

1978-1979

(f) All of the net proceeds from the Series 1978 Bonds will be used to provide land or property subject to the allowance for depreciation under IRC Section 167; no part of the Series 1978 Bond proceeds will be used, directly or indirectly, to provide working capital or inventory for the Tenant.

(g) The Tenant will not use any of the funds provided by the County hereunder in such manner as to impair the exemption of interest on the 1978 Bonds from Federal income taxation nor will it take or omit to take any action so as to impair such exemption.

(h) Although the Company had an interest in the Leased Land, the Cost of which is being financed out of the proceeds of the Bonds, no commitment was made to the development of the Leased Land or the Project over alternative land acquired by the Tenant for the same purposes until November 15, 1977.

(i) The financial statements of January 25, 1978, fairly represent the Tenant's financial condition as of that date and the results of operations for the six months then ending and that since January 25, 1978, no major adverse change has occurred in the Tenant's financial condition.

0.3.6

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