

MEMORANDUM OF INTENT

This MEMORANDUM OF INTENT is between the CITY OF JONESBORO, ARKANSAS, party of the first part (hereinafter referred to as the "Municipality"), and E.C. BARTON & COMPANY, a Delaware corporation, party of the second part (hereinafter referred to as the "Company").

IN CONSIDERATION of the undertakings of the parties set forth herein and the benefits to be derived therefrom and of other good and valuable considerations, receipt of which is hereby acknowledged by the parties, the Municipality and the Company AGREE:

1. Preliminary Statement. (a) The Municipality is a duly organized and existing city of the first class under the laws of the State of Arkansas and is authorized by the laws of the State of Arkansas, including particularly Act No. 9 of the First Extraordinary Session of the Sixty-Second General Assembly of the State of Arkansas, approved January 21, 1960, as amended ("Act 9"), to issue revenue bonds for financing the costs of acquiring, constructing and equipping industrial facilities (as defined in and authorized by Act 9) and to lease, sell and/or make loans to finance the same for such rentals and payments and upon such terms and conditions as the Municipality deems advisable.

(b) In order to secure and develop industry which will furnish substantial employment and payrolls (in furtherance of the public purpose of Act 9), it is proposed that the Company acquire and renovate existing industrial facilities (the "Industrial Facilities").

(c) The Company has determined that prior to commencement of acquisition of the Industrial Facilities, it must obtain a commitment from the Municipality that it will issue revenue bonds under Act 9 as the company and the Municipality, upon advice of counsel, shall deem appropriate and make the proceeds available for the permanent financing of any part or all of the costs and expenses incurred in acquiring the Industrial Facilities.

(d) The Municipality is willing to so commit and to proceed with the issuance of such bonds as and when requested by the Company, in principal amounts necessary to furnish such permanent financing subject to compliance with all conditions set forth in Act 9.

(e) The Municipality considers that the acquiring of the Industrial Facilities, and the making of loans to finance or the leasing or sale to the Company of all such facilities as are so financed, will secure and develop industry and thereby promote the general health and economic welfare of the inhabitants of the Municipality and adjacent areas.

2. Undertakings on the Part of the Municipality. The Municipality agrees as follows:

(a) That when requested by the Company, it will authorize and take, or cause to be taken, the necessary steps to issue revenue bonds under Act 9, in the aggregate principal amount necessary to furnish the permanent financing of all or any part of the costs of acquiring of the Industrial Facilities. In this regard, it is estimated at this time that the cost of accomplishing the Industrial Facilities will be in the amount of approximately \$2,000,000 but bonds will be issued in such amount as shall be requested by the Company whether that amount is more or less than \$2,000,000 (the "Bonds").

(b) That it will, at the proper time and subject in all respects to the recommendation and approval of the Company, have the Bonds underwritten and will adopt, or cause to be adopted, such proceedings and authorize the execution of such documents as may be necessary and advisable for the authorization, sale and issuance of the Bonds, the acquiring of the Industrial Facilities, the loan of the proceeds of the Bonds to the Company for that purpose or the leasing or sale of the Industrial Facilities to the Company (it being understood that the form of the transaction will be subsequently determined), all in conformity with Act 9 and any other applicable federal state laws and upon terms and conditions mutually satisfactory to the Municipality and the Company.

(c) That the aggregate basic rents or payments (i.e., the rents or payments to be used to pay the principal of, premium, if any, and interest on the Bonds) payable under lease, loan agreement or sale agreement (whichever is applicable) between the Municipality and the Company, shall be sufficient to pay the principal of, premium, if any, and interest on the Bonds when due.

(d) That it will take or cause to be taken such other action and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3. Undertakings on the Part of the Company. The Company agrees as follows:

(a) That it will cooperate with the Municipality in the sale and issuance of the Bonds to the end of achieving timely and favorable marketing thereof.

(b) That it will enter into such lease, loan agreement, sale agreement or other appropriate agreement with the Municipality as the Company and the Municipality determine to use, under which the Company will obligate itself to pay to the Municipality rents or payments sufficient to pay the principal of, premium, if any, and interest on the Bonds when due.

(c) That it will take such further action and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

4. General Provisions. (a) This Memorandum of Intent shall continue in full force and effect until the Industrial Facilities and its financing by Bonds, as hereinafter specified, is accomplished, and in this regard it is understood that there may be separate issues of Bonds, and separate series within a particular issue, with different maturities, interest rates, redemption provisions and other details. In the case of each issue, and of each series, the Municipality will take appropriate action by ordinance or resolution, to sell and authorize the Bonds and to authorize and execute such agreements and documents as may be determined necessary or desirable by the Municipality and the Company.

(b) The Municipality and the Company will enter into an agreement whereby the Company will make payments in lieu of ad valorem taxes on the Industrial Facilities, in amounts as agreed upon between the Municipality and the Company.

IN WITNESS WHEREOF, the Municipality and the Company have entered into this Memorandum of Intent by their officers thereunto duly authorized, as of the 20th day of February, 1984.

CITY OF JONESBORO, ARKANSAS

ATTEST:

E.C. BARTON & COMPANY

By _____

(title)