

RESOLUTION NO. 91- 1

RESOLUTION DETERMINING THE INTENT OF THE CITY OF WATHENA, KANSAS, TO ISSUE ITS INDUSTRIAL REVENUE BONDS IN THE AMOUNT OF APPROXIMATELY \$8,000,000 TO FINANCE THE COSTS OF ACQUIRING, CONSTRUCTING AND EQUIPPING A MANUFACTURING FACILITY FOR THE BENEFIT OF FIGGIE INTERNATIONAL INC. OR ANY OF ITS AFFILIATES

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WHEREAS, the City of Wathena, Kansas (the "City"), desires to promote, stimulate and develop the general welfare and economic prosperity of the City and its inhabitants and thereby to further promote, stimulate and develop the general welfare and economic prosperity of the State of Kansas; and

WHEREAS, the City is authorized and empowered under the provisions of K.S.A. 12-1740 to 12-1749a, inclusive, as amended (the "Act"), to issue industrial revenue bonds to pay the cost of certain facilities (as defined in the Act) for the purposes set forth in the Act and to lease such facilities to private persons, firms or corporations; and

WHEREAS, Figgie International Inc., or any of its affiliates (the "Company"), has requested that the City finance the cost of acquiring, constructing and equipping a manufacturing facility (as more fully described on Exhibit A hereto, the "Project") through the issuance of its industrial revenue bonds in one or more series in the amount of approximately \$8,000,000, and to lease the Project to the Company or its successors and assigns in accordance with the Act; and

WHEREAS, it is hereby found and determined to be advisable and in the interest and for the welfare of the City and its inhabitants that the City finance the costs of the Project by the issuance of industrial revenue bonds under the Act in a principal amount of approximately \$8,000,000, said bonds to be payable solely out of rentals, revenues and receipts derived from the lease of the Project by the City to the Company.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WATHENA, KANSAS, AS FOLLOWS:

Section 1. Approval of Project. The Governing Body of the City hereby finds and determines that the acquiring, constructing and equipping of the Project will promote the general welfare and economic prosperity of the City of Wathena,

Kansas, and the issuance of the City's industrial revenue bonds to pay such costs will be in furtherance of the public purposes set forth in the Act.

Section 2. Intent to Issue Bonds. The Governing Body of the City hereby determines and declares the intent of the City to acquire, construct and equip the Project out of the proceeds of industrial revenue bonds of the City in a principal amount of approximately \$8,000,000 to be issued pursuant to the Act.

Section 3. Provision for the Bonds. Subject to the conditions of this Resolution, the City will (i) issue its industrial revenue bonds to pay the costs of acquiring, constructing and equipping the Project, with such maturities, interest rates, redemption terms and other provisions as may be determined by ordinance of the City; (ii) provide for the lease (with an option to purchase) of the Project to the Company; and (iii) to effect the foregoing, adopt such resolutions and ordinances and authorize the execution and delivery of such instruments and the taking of such action as may be necessary or advisable for the authorization and issuance of said bonds by the City and take or cause to be taken such other action as may be required to implement the aforesaid.

Section 4. Conditions to Issuance. The issuance of said bonds and the execution and delivery of any documents related to the Bonds are subject to (i) obtaining any necessary governmental approvals, including an allocation from the Kansas Department of Commerce and the approval of Doniphan County required by K.S.A. 12-1741a, as amended; and (ii) agreement by the City, the Company and the purchaser of the bonds upon (a) mutually acceptable terms for the bonds and for the sale and delivery thereof and (b) mutually acceptable terms and conditions of any documents related to the issuance of the bonds and the Project.

Section 5. Sale of the Bonds. The sale of the bonds shall be the responsibility of the Company.

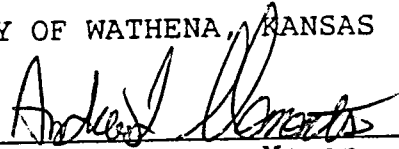
Section 6. Further Action. Counsel to the City and Gilmore & Bell, Bond Counsel for the City, together with the officers and employees of the City, are hereby authorized to work with the purchaser of the bonds, the Company, their respective counsel and others, to prepare for submission to and final action by the City all documents necessary to effect the authorization, issuance and sale of the bonds and other actions contemplated hereunder.

Section 7. Effective Date. This Resolution shall take effect and be in full force immediately after its adoption by the Governing Body of the City.

ADOPTED this 21st day of May, 1991.

CITY OF WATHENA, KANSAS

By

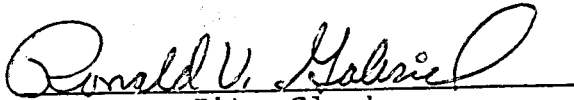


Mayor

Andrew L. Clements

[SEAL]

ATTEST:



City Clerk

Ronald V. Gabriel