

LETTER OF INTENT

This Letter of Intent is hereby made and entered into on this the ____ day of June, 2003, by and between the Honorable Bob Riley, in his capacity as Governor of the State of Alabama, and the Honorable Ronnie Musgrove, in his capacity as Governor of the State of Mississippi.

WHEREAS, Governors Riley and Musgrove (collectively, the "Governors") are each committed to the economic development of their respective states (collectively "the States") as a means by which to enhance the quality of life for their citizens; and

WHEREAS, Governors Riley and Musgrove each realize that there are significant competitive advantages associated with a cooperative approach between the States to economic development; and

WHEREAS, Governors Riley and Musgrove, on behalf of the States desire to enter into this Letter of Intent to set forth a framework within which the States can begin a cooperative approach to economic development.

NOW, THEREFORE, this Letter of Intent will set forth the terms upon which the Governors of the States of Alabama and Mississippi will proceed toward the execution of a definitive agreement to accomplish the objectives set forth herein.

The Governors of Alabama and Mississippi each pledge to immediately begin work on an administrative agreement between the States setting forth a framework for economic development collaboration (the "Agreement"). Such agreement shall set forth a procedure for establishing one or more regional economic districts. Each such district will be comprised of all or part of at least two contiguous counties in Alabama and Mississippi.

Governors Riley and Musgrove each hereby direct the Director of the Alabama Development Office and the Executive Director of the Mississippi Development Authority, respectively, to begin immediately the process of

developing the Agreement and to proceed with all deliberate speed to its completion.

During the interim period in which the Agreement is being finalized, Governors Riley and Musgrove do each hereby pledge, and direct their respective representatives to so pledge, their full and unconditional support to a coordinated, cooperative marketing effort between the States designed to highlight the many economic advantages to this cooperative economic development strategy, including the economic benefits inuring to any company locating within a regional economic district formed pursuant to the Agreement.

Both Governors acknowledge that the terms of this Letter of Intent and the Agreement and the cooperative strategy to be implemented thereby are subject to the enactment of enabling legislation by the Legislatures of both States. This Letter of Intent shall be subject to the applicable constitutions and laws of both States, and no provision hereof shall be construed in such a manner as to exceed the respective constitutional or statutory authority of either Governor.

In witness whereof, the Honorable Bob Riley and the Honorable Ronnie Musgrove, in their respective capacities as Governors of the great states of Alabama and Mississippi, do each hereby execute this Letter of Intent the day and year first above written.

Honorable Bob Riley
Governor, State of Alabama

Honorable Ronnie Musgrove
Governor, State of Mississippi