

ARTICLE IV

CONSTRUCTION OF THE PROJECT;
ISSUANCE OF THE NOTES;
CONSTRUCTION FUND

SECTION 4.1. Agreement to Construct and Equip the Building on the Leased Land. The County has acquired the Leased Land by deed of the Lessee. The Lessee agrees that it will exercise the authorizations given to it by the County as set forth in Section 2.1(j) and:

(a) It will cause the Building to be completed on the Leased Land wholly within the boundary lines thereof which will be utilized in accordance with a general description heretofore furnished to the County and the Mortgagee by the Lessee.

(b) It will cause to be acquired and installed in the Building and on the Leased Land for use of the Lessee the Leased Equipment, and such other items of machinery and equipment and any transportation facility and equipment used as an integral part of the Project, which in Lessee's judgment may be necessary for operation of the Project.

The Lessee agrees to proceed diligently with the construction of the Project and to complete the acquisition, construction and equipping of the Project as promptly as practicable after receipt of the proceeds derived from the sale of the Notes but in no event later than January 1, 1982. The Lessee agrees that it will obtain all government permits, approvals or certifications required in connection with the Project.

SECTION 4.2. Agreement to Issue Notes; Application of Note Proceeds. In order to provide funds for payment of the costs of the Project, the County agrees that it will on or before May 31, 1980, execute and deliver the Notes and cause them to be delivered to the respective Mortgagees and it will thereupon deposit in the Construction Fund the proceeds received from said sale. The County and the Lessee covenant that they will not use or permit the use of any proceeds of the Notes in any manner which, if such use had been reasonably expected on the date of issue of the Notes, would have caused the Notes to be "arbitrage bonds" within the meaning of Section 103(c) of the Code.

SECTION 4.3. Establishment of Construction Fund; Disbursements from the Construction Fund. Not later than the occasion of the delivery of the Notes, the County will establish the Construction Fund with the Construction Fund