

MADISON COUNTY ECONOMIC DEVELOPMENT AUTHORITY

MINUTES

SPECIAL MEETING, JANUARY 19, 1996

MCEDA OFFICE, 4:00 P.M.

PRESENT: Brance Beamon, Mark Bounds, Joy Foy, Mary Hawkins, Thomas Johnson, Bob Montgomery, Ray Phillips, John Wallace, and Hite Wolcott

GUESTS: Louise Spivey and Luther Waldrup Madison County Supervisors

- I. WELCOME - President Wallace called the meeting to order around 4:15 P.M. and Ms. Hawkins presented a Waiver of Notice of the special called meeting to discuss any and all business and made a motion to adopt the Waiver. Mr. Bounds seconded the motion and approval was unanimous. (Signed Waiver attached) Further discussion agreed that any time a special meeting is called that a waiver be signed as proof of agreement from Members.

Mr. Ray Phillips, the new Board Member appointed by Ms. Spivey to take Ms. Marini's vacated place on the Board was introduced. Mr. Phillips spoke briefly of his background. He discussed his ties to Madison County and to Canton. He was CEO for 28 years in the oil business and left to run his own business in Madison County.

- II. KOUNTRY TYME SPORTS FOUNDATION - President Wallace asked for questions from the room and Ms. Hawkins responded with a request for action to restore creditability to this Board in light of information brought forward by the Clarion Ledger in the last week. She suggested that the way to achieve such restoration was to work to void the contract with Kountry Tyme and Southern Farm Bureau.

Discussion from Secretary/Treasurer Johnson, Mr. Bounds, and Mr. Phillips questioned if the Board could ascertain the probability of success for the project. Mr. Bounds made the motion to launch a full background investigation into Kountry Tyme Sports Foundation, Larry Foley, Gene Sartin, any officers past or present as well as any other related partners. Discussion continued to ensure the investigation was both inclusive and the principals in question could be located. When everyone had had an opportunity to present their views, Ms. Hawkins seconded the motion. The motion passed with only Secretary/Treasurer Johnson voting against the follow-up investigation. At this point, Mr. Bounds asked Supervisor Waldrup if funds were available for such an endeavor. Mr. Waldrup reminded everyone he was only one vote, but felt that the Supervisors would support MCEDA in making a controversial situation end on a positive note. Ms. Spivey agreed to vote to support the continuing follow-up into the matter.

Ms. Hawkins made a motion to seek legal council in dissolving or revising the commitment from the County to Kountry Tyme. Mr. Montgomery recommended that with authorization from the Board he would contact the District Attorney and have the DA respond to the Board. Ms. Hawkins asked for the FBI to be involved. Again, Mr. Montgomery suggested that the request be made on behalf of the Board and to talk with the U.S.A. District Attorney and leave the matter to the DA as to what direction to proceed. Mr. Bounds seconded the motion to work in setting aside the transaction. Much discussion evolved as to the steps that would need to be accomplished to terminate

the commitment. With more discussion, Ms. Hawkins withdrew her motion for the following motion by Mr. Bounds.

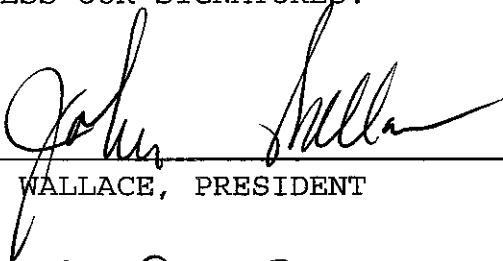
Mr. Bounds suggested that in any land deal when there is a disagreement, it is best to get everyone involved together to discuss the options. He made the motion to meet with Southern Farm Bureau Life Insurance Company, Kountry Tyme Sports Foundation and MCEDA early next week to seek termination of the agreement concerning the 1,923.63 acres. Everyone agreed on trying for a 2:00 p.m. Tuesday, January 23 meeting at the Southern Farm Bureau Building or a mutually acceptable location. Ms. Hawkins seconded the motion. Vice President Wolcott asked if Kountry Tyme declined to show would we still meet with Southern Farm Bureau. All agreed to meet with Farm Bureau regardless. A vote from the Board to meet with all three parties and recommend termination of the agreement was unanimous.

Another concern Mr. Bounds noted was of Kountry Tyme's creditors coming forth to place a lien on the property. Mr. Montgomery said the first mortgage is held by Trustmark and MCEDA's is second. The property is safe.

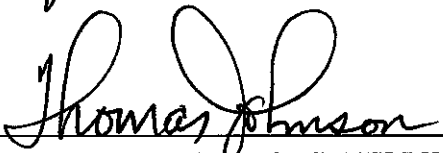
In summary, the Board met in special session with concerns about any possible misrepresentations in the transaction with Kountry Tyme Sports Foundation and have asked for a complete investigation. Ms. Joy Foy was directed to write a letter to Kountry Tyme, Southern Farm and MCEDA Members requesting a meeting for Tuesday, January 23, at 2:00 p.m. at the Farm Bureau Building to discuss the afore mentioned. Mr. Montgomery was instructed to proceed with asking the U.S. District Attorney and local District Attorney to commence with an investigation. The Board authorized President Wallace to make a statement to the press on MCEDA's behalf in conjunction with this special meeting.

Mr. Bounds made a motion to adjourn and Vice President Wolcott seconded with all Members in agreement.

WITNESS OUR SIGNATURES:



JOHN WALLACE, PRESIDENT



THOMAS JOHNSON, SECRETARY-TREASURER