

**RESOLUTION RELATED TO THE ISSUANCE OF UP TO \$84,000,000 AGGREGATE
PRINCIPAL AMOUNT OF DIRECT NOTE OBLIGATIONS
BY THE ECONOMIC DEVELOPMENT GROWTH ENGINE
INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF MEMPHIS AND COUNTY OF SHELBY, TENNESSEE
FOR GUEST HOUSE AT GRACELAND, LLC**

WHEREAS, the Economic Development Growth Engine Industrial Development Board of the City of Memphis and County of Shelby, Tennessee (the "Issuer"), is a nonprofit company duly organized and existing under and by virtue of the laws of the State of Tennessee and is empowered and authorized by Sections 7-53-101 et seq., Tennessee Code Annotated (the "Act"), to issue Obligations and other evidences of indebtedness to finance Projects (as defined in the Act); and

WHEREAS, Graceland is an internationally known, National Historic Landmark, one of America's premier tourist destinations, a major employer in the Whitehaven community and a key economic driver of the City of Memphis; and

WHEREAS, Elvis Presley Enterprises, Inc. (the "Owner") owns or operates approximately 120 acres of property, including the Graceland Mansion (the "Graceland Campus")

WHEREAS, the Owner proposes to undertake a series of substantial projects to ensure the continued success of Graceland (the "Graceland Project"), including without limitation, the development of the approximately 450 room Guesthouse at Graceland hotel and conference center (the "Hotel"); and

WHEREAS, the continued success of Graceland will have a significant impact on the tourism industry and other related industries in City of Memphis; and

WHEREAS, the Convention Center and Tourism Development Financing Act of 1998, which is codified at TCA §7-88-101 et seq., (the "TDZ Act") was enacted to provide a financing mechanism for the development of convention centers, tourist attractions, and other similar public use facilities that would attract and serve as major tourism destinations, thereby fostering economic benefits to the state, as well as to the hosting cities and counties; and

WHEREAS, in order to be eligible to receive certain allocations of state and local sales and use taxes as provided by the TDZ Act, and in accordance with TCA §7-88-103(10), the Memphis City Council designated the Graceland Campus as the Graceland Tourism Development Zone (the "Graceland TDZ"); and

WHEREAS, the Graceland Campus has been approved as a "Qualified Public Use Facility" within the meaning of the TDZ Act a codified at TCA § 7-88-103(7) by the State of Tennessee, as provided in the TDZ Act; and

WHEREAS, the TDZ Act contemplates the creation of a plan to ensure participation of statutorily defined minority-owned businesses in the financing, construction, leasing, equipping, renovation and acquisition, as applicable, of the qualified public use facility; and

WHEREAS, Graceland has a longstanding history of employing minority persons and contracting with minority owned businesses; and

WHEREAS, in compliance with the TDZ Statute and to further Graceland’s history of minority participation, the City of Memphis and the State of Tennessee approved a minority-owned business participation plan as a part of the approval of the TDZ (the “Minority-Owned Business Participation Plan”); and

WHEREAS, the City has allocated the TDZ Revenues to the Issuer to pay debt service on any qualified public use facility and qualified associated developments to be located in the Graceland TDZ from time to time; and

WHEREAS, in addition to the TDZ Revenues, T.C.A. Section 67-4-3003 authorizes the City of Memphis to charge a 5% Tourist Surcharge on goods and services used by visitors to the Graceland TDZ’s qualified public use facility and other related facilities (the “Tourist Surcharge”); and

WHEREAS, the City of Memphis has approved the Tourist Surcharge and has allocated the revenues created by the Tourism Surcharge (the “Surcharge Revenues”) to the Issuer to pay debt service on any qualified public use facility and qualified associated developments to be located in the Graceland TDZ from time to time; and

WHEREAS, the Act provides that an Industrial Development Board, the Issuer, approved and submitted an economic impact plan for the Graceland Campus (the “Graceland Economic Impact Plan”) to the Memphis City Council and the Shelby County Commission that provides for distribution of incremental ad valorem property taxes to the Issuer to pay the Issuer’s indebtedness incurred in connection with the area subject to the Graceland Economic Impact Plan; and

WHEREAS, the Memphis City Council, the Shelby County Commission and the State of Tennessee, to the extent required by the Act, have approved the Graceland Economic Impact Plans and the creation of a Tax Incentive Financing District covering the Graceland Campus (the “Graceland TIF District”); and

WHEREAS, the Economic Impact Plan provides that the revenues from the Graceland TIF (the “TIF Revenues”) will be used to finance the Graceland Project;

WHEREAS, Guest House at Graceland, LLC, a Delaware limited liability company (the “Company”), an affiliate of Owner, has requested the Issuer to issue its revenue direct note obligations to (1) finance capital improvements and capital expenditures for the construction and

equipping of the Hotel, and (2) pay costs of issuance (collectively, the "Project"), by issuing its \$84,000,000 Direct Note Obligations, Series 2015A (the "Series 2015A Obligations"); and

WHEREAS, the Issuer proposes to (1) authorize the issuance, sale and delivery pursuant to provisions of the Act of the Series 2015A Obligations in one or more series in an aggregate principal amount not exceeding \$84,000,000 (the "Obligations") under and pursuant to an Master Trust Indenture (the "Master Indenture"), as amended and supplemented by a certain Supplemental Master Trust Indenture No. 1 (the "Supplemental Indenture"), from the Issuer to US Bank, National Association, as Trustee or another corporate trustee designated by the Company and approved by the President of the Issuer (the "Trustee"), and (2) loan the proceeds of the Series 2015A Obligations to the Company pursuant to a Loan Agreement (the "Loan Agreement") between the Issuer and the Company to be used for the foregoing purposes; and

WHEREAS, the Series 2015A Obligations are to be secured by and contain such terms and provisions as are set forth in the Master Indenture as amended and supplemented by the Supplemental Indenture, and the proceeds from the sale of the Series 2015A Obligations are to be deposited with the Trustee and disbursed as provided in the Master Indenture; and

WHEREAS, pursuant to the Master Indenture, this Corporation will assign to the Trustee the TDZ Revenues, the Surcharge Revenues and the TIF Revenues (collectively, the "Incentive Revenues"), to be used in connection with the Graceland Project as provided in the Master Indenture as amended and supplemented from time to time; and

WHEREAS, the officers of the Issuer have caused to be presented to this meeting the following documents, in draft form (collectively the "Financing Instruments"):

1. Master Indenture;
2. Supplemental Indenture;
3. Loan Agreement; and
4. Diversity Plan Agreement; and

WHEREAS, it appears that each of the foregoing instruments is in appropriate form and is an appropriate instrument to be accepted or executed and delivered by the Issuer for the purpose intended; and

WHEREAS, the Issuer has determined that issuance of the Series 2015A Obligations and making of the loan described above would further the purposes of the Act.

NOW, THEREFORE, BE IT RESOLVED, by the Economic Development Growth Engine Industrial Development Board of the City of Memphis and County of Shelby, Tennessee as follows:

1. It is hereby found and determined that the execution and delivery of the Master Indenture, the Supplemental Indenture and the issuance of the Series 2015A Obligations and the making of the loan for the financing of the Graceland Project will create jobs, increase

surrounding property values, ensure the long-term viability of a key tourism asset of Memphis, ensure the success of a tourism development zone, and help attract new tourism to Memphis, and otherwise further the purposes of the Act.

2. The Issuer hereby authorizes the execution and delivery of the Master Indenture and the Supplemental Indenture and the pledge to the Master Trustee of the Incentive Revenues.

3. The Issuer hereby authorizes the issuance of the Series 2015A Obligations pursuant to the terms of the Master Indenture, as amended and supplemented by the Supplemental Indenture, and the loan of the proceeds of the Series 2015A Obligations to the Company pursuant to the terms of the Loan Agreement.

4. The Chairman, the Vice Chairman, President and Secretary of the Issuer, any one of whom may act (the "Authorized Officers"), are each hereby authorized and directed to approve the final terms of the Series 2015A Obligations, including the principal amount, maturities, interest rates and redemption provisions, prices and dates; provided, however, that (a) the aggregate maximum principal amount of the Series 2015A Obligations shall not exceed \$84,000,000, and (b) no Series 2015A Obligation shall mature beyond December 31, 2048.

5. The Authorized Officers are each hereby authorized and directed to execute and deliver the Financing Instruments, which shall be in substantially the forms presented to this meeting, which such changes thereto as shall be approved by the Authorized Officer executing the Financing Instrument, his or her execution thereof to constitute conclusive evidence of such officer's approval of the form, terms and provisions of the Financing Instruments as executed.

6. The Authorized Officers are each hereby authorized and directed to execute the Series 2015A Obligations, and the Secretary or any other Authorized Officer, any of whom may act, are authorized and directed to have the seal of the Issuer affixed or printed thereon and to attest such seal by manual or facsimile signature. The Authorized Officers shall cause such Obligations to be prepared in substantially the form specified in the Supplemental Indenture as finally executed and delivered, bearing interest and maturing in principal amounts as provided in the Supplemental Indenture. The Authorized Officers are authorized and directed to deliver the Series 2015A Obligations to the purchasers of the same.

7. The Authorized Officers are each hereby authorized and directed upon delivery of the Series 2015A Obligations and to file with the Division of Local Finance of the State Comptroller's Office the information required by Section 9-21-151 of the Tennessee Code Annotated.

8. It is understood and agreed by and between the Issuer, the Owner and the Company that the provisions of this Resolution, the execution and delivery of the Master Indenture and Supplemental Indenture and the issuance and sale of the Series 2015A Obligations are not intended to, and shall not be construed or interpreted to, (a) obligate, or authorize the expenditure of, any funds or monies of the Issuer derived from any source whatsoever other than the Incentive Revenues and the proceeds from the issuance and sale of the Series 2015A Obligations as provided for in this Resolution, the investment of any reserves therefrom, or otherwise from revenues and funds pledged for payment of the Series 2015A Obligations, (b)

obligate the Issuer to pay any costs incurred in connection with the issuance of the Series 2015A Obligations, including, without limitation the Issuer's attorneys' fees, from any source other than the Loan Agreement and proceeds from the issuance and sale of the Series 2015A Obligations, with any excess of such fees over the amounts available therefor from the proceeds from the issuance and sale of the Series 2015A Obligations to be paid by the Company, (c) constitute a debt or a pledge of the faith and credit or taxing power of the City of Memphis, Tennessee, the County of Shelby, Tennessee, the State of Tennessee, or any other county, municipality or other political subdivision of the State of Tennessee other than the pledge of the Incentive Revenues, or (d) create any personal liability of any officer, director or member of the Issuer or any official employee of the Issuer.

9. The Authorized Officers are each hereby authorized and directed in the name and on behalf of the Issuer, and if appropriate, under its corporate seal, attested by its Secretary or any other officer of the Issuer, to execute all such other agreements, certificates and instruments and to take all such other action that any officer may consider necessary or appropriate to carry out the foregoing resolutions and transactions contemplated thereby, including without limitation, approving the final terms of the Series 2015A Obligations, including maturities, interest rates and redemption provisions.

10. All acts and doings of the officers of the Issuer that are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Series 2015A Obligations shall be and the same hereby are in all respects, approved and confined.

Adopted this 20th day of May, 2015.

Chairman