RESOLUTION NO. 63

A RESOLUTION CONSENTING TO THE EXECUTION OF A FIRST AMENDATORY LEASE AGREEMENT AMENDING THE LEASE AGREEMENT BETWEEN THE CITY OF CONWAY, ARKANSAS AND UNIDYNAMICS CORPORATION DATED AS OF JUNE 1, 1972, AS PREVIOUSLY AMENDED AND SUPPLEMENTED.

BE IT RESOLVED by the City Council of the City of Conway, Arkansas:

Section 1. That there be, and there is hereby authorized the execution and delivery of a First Amendatory Lease Agreement by and between the City of Conway, Arkansas (the "Municipality"), and Unidynamics Corporation, a Delaware corporation, in substantially the form and with substantially the contents hereinafter set forth in Exhibit A attached, and the Mayor and City Clerk be, and they are hereby, authorized to execute and deliver the First Amendatory Lease Agreement for and on behalf of the Municipality. The form and contents of the First Amendatory Lease Agreement, which are approved and which are made a part hereto.

Section 2. That the Mayor and City Clerk be, and they are hereby authorized and directed, for and on behalf of the Municipality, to do all things, execute all instruments and otherwise take all action necessary to the realization of the Municipality's obligations under the First Amendatory Lease Agreement.


APPROVED:

[Signature]
Mayor

ATTEST:

[Signature]
City Clerk

(SEAL)
CERTIFICATE

The undersigned, City Clerk of Conway, Arkansas, hereby certifies that the foregoing is a true and compared copy of a resolution passed at a ________ session of the City Council of Conway, Arkansas, held at the regular meeting place of the Council at ____ o'clock P.M., on the ____ day of ________, 1986.

__________________________
City Clerk

(SEAL)
FIRST AMENDATORY LEASE AGREEMENT
FIRST AMENDATORY LEASE AGREEMENT

THIS FIRST AMENDATORY LEASE AGREEMENT, made and entered into as of 31st day of July, 1985, by and between the City of Conway, Arkansas (the "Lessor"), a municipal corporation of the State of Arkansas, created and validly existing under the laws of Arkansas, and Unidynamics Corporation (the "Lessee"), a corporation organized and existing under the laws of the State of Delaware;

WITNESSETH:

WHEREAS, this First Amendatory Lease Agreement is entered into in accordance with Section 12.4 of a Lease Agreement dated as of June 1, 1972 between the Lessor and the Lessee, as previously amended and supplemented (the "Lease") which makes provision for the amendment of said Lease; and

WHEREAS, this First Amendatory Lease and Agreement will not become effective unless until both Worthen Bank & Trust Company, N. A., as Trustee under an Indenture of Trust dated June 1, 1972 (the "Indenture") securing $1,350,000 principal amount of City of Conway, Arkansas Industrial Development Revenue Bonds - UMC Industries Project Series A (the "Bonds"), and holders of not less than two-thirds (2/3) in aggregate principal amount of the Bonds at the time outstanding, consent to the execution and delivery of this Second Amendatory Lease and Agreement; and

WHEREAS, Section 9.1 of Article IX of the Lease provides as follows:

ARTICLE IX

Assignment, Subleasing, Pledging and Selling; Redemption; Rent Prepayment and Abatement

Section 9.1. Assignment and Subleasing. Lessee may assign this Lease or sublet the leased premises or part thereof provided that no such assignment or subletting and no dealings or transactions between the Lessor or the Trustee and any sublessee or assignee shall relieve the Lessee of any of its obligations under this Lease Agreement and Lessee shall remain as fully bound as though no assignment or subletting had been made, and performance by any assignee or sublessee shall be considered as performance pro tanto by Lessee; provided, however, that Lessee may assign this lease, and be thereby relieved of further obligation hereunder, in connection with a transaction involving merger, consolidation or sale as set forth below.

It is understood and agreed that this Lease Agreement (and the leased premises and rents hereunder) will be assigned to the Trustee as security for the payment of the principal of and interest on the Bonds, but otherwise the Lessor shall not assign, encumber, sell or dispose of all or any part of its rights, title and interest in and to the leased premises and this Lease Agreement, except to the
Lessee in accordance with the provisions of the Lease Agreement and to the Trustee under the Trust Indenture, but subject to the provisions set forth below, without the prior written consent of the Lessee.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and of the mutual covenants and undertakings herein expressed and the mutual benefits to be realized by the parties pursuant hereto, the Lessor and the Lessee hereby agree as follows:

Section 3. Definitions. All words and terms defined in Article I of the Lease and used but not otherwise defined herein shall have the same meanings, respectively, in this First Amendatory Lease Agreement as such defined words and terms are given in Article I of the Lease.

Section 4. Amendment. Section 9.1 of Article IX of the Lease is hereby amended (by adding the underlined provision) to read as follows:

ARTICLE IX

Assignment, Subleasing, Pledging and Selling; Redemption; Rent Prepayment and Abatement

Section 9.1. Assignment and Subleasing. Lessee may assign this Lease or sublet the leased premises or part thereof provided that no such assignment or subletting and no dealings or transactions between the Lessor or the Trustee and any sublessee or assignee shall relieve the Lessee of any of its obligations under this Lease Agreement and Lessee shall remain as fully bound as though no assignment or subletting had been made, and performance by any assignee or sublessee shall be considered as performance pro tanto by Lessee; provided, however, that Lessee may assign this lease, and be thereby relieved of further obligation hereunder, in connection with a transaction involving merger, consolidation or sale as set forth below; and provided, however, that if Unidynamics Corporation, as Lessee, sells, assigns or subleases this Lease Agreement to White Consolidated Industries, Inc., a Delaware Corporation having its principal offices in Cleveland, Ohio, then Unidynamics Corporation, as Lessee, shall be released and discharged from any and all of its obligations hereunder and from any liability resulting therefrom and White Consolidated Industries, Inc. shall assume sole responsibility and liability for all obligations of the Lessee hereunder.
It is understood and agreed that this Lease Agreement (and the leased premises and rents hereunder) will be assigned to the Trustee as security for the payment of the principal of and interest on the Bonds, but otherwise the Lessor shall not assign, encumber, sell or dispose of all or any part of its rights, title and interest in and to the leased premises and this Lease Agreement, except to the Lessee in accordance with the provisions of the Lease Agreement and to the Trustee under the Trust Indenture, but subject to the provisions set forth below, without the prior written consent of the Lessee.

Section 3. Provisions of Second Amendatory Lease and Agreement construed with provisions of Lease. All of the covenants, agreements and provisions of this First Amendatory Lease Agreement (except as to provisions inconsistent with the Lease) shall be deemed to be construed as part of the Lease and vice versa, to the same extent as if fully set forth verbatim therein and shall be fully enforceable in the manner provided in the Lease.

Section 4. Lease as Amended to Remain in Effect. Save and except as herein amended by the First Amendatory Lease Agreement, the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee have caused this First Amendatory Lease and Agreement to be duly executed as of the day and year first above written.

CITY OF CONWAY, ARKANSAS

By: ____________________________
   Mayor

UNIDYNAMICS CORPORATION

By: ____________________________