OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION

DECEMBER 23, 1985

The Greater Lafourche Port Commission of the State of Louisiana met in special session in the Conference Room of the Commission Administration Building in Galliano, Louisiana, on Monday, December 23, 1985, at 10:30 A. M. pursuant to the provision of due notice given in writing to each and every member thereof and duly posted in the manner provided by law.

PRESENT: Harrison J. Cheramie, Jr., W. J. Anselmi, Robert M. Champagne, Murphy J. Cheramie, Dudley Bernard, Roland J. Guidry, Anthony Toups and Tomey J. Doucet

ABSENT: Louis Chabert

President Doucet convened the meeting and announced that the purpose of the meeting was to consider the request by Belle Pass Dry Docks, Inc. for an option extension and to authorize execution of the bond documents.

Director Falgout informed the Board that Belle Pass Drydocks, Inc. had requested another extension to their option to lease. Attorney Don Harang explained that the purpose of the request was because, at this time, Belle Pass was not in a position to finalize the lease. He further stated that Belle Pass has issued a letter of intent to the purchaser of the bonds and will issue a letter of intent to execute the lease, if the Port Commission requires one. In connection with the execution of the lease, Mr. Harang stated that at one point during the negotiations the Port Commission required that Belle Pass agree that irregardless of the date of execution of the lease that the effective date would be January, 1985; however, Mr. Harang stated that because of the financial situation of Belle Pass, they (Belle Pass) would prefer not to execute the lease until they are in a position to commence construction of the project, thereby freeing some of their funds. They are therefore requesting the option be extended to June 30, 1986. Upon motion by Anthony Toups, seconded by W. J. Anselmi and unanimously passed, the Board of Commissioners does hereby grant to Belle Pass Drydocks, Inc. an extension to its Option to Lease; said extension being until June 30, 1986.

Director Falgout then proceeded to read the resolution which Belle Pass requested to be approved in connection with the bonds. He further stated that the firm of Foley Judell had been employed as bond counsel to review the documents; however, because of the shortage of time, they will not be able to review the documents. Therefore, with the concurrence of Foley Judell, the firm of Chaffe McCall was allowed to review the documents and they will send a letter to Foley Judell stating that the documents meet the criteria set forth by Foley Judell. Mr. Jarrell Godfrey with Chaffe McCall was called upon to generally describe and explain the procedure followed by his firm in connection with the issuance of the bond documents. He then explained the documents themselves. In closing, Mr. Godfrey requested that the officers go to New Orleans Friday for the signing at 9:00 A. M.

The following resolution was offered by Commissioner Harrison J. Chèramie, Jr. and seconded by Commissioner Robert M. Champagne:

RESOLUTION

A RESOLUTION AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF THE GREATER LAFOURCHE PORT COMMISSION REVENUE BONDS (BELLE PASS DRYDOCKS, INC. PROJECT) SERIES 1985; FIXING THE FORM AND DETAILS THEREOF; AUTHORIZING THE EXECUTION AND DELIVERY OF AND APPROVING THE FORM OF AN INDENTURE OF TRUST, A REMARKETING AGREEMENT, AN AGREEMENT TO ISSUE REVENUE BONDS, AN ACT OF MORTGAGE OF LEASEHOLD INTEREST AND CHATTEL MORTGAGE AND PROMISSORY NOTE, AN ASSIGNMENT OF PROMISSORY NOTE; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A BOND PURCHASE AGREEMENT PROVIDING FOR THE SALE OF THE BONDS; ACCEPTING THE BENEFIT OF A LETTER OF CREDIT AND OTHER MATTERS RELATING THERETO.

WHEREAS, The Greater Lafourche Port Commission (the "Commission") is a political subdivision of the State of Louisiana existing pursuant to the provisions of Louisiana Revised Statutes 34:1651 et seq.; and

WHEREAS, the Commission is authorized to issue revenue bonds pursuant to the provisions of Louisiana Revised Statutes 34:1653 et seq. and other applicable legal authority and to

secure such bonds by a mortgage of the facilities constructed with the proceeds of such bonds and by a pledge of the revenue from such facilities;

WHEREAS, the Commission did adopt a resolution on October 13, 1981, authorizing the execution of a Preliminary Agreement for the Issuance of industrial revenue bonds between itself and Belle Pass Shipbuilding and Repair, Inc. at its request and for its benefit; the Commission did so execute such Preliminary Agreement on said date;

WHEREAS, Belle Pass Shipbuilding and Repair Inc. did change its name to Belle Pass Drydocks, Inc.;

WHEREAS, the Commission did adopt a resolution on June 11, 1984, authorizing an appropriate amendment to the Preliminary Agreement changing the beneficiary's name;

WHEREAS, Belle Pass Drydocks, Inc., a corporation duly organized and existing under the laws of the State of Louisiana (the "Corporation") has requested that the Commission authorize, sell and issue special obligation revenue bonds in the aggregate principal amount of Eighteen Million Dollars ($18,000,000) (the "Bonds") for the purpose of providing funds for acquiring, constructing and equipping of a marine repair facility, consisting of dry docks with associated buildings and equipment, to be located on leaseholds of lands belonging to Caillouet Land Company and the Commission on the Eastern bank of Bayou Lafourche

immediately North of the boat dock operated by the Commission in Lafourche Parish, Louisiana (the "Project"), in addition to paying the costs relating to the issuance of the Bonds; and

WHEREAS, the Preliminary Agreement dated as of October 13, 1981 (the "Preliminary Agreement") with the Corporation, expresses the intention of the Commission to issue revenue bonds in an amount not to exceed Eighteen Million Dollars ($18,000,000) for the purpose of constructing and installing the Project; and

WHEREAS, the State Bond Commission on December 17, 1985, adopted a resolution authorizing and approving the issuance of such bonds and the development of the Project through the issuance of such bonds; and

WHEREAS, in order to effectuate and accomplish the Project and carry out the commitments heretofore made by the Commission with respect thereto, the Commission and the Corporation desire to enter into a Loan Agreement to be dated as of December 15, 1985 (the "Loan Agreement"), by and between the Commission and the Corporation which will enable the Commission to finance the cost of the Project through the issuance of its revenue bonds and to obtain funds to pay such Bonds in full in principal and interest; and

WHEREAS, under the provisions of the Loan Agreement, the Commission is to finance a portion of the cost of the Project from the proceeds of Greater Lafourche Port Commission Revenue Series 1985 Bonds (Belle Pass Drydocks, Inc. Project) in the amount of $18,000,000 to be issued under a Trust Indenture to be

dated as of December 15, 1985 (the "Indenture"), by and between the Commission and American Bank & Trust Company of New Orleans, New Orleans, Louisiana, as Trustee (the "Trustee"); and

WHEREAS, under the provisions of the Loan Agreement and the Indenture, the Corporation is required to issue its Promissory Note (the "Promissory Note"), evidencing the obligation of the Corporation to make the payments under the Loan Agreement and to execute and deliver its Act of Mortgage of Leasehold Interest and Chattel Mortgage in favor of the Commission (the "Mortgage") imposing a mortgage lien on the mortgaged property; and

WHEREAS, under the provisions of an Act of Assignment of Act of Mortgage of Leasehold Interest and Chattel Mortgage and Promissory Note to be dated as of December 15, 1985 (the "Assignment"), the Commission is to assign all of its rights to the Promissory Note and the Mortgage and the Loan Agreement to the Trustee as security for said Bonds; and

WHEREAS, it is now the desire of the Commission to authorize the execution of the Bond Purchase Agreement, the Indenture, the Mortgage and the Assignment and endorsement of the Promissory Note as hereinafter provided in order to secure said Bonds; and

WHEREAS, the Commission now desires to fix the details necessary with respect to the issuance and sale of $18,000,000 principal amount of said Bonds designated "Greater Lafourche Port Commission Revenue Bonds (Belle Pass Drydocks, Inc. Project)

Series 1985," the proceeds of which are to be used to finance the cost of the Project and to provide for the execution of certain instruments, documents and certificates in connection therewith; and

WHEREAS, the Bonds shall be variable rate bonds, to be remarketed weekly, which requires the appointment of a Remarketing Agent, and Van Kampen Merritt, Inc. desires to serve as Remarketing Agent in connection with the Bonds pursuant to the terms and conditions of the Remarketing Agreement;

WHEREAS, the Commission desires to sell the Bonds pursuant to a Bond Purchase Agreement to be dated December 23, 1985 to Van Kampen Merritt, Inc.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE GREATER LAFOURCHE PORT COMMISSION THAT:

SECTION 1. It is hereby found and determined that the issuance of the Bonds described above by the Commission for the purpose of financing a portion of the costs of acquiring, constructing and equipping a marine repair facility, consisting of a dry dock with associated buildings and equipment, is in the public interest and will contribute to the economic growth and vitality of Lafourche Parish, and thereby will be beneficial to the welfare of the citizens of the Parish.

SECTION 2. The form, terms and provisions of the Indenture, the Loan Agreement, the Bond Purchase Agreement, the Mortgage, the Remarketing Agreement and the Assignment are hereby approved and the President or the Vice President and the

Secretary or Assistant Secretary of the Commission be and they are hereby empowered, authorized and directed to execute the Indenture, the Bond Purchase Agreement, the Loan Agreement, the Mortgage, the Remarketing Agreement and the Assignment for, on behalf of, in the name of and under the official seal of the Commission for the purpose of encouraging the acquiring, constructing and equipping of the dry dock marine repair facility of the Corporation, substantially in the form of the Indenture, the Bond Purchase Agreement, the Loan Agreement, the Mortgage, the Remarketing Agreement and the Assignment annexed hereto as Exhibits "A", "B", "C", "D", "E" and "F", respectively, for the purpose of identification herewith, and filed with the official minutes of the Commission, all of the provisions of which are hereby made a part of this Resolution.

SECTION 3. There is hereby authorized the issuance of Eighteen Million Dollars ($18,000,000) principal amount of revenue bonds (Belle Pass Drydocks, Inc. Project) of the Commission (the "Bonds"), pursuant to the provisions of Louisiana Revised Statutes 34:1653 et seq. and other applicable legal authority. The Bonds shall be issued in the form of fully registered Bonds, without coupons, shall be dated the date of initial issuance and delivery thereof to the original purchaser and shall be in the denomination of $5,000 or any integral multiple thereof. The details of the Bonds and the provisions of their issuance, security and payment shall be as set forth in the Indenture.

The Bonds are not an obligation, general or special, debt, liability or moral obligation of the State of Louisiana or any political subdivision thereof, and neither the full faith and credit nor the taxing power of said State or of any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or the interest on the Bonds. The Bonds are not general obligations of the Commission but are limited and special revenue obligations of the Commission payable solely from the Trust Estate, as described in the Indenture. The Bonds are subject to redemption at the option of the Commission and upon the occurrence of a Determination of Taxability upon the terms and conditions more fully described in the Indenture.

SECTION 4. The President or Vice President and the Secretary or an Assistant Secretary of the Commission be and they are hereby authorized to execute and deliver, for an on behalf of the Commission, the Bond Purchase Agreement, the Indenture, the Loan Agreement, the Mortgage, the Remarketing Agreement, the Assignment and the Bonds and any and all additional proofs, instruments, and certificates required by or provided for in the Loan Agreement, the Bond Purchase Agreement, the Indenture, the Mortgage, the Remarketing Agreement, the Assignment or the Bonds, or as may otherwise be required to effectuate the financing herein provided for. The President or Vice President and the Secretary or Assistant Secretary are hereby further authorized to

endorse to the Trustee the Promissory Note, substantially in the form attached hereto as "Exhibit "G", in accordance with the provisions of the Loan Agreement and the Indenture.

SECTION 5. The President or Vice President and the Secretary or an Assistant Secretary of the Commission are hereby further authorized and directed for, on behalf of, and in the name of the Commission to execute and deliver any and all additional instruments, documents and certificates in addition to the documents set forth above which may be required by or provided for in the Loan Agreement, the Indenture, the Promissory Note, the Mortgage, the Remarketing Agreement or the Assignment, and such other documents, instruments and certificates as may otherwise be required for or necessary, convenient or appropriate to the financing described in this resolution, including, without limitation, any Act of Mortgage by the Corporation in favor of the Commission in accordance with the Loan Agreement. Said officers are hereby further authorized and directed to approve for and on behalf of and in the name of the Commission any changes, additions or deletions in any of the Exhibits attached hereto or in any of the documents, instruments or certificates referred to in this resolution, approved by Bond Counsel. The signatures of the President or Vice President and the Secretary or an Assistant Secretary upon such documents set forth above, or as may be otherwise required for or necessary, convenient or

appropriate to the financing described in this Resolution, are deemed to be conclusive evidence of their due exercise of the authority vested in them hereunder.

SECTION 6. The Commission acknowledges and accepts the benefits of the Guaranty Agreement pursuant to which the Corporation guaranties the payment of the Bonds and the Letter of Credit to be issued by Lloyds Bank International Limited (the "Bank") as provided in the Indenture and acknowledges that the Letter of Credit is being issued pursuant to the provisions of a Reimbursement Agreement between the Bank, the Trustee and the Corporation. The Commission acknowledges and instructs the Trustee initially to invest all sums available for investment under the Indenture in accordance with the provisions of the Investment Agreement between the Trustee and the Bank.

SECTION 7. The President or Vice President and the Secretary or the Assistant Secretary of the Commission shall have prepared and shall execute for and on behalf of the Commission the Bonds, and shall deliver the same to the Trustee for authentication of the Bonds, deliver the same to the Purchaser thereof in accordance with the Bond Purchase Agreement and the Indenture, and shall receive from the Purchaser for the account of the Commission the purchase price and shall hold the proceeds of the Bonds in the Project Fund and the Bond Fund as prescribed in the Indenture. The Trustee is hereby requested and authorized to authenticate the Bonds.

SECTION 8. The Commission hereby authorizes the preparation of an official statement or placement memorandum to describe the Bonds, the security for the payment thereof, the Project, the Corporation and the Commission. The President, the Vice President or the Secretary, or any one of them, is hereby authorized to execute said document and such execution shall constitute the approval by the Comission for all purposes, including the distribution thereof.

SECTION 9. In case any one or more of the provisions of this Resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect other provisions of this Resolution, but this Resolution shall be construed and enforced as if such illegal or invalid provisions had not been contained therein.

SECTION 10. All covenants, stipulations, obligations and agreements of the Commission contained in this Resolution shall be deemed to be covenants, stipulations, obligations and agreements of the Commission to the full extent permitted by the Constitution and laws of the State of Louisiana.

SECTION 11. In case of any inconsistencies between any other Resolution and this Resolution, this Resolution shall control. All resolutions and orders or parts thereof in conflict herewith are, to the extent of such conflict hereby repealed.

SECTION 12. This Resolution shall become effective upon its adoption.

This Resolution having been submitted to a vote, the vote thereon was as follows:

Seven (7) Yeas
None (0) Nays
One (1) Absent

This resolution was declared adopted on the 23rd day of December, 1985.

Upon motion by Robert M. Champagne, seconded by Murphy J. Cheramie and unanimously passed, the Board of Commissioners does hereby appoint Roland J. Guidry as Acting Secretary in connection with the signing of Belle Pass Drydocks, Inc. bond documents.

There being no further business to come before the Board, upon motion by W. J. Anselmi, seconded by Murphy J. Cheramie and unanimously passed, the meeting adjourned.

ATTEST:

Tomey J. Doucet, President

Harrison J. Cheramie, Jr., Secretary