% per annum. The Series 2016 Bond shall be payable November 1, 2016, and semiannually thereafter on the first days of May and November in each year, and shall mature as to principal on November 1 of each year, the original principal amount, the principal installments to be paid in

Exhibit A

each year (through the operation of a sinking fund or otherwise) and the interest rate shall be specified by the Authority pursuant to the terms of a supplemental resolution of the Authority to be adopted prior to the issuance of the Series 2016 Bond in accordance with the terms of the Bond Resolution. The final principal and interest installments on the Series 2016 Bond shall be due and payable on November 1, 2025. A certified copy of said Bond Resolution is attached as Exhibit 1 to this Notice and made a part hereof.

In connection with the issuance of the Series 2016 Bond, the Authority and Oconee County, Georgia (the "County") will enter into an Intergovernmental Contract (the "Contract"), dated as of March 1, 2016, pursuant to which the Authority will agree to issue the Series 2016 Bond to provide funds to (a) pay the costs of acquiring, constructing, reconstructing, improving, bettering and extending the Project to be sold to the County upon completion, and (b) pay expenses necessary to accomplish the foregoing, and the County, in consideration, will agree to pay to the Authority amounts sufficient to pay the debt service on the Series 2016 Bond and to levy an ad valorem property tax (if necessary), unlimited as to rate or amount, on the assessed value of all property in the County subject to such tax, in order to pay debt service on the Series 2016 Bond. A copy of the Contract is attached as Exhibit A to the Bond Resolution and made a part hereof.

YOU ARE HEREBY NOTIFIED that the Authority intends to issue the Series 2016 Bond and YOU ARE FURTHER HEREBY NOTIFIED of the action of the Authority in accordance with law pertaining to confirmation and validation of said proposed issue of Series 2016 Bond and the security therefor, and request is hereby made that you take immediate and proper steps for the confirmation and validation of the Series 2016 Bond as provided by law.

This 8th day of February, 2016.

(CORPORATE SEAL)

OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By: _____
Chairman

Attest:

_____
Secretary

* * * * *

OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
SEAL
1962
GEORGIA

GEORGIA, OCONEE COUNTY

I hereby acknowledge personal service of the foregoing Notice; copy received; any and all other notice and service are hereby waived, this 8th day of February, 2016.

Kenneth W. Mauldin,
District Attorney,
Western Judicial Circuit

IN THE SUPERIOR COURT OF OCONEE COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,	)	
	)	
Plaintiff,	)	CIVIL ACTION FILE NO. 2016-CV-0056-S
	)	
v.	)	BOND VALIDATION
	)	
OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY and OCONEE COUNTY, GEORGIA	)	
	)	
Defendants.	)	

ORDER

The within and foregoing petition and complaint filed on behalf of the State of Georgia against Oconee County Industrial Development Authority (the "Authority") and Oconee County, Georgia (the "County") by the District Attorney of the Western Judicial Circuit having been read and considered;

IT IS ORDERED that the petition and complaint be filed and that the defendants be served in the manner provided by law.

IT IS FURTHER ORDERED that the defendants appear before the presiding Judge on the 1st day of March, 2016, at the Courthouse in Oconee County, Georgia, at 9:00 A.M., and then and there make answer under oath touching upon all matters contained in the petition and complaint and show cause, if any exists, why the Oconee County Industrial Development Authority Revenue Bond (Oconee County Economic Development Project), Series 2016, in the principal amount of $4,285,000, described in the petition and complaint and the security therefor consisting of a contract between the

Authority and the County obligating the County to pay to the Authority amounts sufficient to pay the debt service on the Series 2016 Bond and to levy an ad valorem property tax (if necessary), unlimited as to rate or amount, on the assessed value of all property in the County subject to such tax, in order to pay debt service on the Series 2016 Bond, should not be confirmed and validated as provided by law.

In the meantime the Clerk of this Court is hereby directed to publish in the official newspaper in which sheriff's advertisements appear for Oconee County, Georgia, in each of the two successive weeks immediately preceding the week of said hearing, a notice to the public that on the date hereinbefore specified in this order, the above-stated cause, the same being a petition and complaint for the purpose of confirming and validating said Series 2016 Bond described in the foregoing, and to pass upon all matters of law and fact pertaining to the right to issue said Series 2016 Bond and the security therefor (including the contract above referred to), will be heard and determined, and any citizen of the State of Georgia residing in the Oconee County, Georgia, or any person wherever residing who may have a right to object, may become a party to this proceeding.

IT IS FURTHER ORDERED that a copy of the petition and complaint and this order be served upon the defendants and let said defendants, by their proper officers, make sworn answer, as is provided by law.

This 12th day of February, 2016.

Judge, Superior Court,
Oconee County, Georgia

NOTICE TO THE PUBLIC

YOU ARE HEREBY NOTIFIED that on the 1st day of March, 2016, at 9:00 A.M., at the Oconee County Courthouse in Oconee County, Georgia, the presiding Judge of the Superior Court of Oconee County will hear the case of the STATE OF GEORGIA v. OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY and OCONEE COUNTY, GEORGIA, Civil Action File No. 2016CV-0056S, in the Superior Court of Oconee County, the same being a proceeding to confirm and validate an issue of the Oconee County Industrial Development Authority Revenue Bond (Oconee County Economic Development Project), Series 2016, (the "Series 2016 Bond"), in the principal amount of $4,085,000 to be issued by the Oconee Industrial Building Authority (the "Authority") to provide funds to (i) pay the costs of acquiring, constructing, reconstructing, improving, bettering and extending certain economic development road projects to be sold to Oconee County, Georgia (the "County") upon completion, and (ii) pay expenses necessary to accomplish the foregoing. In said proceeding, the Court will also pass upon the validity of an Intergovernmental Contract, dated as of March 1, 2016, between the Authority and the County, relating, among other things, to the obligation thereunder by the County to pay to the Authority amounts sufficient to pay the debt service on the Series 2016 Bond and to levy ad valorem property tax (if necessary), unlimited as to rate or amount, on the assessed value of all property in the County subject to such tax, in order to pay debt service on the Series 2016 Bond, and the validity of the Bond Resolution of the Authority in connection with the issuance of the Series 2016 Bond.

THE AUTHORITY WILL NOT CONDUCT ANY PERFORMANCE AUDIT OR PERFORMANCE REVIEW WITH RESPECT TO THE SERIES 2016 BOND AS SUCH TERMS ARE DESCRIBED IN SECTION 36-82-100, OFFICIAL CODE OF GEORGIA ANNOTATED.

Any citizen of the State of Georgia residing in the Oconee County, Georgia, or any other person wherever residing who has a right to object, may intervene and become a party to this proceeding.

This 12th day of February, 2016.

/s/ Angela Elder-Watson
Clerk, Superior Court,
Oconee County, Georgia

T

FILED IN CLERK'S OFFICE
SUPERIOR/MAGISTRATE/
JUVENILE COURT

16 FEB 29 PM 3:05

ANGELA WATSON, CLERK
OCONEE COUNTY, GEORGIA

_____DEP.CLK.

IN THE SUPERIOR COURT OF OCONEE COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,	)	
	)	
Plaintiff,	)	CIVIL ACTION FILE NO. 2016-CV-0056-5
	)	
v.	)	BOND VALIDATION
	)	
OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY and OCONEE COUNTY, GEORGIA	)	
	)	
Defendants.	)	

ACKNOWLEDGMENT OF SERVICE BY
OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

Due and legal service of the foregoing petition and complaint with exhibits and order dated February 12, 2016, is hereby acknowledged; copy received; process and any and all other notice and service waived this 23rd day of February, 2016.

Daniel C. Haygood, Esq.
Counsel for the Oconee County Industrial Development Authority

Address:
Two South Main Street, Suite C
Watkinsville, Georgia 30677
Telephone: (706) 310-0001
Facsimile: (706) 310-0003
State Bar Number: 340525

FILED IN CLERK'S OFFICE
SUPERIOR/MAGISTRATE/
JUVENILE COURT

16 FEB 29 PM 3:05

ANGELA WATSON, CLERK
OCONEE COUNTY, GEORGIA

_____DEP.CLK.

IN THE SUPERIOR COURT OF OCONEE COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,	)	
	)	
Plaintiff,	)	CIVIL ACTION FILE NO. 2016-CV-0056-5
	)	
v.	)	BOND VALIDATION
	)	
OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY and OCONEE COUNTY, GEORGIA	)	
	)	
Defendants.	)	

ANSWER OF
OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

COMES NOW, the defendant Oconee County Industrial Development Authority (the "Authority"), a public body, corporate and politic, duly created and validly existing, and having been duly served in the above-stated cause, makes this answer to the petition and complaint and order served upon it, and says:

1.

This defendant admits the allegations contained in each and every paragraph of the petition and complaint of the Honorable Kenneth W. Mauldin, District Attorney of the Western Judicial Circuit, filed against this defendant in this case.

2.

Answering further, this defendant shows that due and legal service was made upon it to show cause why the Oconee County Industrial Development Authority Revenue Bond (Oconee County Economic Development Project), Series 2016 in the original principal amount

of not to exceed $4,285,000 (the "Series 2016 Bond"), described in the petition and complaint should not be confirmed and validated. Following the service of the petition and complaint and order upon it, the Clerk of Superior Court of Oconee County, Georgia, had published in the newspaper in which sheriff's advertisements are published for Oconee County, Georgia, a notice to the public of the validation hearing as required by law. An affidavit of the publisher of said newspaper is attached hereto, made a part hereof and marked Exhibit A.

3.

This defendant further shows that the authority for the issuance of the Series 2016 Bond by it is pursuant to the Constitution and laws of the State of Georgia, including the Amendment (as defined in the petition and complaint) and the Revenue Bond Law (as defined in the petition and complaint), and the resolution of this defendant adopted on February 8, 2016 (the "Bond Resolution"), a certified copy of which forms a part of the petition and complaint. The Bond Resolution has in no way been altered or repealed and is of full force and effect.

4.

This defendant further shows that pursuant to the Amendment and the Revenue Bond Law, the Authority has the power to (a) issue revenue bonds and use the proceeds for the purpose of paying all or part of the cost of any "undertaking" including (i) causeways, bridges and other crossings and (ii) highways and parkways; and (b) make and execute contracts and other instruments necessary to exercise the powers of the Authority.

5.

This defendant further shows that the Intergovernmental Contract, dated as of March 1, 2016 (the "Contract"), between Oconee County, Georgia (the "County") and this defendant, a form of which is attached to the Bond Resolution, attached to the Notice to the

District Attorney and incorporated and made a part of the Petition and Complaint, when executed and delivered by both parties thereto, will constitute the legal, valid, binding and enforceable obligation of this defendant.

6.

This defendant further shows that the proceeds from the sale of the Series 2016 Bond will be used and applied only for the purposes set forth in the Bond Resolution and the Contract, and the Bond Resolution has not been amended or repealed. The purposes of the Series 2016 Bond are, as set for in the Bond Resolution and the Contract, to provide funds to (1) pay the costs or acquiring, constructing, reconstructing, improving, bettering and extending the Project (as defined in the petition and complaint), and (2) pay expenses necessary to accomplish the issuance of the Series 2016 Bond.

7.

Under the terms of the Bond Resolution this defendant has assigned and pledged to the payment of the Series 2016 Bond all amounts received from time to time under the Contract (the "Contract Payments"), which Contract and Contract Payments constitute the security for the Series 2016 Bond. The undertaking for which the Series 2016 Bond is to be issued, the use of the proceeds of the Series 2016 Bond, as set out in the Bond Resolution and the Contract, the issuance of the Series 2016 Bond and the security therefor are sound, feasible and reasonable.

8.

The Series 2016 Bond will not constitute a debt or a general obligation or a pledge of the faith and credit of the State of Georgia or of any political subdivision thereof, including the defendant County, but will constitute limited obligations of this defendant and will

be payable solely from the Contract Payments made by the County to the Authority for its facilities and services pursuant to the Contract and any revenues derived from the operation of the Project and any revenues derived from the operation of the Project made available for such purposes. Neither the State of Georgia nor any political subdivision thereof, including the defendant County, shall be subject to any pecuniary liability on the Series 2016 Bond, nor shall the Series 2016 Bond constitute a charge, lien or encumbrance upon any property of this defendant, said State or any political subdivision thereof, including the defendant County, other than the moneys and property specifically assigned and pledged to the payment thereof under the Bond Resolution. No owner of the Series 2016 Bond shall ever have the right to compel the exercise of the taxing power of said State or any political subdivision thereof, including the County, to pay the Series 2016 Bond or the interest thereon, but the County will be obligated to make the Contract Payments under the Contract as therein provided, which Contract Payments shall constitute security for the Series 2016 Bond.

9.

This defendant submits that it has in every way complied with the Constitution and laws of the State of Georgia governing the issuance of the Series 2016 Bond and that all steps taken with respect thereto are legal and valid in all respects, and prays an adjudication of all matters pertaining to the validity of the Series 2016 Bond and the security therefor (including the Contract).

10.

This defendant submits that each and every statement and allegation of fact made and alleged in the notice to the District Attorney, which notice was given pursuant to the form authority and direction of this defendant in a public meeting duly assembled, and every statement

and allegation of fact made in the affidavit of the publisher attached hereto, and in all documents referred to in the petition is true.

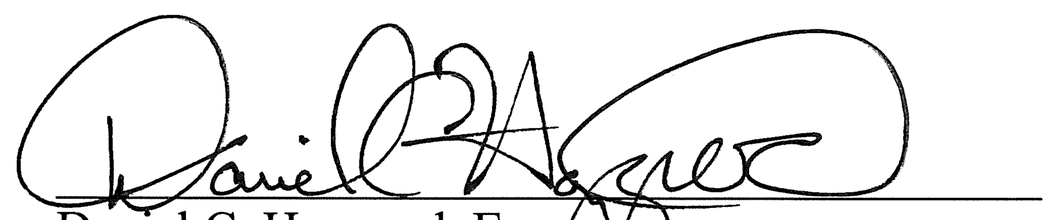
11.

This defendant further affirmatively shows that it has waived the performance audit or review and periodic reports requirements set forth in O.C.G.A. §36-82-100 by including a specific waiver of public accountability in the notice to the public, as part of these validation proceedings.

12.

This defendant, pursuant to the laws of the State of Georgia, particularly O.C.G.A. Section 9-11-52, waives the requirement that separate findings of fact and conclusions of law be entered into in this action.

WHEREFORE, having answered fully, this defendant prays for judgment in favor of the issuance of the Series 2016 Bond, finding that all necessary requirements as a matter of fact and as a matter of law have been met, that this defendant is authorized to enter into the Contract and to assume the obligations represented thereby, and that an order be issued confirming and validating the Series 2016 Bond and the security therefor (including the Contract) and authorizing the Clerk of the Superior Court of Oconee County, Georgia, to execute the certificate of validation on the Series 2016 Bond, all as provided by law.



Daniel C. Haygood, Esq.
Counsel for the Oconee County Industrial
Development Authority

Address:
Two South Main Street, Suite C
Watkinsville, Georgia 30677
Telephone: (706) 310-0001
Facsimile: (706) 310-0003
State Bar Number: 340525

EXHIBIT A

TO ANSWER OF THE AUTHORITY

The Oconee Enterprise

YOUR COMMUNITY NEWSPAPER SINCE 1884

P. O. BOX 535, WATKINSVILLE, GA 30677 • (706) 769-5175

FILED IN CLERK'S OFFICE
SUPERIOR/MAGISTRATE/
JUVENILE COURT

16 FEB 29 PM 3:05

ANGELA WATSON, CLERK
OCONEE COUNTY, GEORGIA

_____ DEP. CLK.

AFFIDAVIT OF PUBLICATION

I, Vinnie Williams, do solemnly swear that I am Publisher of The Oconee Enterprise, the official legal organ for Oconee County, Georgia, and that from my publication, the attached legal notice was published only in the regular edition of said publication on the following dates:

February 18 and 25, 2016

This 25 day of February, 2016

Vinnie Williams

Vinnie Williams
Publisher

Sworn to and subscribed before me

This 25 day of February, 2016

Marie DeWitt Williams

NOTARY PUBLIC
My Commission Expires 6/15/19

MARIE DEWITT WILLIAMS
NOTARY
PUBLIC
EXP. JUNE 15, 2019
OCONEE COUNTY, GEORGIA

(over)

Public Notice

NOTICE TO THE PUBLIC

YOU ARE HEREBY NOTIFIED that on the 1st day of March, 2016, at 9:00 A.M., at the Oconee County Courthouse in Oconee County, Georgia, the presiding Judge of the Superior Court of Oconee County will hear the case of the STATE OF GEORGIA v. OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY and OCONEE COUNTY, GEORGIA, Civil Action File No. 2016CV-0056S, in the Superior Court of Oconee County, the same being a proceeding to confirm and validate an issue of the Oconee County Industrial Development Authority Revenue Bond (Oconee County Economic Development Project), Series 2016, (the "Series 2016 Bond"), in the principal amount of $4,285,000 to be issued by the Oconee Industrial Building Authority (the "Authority") to provide funds to (i) pay the costs of acquiring, constructing, reconstructing, improving, bettering and extending certain economic development road projects to be sold to Oconee County, Georgia (the "County") upon completion, and (ii) pay expenses necessary to accomplish the foregoing. In said proceeding, the Court will also pass upon the validity of an Intergovernmental Contract, dated as of March 1, 2016, between the Authority and the County, relating, among other things, to the obligation thereunder by the County to pay to the Authority amounts sufficient to pay the debt service on the Series 2016 Bond and to levy ad valorem property tax (if necessary), unlimited as to rate or amount, on the assessed value of all property in the County subject to such tax, in order to pay debt service on the Series 2016 Bond, and the validity of the Bond Resolution of the Authority in connection with the issuance of the Series 2016 Bond.

THE AUTHORITY WILL NOT CONDUCT ANY PERFORMANCE AUDIT OR PERFORMANCE REVIEW WITH RESPECT TO THE SERIES 2016 BOND AS SUCH TERMS ARE DESCRIBED IN SECTION 36-82-100, OFFICIAL CODE OF GEORGIA ANNOTATED.

Any citizen of the State of Georgia residing in the Oconee County, Georgia, or any other person wherever residing who has a right to object, may intervene and become a party to this proceeding.

This 12th day of February, 2016.

Angela Watson-Johnson
Clerk, Superior Court,
Oconee County, Georgia

PN: 2/18,25

FILED IN CLERK'S OFFICE
SUPERIOR/MAGISTRATE/
JUVENILE COURT

16 FEB 29 PM 3:05

ANGELA WATSON, CLERK
OCONEE COUNTY, GEORGIA

_____DEP.CLK.

VERIFICATION

STATE OF GEORGIA

COUNTY OF OCONEE

Personally appeared before the undersigned officer authorized to administer oaths in and for said State and County, the undersigned Chairman and Secretary of the Oconee County Industrial Development Authority (the "Authority"), who on oath deposes and say that they are the elected, qualified and acting Chairman and Secretary of said Authority, and that they have read the above and foregoing answer relating to the issuance of the Authority's Revenue Bond (Oconee County Economic Development Project), Series 2016, and the Contract delivered in connection therewith, and that the same are true and correct.

OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
SEAL
1962
GEORGIA

[SEAL]

Sworn to and subscribed
before me this 29th day
of February, 2016.

Notary Public

Chairman

Secretary

My commission expires:

(NOTARIAL SEAL)

DANIEL C. HAYGOOD
NOTARY
PUBLIC
EXP. SEPT. 24, 2017
OCONEE COUNTY, GA

FILED IN CLERK'S OFFICE
SUPERIOR/MAGISTRATE/
JUVENILE COURT
16 FEB 29 PM 3:05
ANGELA WATSON, CLERK
OCONEE COUNTY, GEORGIA
DEP.CLK.

ACKNOWLEDGMENT OF DISTRICT ATTORNEY

Due and legal service of the within and foregoing answer of the defendant, Oconee County Industrial Development Authority, together with copies of all the exhibits attached thereto, is hereby acknowledged; copy received; process and all other and further service is hereby waived.

This 29th day of February, 2016.

Kenneth W. Mauldin,
District Attorney,
Western Judicial Circuit

FILED IN CLERK'S OFFICE
SUPERIOR/MAGISTRATE/
JUVENILE COURT
16 FEB 29 PM 3:05
ANGELA WATSON, CLERK
OCONEE COUNTY, GEORGIA
_____DEP.CLK.

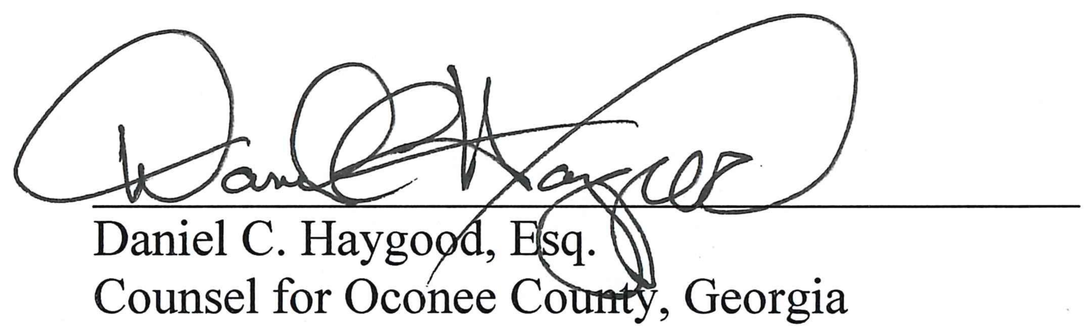
IN THE SUPERIOR COURT OF OCONEE COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,	)	
	)	
Plaintiff,	)	CIVIL ACTION FILE NO. 2016-CV-0056-5
	)	
v.	)	BOND VALIDATION
	)	
OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY and OCONEE COUNTY, GEORGIA	)	
	)	
Defendants.	)	

ACKNOWLEDGMENT OF SERVICE BY
OCONEE COUNTY, GEORGIA

Due and legal service of the foregoing petition and complaint with exhibits and order dated February 12, 2016, is hereby acknowledged; copy received; process and any and all other notice and service waived this 23rd day of February, 2016.



Daniel C. Haygood, Esq.
Counsel for Oconee County, Georgia

Address:
Two South Main Street, Suite C
Watkinsville, Georgia 30677
Telephone: (706) 310-0001
Facsimile: (706) 310-0003
State Bar Number: 340525

FILED IN CLERK'S OFFICE
SUPERIOR/MAGISTRATE/
JUVENILE COURT
16 FEB 29 PM 3:05
ANGELA WATSON, CLERK
OCONEE COUNTY, GEORGIA
_____ DEP.CLK.

IN THE SUPERIOR COURT OF OCONEE COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,	)	
	)	
Plaintiff,	)	CIVIL ACTION FILE NO. 2016-CV-0056-5
	)	
v.	)	BOND VALIDATION
	)	
OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY and OCONEE COUNTY, GEORGIA	)	
	)	
Defendants.	)	

ANSWER OF OCONEE COUNTY, GEORGIA

COMES NOW Oconee County, Georgia (the "County"), a political subdivision created and existing under the Constitution and laws of the State of Georgia, and having been duly served in the above-stated cause, makes this answer to the petition and complaint and order served upon it, and says:

1.

This defendant admits the allegations contained in each and every paragraph of the petition and complaint of the Honorable Kenneth W. Mauldin, District Attorney of the Western Judicial Circuit, filed against this defendant in this case.

2.

Answering further, this defendant shows that due and legal service was made upon it to show cause why the not to exceed $4,285,000 in original principal amount of the Oconee County Industrial Development Authority Revenue Bond (Oconee County Economic Development Project), Series 2016 (the "Series 2016 Bond"), described in the petition and complaint should not be confirmed and validated.

3.

Answering further, this defendant shows that pursuant to the Constitution and laws of the State of Georgia, including specifically Article IX, Section III, Paragraph I(a) of the Constitution of the State of Georgia, this defendant has the power to contract with any authority for any period not exceeding fifty years for joint services, for the provision of services, or for the joint or separate use of facilities or services, provided that such contracts deal with activities, services or facilities which the contracting parties are authorized by law to undertake or to provide.

4.

This defendant further shows that pursuant to a resolution adopted by the Board of Commissioners of the County on February 23, 2016, the Intergovernmental Contract, dated as of March 1, 2016 (the "Contract"), between the Oconee County Industrial Development Authority (the "Authority") and this defendant, a form of which is attached to the Answer of the Authority and incorporated and made a part thereof, when executed and delivered by the parties thereto, will constitute the legal, valid, binding and enforceable obligation of this defendant.

5.

This defendant further shows that pursuant to the Intergovernmental Contract, the County is obligated to make payments to the Authority in amounts sufficient to pay the debt service on the Series 2016 Bond (the "Contract Payments") and to levy an ad valorem property tax (if necessary), unlimited as to rate or amount, on the assessed value of all property in the County subject to such tax, in order to pay the Contract Payments. The County covenants and agrees that in order to make funds available for such purpose, it will, in its general revenue, appropriation and budgetary measures whereby its tax funds or revenues and the allocation thereof are controlled or provided for, include sums sufficient to satisfy any such Contract

Payments that may be required to be made, whether or not any other sums are included in such measure, until all payments so required to be made shall have been made in full.

6.

This defendant, pursuant to the laws of the State of Georgia, particularly O.C.G.A. Section 9-11-52, waives the requirement that separate findings of fact and conclusions of law be entered in this action.

WHEREFORE, having answered fully, this defendant prays for judgment in favor of the issuance of the Series 2016 Bond, finding that all necessary requirements as a matter of fact and as a matter of law have been met, that this defendant was and is authorized to enter into the Contract and to assume the obligations on its part represented thereby, and that an order be issued confirming and validating the Series 2016 Bond and the security therefor (including the Contract) and authorizing the Clerk of the Superior Court of Oconee County, Georgia, to execute the certificate of validation on the Series 2016 Bond, all as provided by law.

Daniel C. Haygood, Esq.
Counsel for Oconee County, Georgia

Address:
Two South Main Street, Suite C
Watkinsville, Georgia 30677
Telephone: (706) 310-0001
Facsimile: (706) 310-0003
State Bar Number: 340525

VERIFICATION

STATE OF GEORGIA

COUNTY OF OCONEE

Personally appeared before the undersigned officer authorized to administer oaths, the undersigned Chairman and Clerk of Oconee County, Georgia (the "County"), who on oath deposes and says that the Chairman is the elected, qualified and acting Chairman and the Clerk is the qualified and acting Clerk of the County, and that they have read the above and foregoing answer relating to the issuance of the Oconee County Industrial Development Authority Revenue Bond (Oconee County Economic Development Project), Series 2016, and the Contract delivered in connection therewith, and that the same is true and correct.

[SEAL]

Chairman

Sworn to and subscribed
before me this 29th day
of February, 2016.

Notary Public

Clerk

My commission expires:

(NOTARIAL SEAL)

DANIEL C. HAYGOOD
NOTARY
PUBLIC
EXP. SEPT. 24, 2017
OCONEE COUNTY, GA

FILED IN CLERK'S OFFICE
SUPERIOR/MAGISTRATE/
JUVENILE COURT
16 FEB 29 PM 3:05
ANGELA WATSON, CLERK
OCONEE COUNTY, GEORGIA
DEP.CLK.

ACKNOWLEDGMENT OF DISTRICT ATTORNEY

Due and legal service of the within and foregoing answer of the defendant, Oconee County, Georgia, together with copies of all the exhibits attached thereto, is hereby acknowledged; copy received; process and all other and further service is hereby waived.

This 29th day of February, 2016.

Kenneth W. Mauldin,
District Attorney,
Western Judicial Circuit

IN THE SUPERIOR COURT OF OCONEE COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,	)	
	)	
Plaintiff,	)	CIVIL ACTION FILE NO. 2016-CV-0056-5
	)	
v.	)	BOND VALIDATION
	)	
OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY and OCONEE COUNTY, GEORGIA	)	
	)	
Defendants.	)	

VALIDATION ORDER

The above-entitled cause coming on for a hearing pursuant to an order heretofore granted, and it appearing from an examination and inspection of the proceedings concerning the issuance of Oconee County Industrial Development Authority Revenue Bond (Oconee County Economic Development Project), Series 2016 in the original principal amount of not to exceed $4,285,000 (the "Series 2016 Bond"), described in the pleadings of this cause that the same are regular and in due form, and after inspection of the record and hearing the evidence on all matters bearing upon the Series 2016 Bond, the right of defendant Oconee County Industrial Development Authority (the "Authority") to issue the Series 2016 Bond, and the security therefor;

IT IS DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the Superior Court of Oconee County, Georgia, has jurisdiction over the subject matter of this proceeding and over the parties hereto and that this cause is properly before this Court; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the Oconee County Industrial Development Authority (the "Authority") was duly created and is validly existing pursuant to an amendment to the Constitution of the State of Georgia (1962 Ga. Laws, p. 871, *et seq.*), as amended by a resolution of the General Assembly (1977 Ga. Laws, p. 1582) and continued by an act of the General Assembly (1987 Ga. Laws, p. 3562, *et seq.*), as thereafter amended (the "Amendment"), has been duly enacted and approved and is legal and valid in all respects, and all rights, powers, authorities and duties therein granted and imposed are legal in all respects, and pursuant thereto the Authority was and is legally created and is validly existing as a public body corporate and politic; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED that pursuant to the Amendment and the Revenue Bond Law of the State of Georgia (O.C.G.A. Section 36-82-60, et seq., as amended (the "Revenue Bond Law")), the Authority was and is authorized to issue the Series 2016 Bond for the purpose and in the manner stated in the pleadings hereto, and that the defendant Authority was and is legally authorized to and is taking all proper and necessary steps in issuing and securing the Series 2016 Bond; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, that pursuant to the Amendment and the Revenue Bond Law, the Authority has the power to (a) issue revenue bonds and use the proceeds for the purpose of paying all or part of the cost of any "undertaking" including (i) causeways, bridges and other crossings and (ii) highways and parkways; and (b) make and execute contracts and other instruments necessary to exercise the powers of the Authority; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, that the acquisition, construction, reconstruction, improving, bettering and extending of the Project (as defined in the petition and complaint) constitute an "undertaking" within the definition prescribed in the Revenue Bond Law and the Amendment; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the defendant Authority has the right, power and authority by virtue of the Constitution and laws of the State of Georgia to (i) adopt the resolution, adopted on February 8, 2016 (the "Bond Resolution"), authorizing, among other things, the issuance of the Series 2016 Bond and the execution and delivery of the Contract (hereinafter referred to), a certified copy of which Bond Resolution forms a part of the petition and complaint of the District Attorney in this cause, and (ii) to execute, deliver and perform its obligations under the Contract; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the defendant Authority has properly adopted the Bond Resolution, and that the Bond Resolution constitutes the legal, valid, binding and enforceable obligation of the defendant Authority; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that pursuant to the powers granted under the Constitution and laws of the State of Georgia, including specifically the Amendment, the Revenue Bond Law, and Article IX, Section III, Paragraph I(a) of the Constitution of the State of Georgia, the Intergovernmental Contract dated as of March 1, 2016 (the "Contract"), between the Authority and Oconee County, Georgia (the "County"), a form of which is attached to the Bond Resolution, attached to the Notice to the District Attorney and incorporated and made a part of

the Petition and Complaint, when executed and delivered by both parties thereto, will constitute a legal, valid, binding and enforceable obligation of the defendant Authority in accordance with its terms; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the defendant County has the power and authority under the Constitution and laws of the State of Georgia, including specifically Article IX, Section III, Paragraph I(a) of the Constitution of the State of Georgia, to authorize, execute and deliver the Contract and to perform the obligations on its part thereunder, and the Contract, when executed and delivered by both parties thereto, will constitute a legal, valid, binding and enforceable obligation of the defendant County in accordance with its terms; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that under the Contract, the County is obligated to make payments to the Authority in amounts sufficient to pay the debt service on the Series 2016 Bond (the "Contract Payments") and to levy an ad valorem property tax (if necessary), unlimited as to rate or amount, on the assessed value of all property in the County subject to such tax, in order to pay the Contract Payments; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, that under the Contract, the Contract Payments shall be made from any lawfully available funds of the County and, if necessary, from monies derived pursuant to the levy of an ad valorem tax.

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the pledge or and lien on the payments to be made under the Contract shall be valid and binding against the Authority and against all parties having

claims against the Authority whether such claims arise in contract, tort or otherwise, and regardless of whether such parties have notice thereof; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the defendant Authority has taken all proper and necessary steps to issue the Series 2016 Bond and to use the proceeds for the purposes stated in the Bond Resolution and the Contract, the defendant Authority has caused proper notice of this hearing to be published as required by the laws of the State of Georgia and all of the acts and doings of the defendant Authority set forth in the pleadings of this cause are hereby approved and confirmed; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the County's obligation to make the payments required by the Contract shall constitute a general obligation of the County for which its full faith and credit are pledged, and that the County's obligation to make the payments required by the Contract shall be absolute and unconditional as long as the Series 2016 Bond remains outstanding; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the undertaking for which the Series 2016 Bond are to be issued, the use of the proceeds of the Series 2016 Bond for the purposes set forth in the Bond Resolution and herein, the issuance of the Series 2016 Bond and the security therefor, are sound, feasible and reasonable; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the Series 2016 Bond will not constitute a debt or a general obligation or a pledge of the faith and credit of the State of Georgia or the County but

will constitute limited obligations of the Authority and will be payable from payments to be made by the County under the Contract to the Authority for its services and facilities; that neither the State of Georgia nor the County shall be subject to any pecuniary liability on the Series 2016 Bond nor shall the Series 2016 Bond constitute a charge, lien or encumbrance upon any property of the Authority, said State or said County, other than the Contract Payments to be made by the County under the Contract to the Authority for its services and facilities; and no owner of any of the Series 2016 Bond shall ever have the right to compel the exercise of the taxing power of said State or said County to pay the same or the interest thereon; provided, however, the obligation of the County to make payments to the Authority under the Contract for the services and facilities of the Authority shall be absolute and unconditional as set forth in the Contract; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the Series 2016 Bond and the security therefor (including the Contract) be, and the same are hereby in each and every respect, confirmed and validated, and the defendant Authority is authorized and empowered to issue the Series 2016 Bond, and when the Series 2016 Bond are so issued the same shall be legal, valid, binding and enforceable limited obligations of the defendant Authority; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the parties to this proceeding have duly and lawfully waived the requirement that separate findings of fact and conclusions of law be entered pursuant to O.C.G.A. Section 9-11-52; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the Clerk of the Superior Court of Oconee County, Georgia, is authorized to execute the certificate of validation upon the Series 2016 Bond and that

the provisions of the Bond Resolution regarding the issuance of a Series 2016 Bond in exchange for, or upon registration of transfer of, the Series 2016 Bond previously issued are lawful and proper and said Clerk of the Superior Court of Oconee County is hereby authorized and directed to execute a certificate of validation upon such Series 2016 Bond issued in exchange for a Series 2016 Bond previously issued upon the written request of the defendant Authority specifying that such Series 2016 Bond is being issued in exchange for, or upon registration of transfer of, the Series 2016 Bond issued and delivered to the initial purchaser thereof or the Series 2016 Bond previously issued in exchange therefor.

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the Authority has waived its obligation to complete the performance audit or review and periodic reports requirements set forth in O.C.G.A. §36-82-100 by including a specific waiver of public accountability in its notice to the public, as part of these validation proceedings.

Let the defendants pay the costs of this proceeding from the proceeds of the sale of the Series 2016 Bond.

This 1st day of March, 2016.

Lawton E. Stephens

Judge, Superior Court,
Oconee County, Georgia

IN THE SUPERIOR COURT OF OCONEE COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,	)	
	)	
Plaintiff,	)	CIVIL ACTION FILE NO. 2016-CV-0056-5
	)	
v.	)	BOND VALIDATION
	)	
OCONEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY and OCONEE COUNTY, GEORGIA	)	
	)	
Defendants.	)	

CLERK'S CERTIFICATE

The undersigned Clerk of the Superior Court of Oconee County, Georgia, DOES HEREBY CERTIFY that she has compared the within and foregoing copy of the transcript of the proceeding for the confirmation and validation of the Oconee County Industrial Development Authority Revenue Bond (Oconee County Economic Development Project), Series 2016 in the original principal amount of not to exceed $4,285,000 (the "Series 2016 Bond"), including the petition and complaint and all exhibits, notices, orders and documents attached thereto, the answers of Oconee County Industrial Development Authority and Oconee County, Georgia and an order of the Court dated March 1, 2016, the same constituting the entire file of the Clerk of the Court in said cause, there being no other matter of record other than the foregoing, with the original record thereof now remaining in this office, and the same is a true, correct and complete copy of and the whole of such original record, and that this Court is a Court of Record.

I FURTHER CERTIFY that no intervention or objection was raised or filed in connection with the validation of the Series 2016 Bond referred to in said record and that the validation order has been entered.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said Court this the 1st day of March, 2016.

Clerk, Superior Court,
Oconee County, Georgia

(SEAL)