

ORDINANCE NO. 01-05

AN ORDINANCE OF THE CITY OF SOMERSET KENTUCKY (THE "CITY"), AMENDING ORDINANCE NO. 96-3 TO AUTHORIZE A CHANGE IN MATURITY DATE OF THE "CITY OF SOMERSET, KENTUCKY ADJUSTABLE RATE INDUSTRIAL BUILDING REVENUE BONDS, SERIES 1996 (GLEN OAK LUMBER & MILLING, INC. PROJECT)" (THE "BONDS") IN THE AGGREGATE PRINCIPAL AMOUNT OF \$3,000,000 WHICH BONDS WERE AUTHORIZED IN ORDINANCE 96-3; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF SUPPLEMENT NO. 1 TO TRUST INDENTURE (THE "SUPPLEMENT") BETWEEN THE CITY AND BANK ONE TRUST COMPANY, NATIONAL ASSOCIATION, AS TRUSTEE (THE "TRUSTEE"); AND THE TAKING OF OTHER RELATED ACTION.

WHEREAS, the City of Somerset, Kentucky (the "City") adopted Ordinance No. 96-3 on March 11, 1996, which, pursuant to the provisions of Sections 103.200 to 103.287, inclusive, of the Kentucky Revised Statutes, as amended (the "Act"), specifically authorized and empowered the City to issue its \$3,000,000 City of Somerset, Kentucky Adjustable Rate Industrial Building Revenue Bonds, Series 1996 (Glen Oak Lumber & Milling, Inc. Project) (the "Bonds") hereinafter approved; and

WHEREAS, the City, pursuant to Ordinance No. 96-3, issued the Bonds; and

WHEREAS, Glen Oak Lumber & Milling, Inc. (the "Company") desires to change the maturity date on the Bonds from April 1, 2006 to April 1, 2011, and to accomplish the same it is necessary to supplement the Trust Indenture, (the "Indenture") dated as of April 1, 1996, by and between the City and Bank One Trust Company, National Association, as Trustee (the "Trustee") with Supplement No. 1 to Trust Indenture (the "Supplement"), dated as of March 1, 2001, by and between the City and the Trustee; and

WHEREAS, it is necessary and proper in the interests of the health, safety, convenience and general welfare of the citizens, residents and inhabitants of the City and its environs that the City (a) authorize the change in maturity date of the Bonds, (b) authorize the execution and delivery of the Supplement, and (c) approve other necessary or related documents and actions.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF SOMERSET, KENTUCKY, ACTING BY AND THROUGH ITS CITY COUNCIL, AS FOLLOWS:

Section 1. Supplement No. 1 to Indenture Authorization. The Mayor is hereby authorized, empowered and directed to execute and acknowledge on behalf of the City, with the attestation of the City Clerk, the Supplement, and said officials are hereby authorized, empowered and directed to cause the Supplement to be accepted, executed and acknowledged by the Trustee hereby so appointed. The Supplement is hereby approved, authorized and adopted in substantially the form submitted herewith and designated Exhibit A, with such changes as the

officials executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

It is acknowledged that in and by the Supplement, as it is hereby approved, that the Trustee may have discretion in designating the Paying Agent (as defined in the Indenture) in respect of the Bonds.

Section 2. Bond Authorization. For the purposes set forth in the preamble, which is incorporated as a part hereof, the City, acting by and through its City Council, hereby authorizes the execution and delivery of a replacement Bond reflecting a new maturity date of April 1, 2011, to be issued in the form and subject to the terms and specifications set forth in the Supplement.

Section 3. General Authorization. The Mayor, the City Clerk, any City Council member, the City Attorney and other appropriate City officials, and each of them, for and on behalf of the City, are hereby authorized, empowered and directed to do and perform any and all things necessary to effect the execution of the Supplement, its execution and acceptance by the Trustee, the performance of all obligations of the City under and pursuant to the Supplement and related documents, the execution and delivery of the Bonds and the performance of all other actions of whatever nature necessary to effect and carry out the authority conferred by this Ordinance and by the Supplement. The Mayor, the City Clerk, any City Council member, the City Attorney and other appropriate City officials are hereby further authorized, empowered and directed for and on behalf of the City to execute all papers, documents, certificates or other instruments that may be required for the carrying out and effectuation of the authority conferred by and the purposes of this Ordinance and the Supplement.


Section 4. City Bond Obligations Limited. The City shall never be required to pay from its own funds any obligations deriving from the issuance of the Bonds, and the Bonds are special and limited obligations payable solely and only from the receipts derived under the Loan Agreement, dated as of April 1, 1996, by and between the City and the Company with respect to the Project and the property encumbered and the trust estate created under the Indenture.

Section 5. Ordinance Controls. In the event of any conflict or conflicts between the provisions of this Ordinance and of any prior ordinances, resolutions or parts thereof, the provisions of this Ordinance shall prevail.

Section 6. Ordinance Effective. This Ordinance shall be in full force and effect from and after its adoption as provided by law. The summary of this Ordinance read at the meetings of the City Council described below is approved for purposes of publication as provided by law.

INTRODUCED, SECONDED AND GIVEN FIRST-READING at a duly convened meeting of the City Council of the City of Somerset, Kentucky, held on the 26th day of February 2001, and GIVEN A SECOND READING, ADOPTED AND APPROVED at a duly convened meeting of the City Council of the City of Somerset, Kentucky, held on the 12th day of March 2001, signed by the Mayor as evidence of his approval, attested by the City Clerk, ordered published in summary form pursuant to KRS Chapter 424, duly enrolled and declared to be in full force and effect.

APPROVED:



JP Wiles, Mayor

(SEAL)

ATTEST:



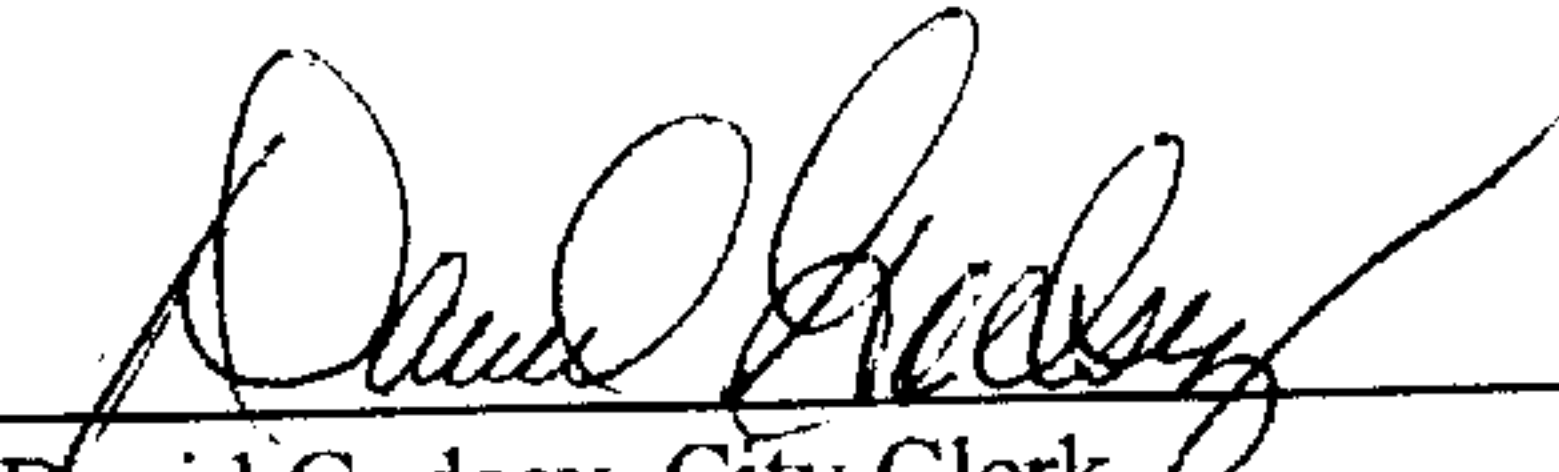
David Godsey, City Clerk

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly qualified City Clerk of the City of Somerset, Kentucky, and as such Clerk I further certify that the foregoing is a true, correct and complete copy of an Ordinance duly adopted by the City Council of said City upon second reading at a duly convened meeting held on March 12, 2001, signed by the Mayor and now in full force and effect, all as appears from the official records of said City in my possession and under my control.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said City this 12th day of March, 2001.

(SEAL)



David Godsey, City Clerk

EXHIBIT A

SUPPLEMENT NO. 1 TO TRUST INDENTURE,
DATED AS OF MARCH 1, 2001, BETWEEN THE CITY OF
SOMERSET, KENTUCKY AND BANK ONE TRUST
COMPANY, NATIONAL ASSOCIATION