

Execution Copy

OKLAHOMA TURNPIKE AUTHORITY

to

BANK OF OKLAHOMA, NATIONAL ASSOCIATION

Trustee

EIGHTH SUPPLEMENTAL TRUST AGREEMENT

Dated as of July 24, 2006, as amended and  
restated August 24, 2006

## TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I	
DEFINITIONS	
ARTICLE II	
SERIES 2006 BONDS	
Section 201. Description of the Series 2006 Bonds.....	7
Section 202. Terms of the Series 2006 Bonds.....	8
Section 203. Redemption Provisions for the Series 2006 Bonds.....	9
Section 204. Application of the Proceeds of the Series 2006 Bonds.....	12
ARTICLE III	
TAX COVENANT; REBATE FUND	
Section 301. Tax Covenant .....	13
Section 302. Creation of and Application of Moneys in Series 2006 Bonds Rebate Fund .....	13
ARTICLE IV	
AMENDMENTS	
Section 401. Amendments; Effectiveness.....	15
Section 402. Amendment to Section 101 of the Trust Agreement.....	15
Section 403. Additional Amendment to Section 101 of the Trust Agreement.....	16
Section 404. Amendment to Section 210 of the Trust Agreement.....	16
Section 405. Amendment to Article II of the Trust Agreement.....	17
Section 406. Amendment to Section 101 of the Trust Agreement.....	17
Section 407. Amendment to Section 101 of the Trust Agreement.....	17
Section 408. Amendment to Article V of the Trust Agreement.....	18
Section 409. Amendment to Section 914 of the Trust Agreement.....	18
Section 410. Amendment to Section 1101 of the Trust Agreement.....	18
Section 411. Certain Consents.....	19
ARTICLE V	
MISCELLANEOUS	
Section 501. Provisions Relating to Bond Insurer.....	19
Section 502. Forms of Bonds .....	22
Section 503. Authentication .....	22

TABLE OF CONTENTS  
(continued)

	<u>Page</u>
Section 504. Trustee to Perform Duties of Bond Registrar.....	23
Section 505. Notices .....	23
Section 506. Eighth Supplemental Trust Agreement as Supplemental Agreement .....	24
Section 507. Recitals, etc. made by Authority, not Trustee.....	24
Section 508. Authority, Trustee and Bondholders Alone to Have Rights .....	24
Section 509. Headings Not Part of Agreement .....	24
Section 510. Covenants to Bind Successors.....	24
Section 511. Governing Law .....	24
Section 512. Counterparts .....	24
Section 513. Covenant not to issue Balloon Indebtedness.....	24
Section 514. Covenant as to Pledge under the Trust Agreement .....	25
Section 515. Swap Transactions.....	25
 Execution Page .....	 15
Acknowledgment by Authority .....	16
Acknowledgment by Trustee.....	17
 EXHIBIT A Forms of Bonds .....	 A-1
EXHIBIT B Description of Refunded Bonds .....	B-1

## EIGHTH SUPPLEMENTAL TRUST AGREEMENT

This EIGHTH SUPPLEMENTAL TRUST AGREEMENT, dated as of July 24, 2006, as amended and restated August 24, 2006, by and between OKLAHOMA TURNPIKE AUTHORITY, a body corporate and politic and an instrumentality of the State of Oklahoma (the "Authority"), and BANK OF OKLAHOMA, NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, and having its principal corporate trust office in Oklahoma City, Oklahoma, which is authorized under such laws to exercise corporate trust powers and is subject to examination by federal authority, successor Trustee under the Trust Agreement hereinafter mentioned (the "Trustee"):

### WITNESSETH:

WHEREAS, the Authority has heretofore caused to be executed a Trust Agreement, dated as of February 1, 1989 as amended and supplemented (the "Trust Agreement"), by and between the Authority and Bank of Oklahoma, National Association, or its predecessor trustees, for the purpose of fixing and declaring the conditions upon which bonds are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become holders thereof, and in order to secure the payment of all the bonds at any time issued and outstanding thereunder, and the interest thereon, according to their tenor, purport and effect; and

WHEREAS, the Authority has, in accordance with resolutions adopted on December 22, 1988, February 16, 1989, September 20, 1991, October 18, 1991, May 15, 1992, June 10, 1992, August 21, 1992, September 21, 1992, April 16, 1998 and April 18, 2002, issued obligations under and pursuant to the Trust Agreement, as supplemented by a First Supplemental Trust Agreement dated as of March 1, 1989, a Second Supplemental Trust Agreement dated October 1, 1991, a Third Supplemental Trust Agreement dated May 1, 1992, a Fourth Supplemental Trust Agreement dated October 1, 1992, a Fifth Supplemental Trust Agreement dated May 1, 1998, a Sixth Supplemental Trust Agreement dated as of July 1, 1998, and a Seventh Supplemental Trust Agreement dated as of May 1, 2002 in the following amounts and for the following purposes to wit: (a) \$385,400,000 aggregate principal amount of First Senior Revenue Bonds (the "Series 1989 First Senior Revenue Bonds"), (b) \$173,000,000 aggregate principal amount of Series 1989 Subordinate Lien Revenue Bonds (the "Series 1989 Subordinate Lien Bonds"), (c) \$22,000,000 aggregate principal amount of First Senior Revenue Bonds, Series 1991 (the "Series 1991 First Senior Revenue Bonds"), (d) \$13,000,000 aggregate principal amount of Second Senior Revenue Bonds, Series 1991A (the "Series 1991A Bonds"), (e) \$15,000,000 aggregate principal amount of Second Senior Revenue Bonds, Series 1991B (the "Series 1991B Bonds"), (f) \$376,170,000 aggregate principal amount of First Senior Revenue Bonds, Series 1992A (the "Series 1992A Bonds"), (g) \$20,655,000 aggregate principal amount of Second Senior Revenue Bonds, Series 1992B (the "Series 1992B Bonds"), (h) \$187,265,000 aggregate principal amount of Subordinated Revenue Bonds, Series 1992C (the "Series 1992C Bonds"), (i) \$16,095,000 aggregate principal amount of First Senior Revenue Bonds, Series 1992D (the "Series 1992D Bonds"), (j) \$8,135,000 aggregate principal amount of Subordinated Revenue Bonds, Series 1992E (the "Series 1992E Bonds"), (k) \$22,786,862.40 aggregate principal amount of First Senior Revenue Bonds, Series 1992F (the "Series 1992F

Bonds”), (l) \$28,017,387.55 aggregate principal amount of Second Senior Revenue Bonds, Series 1992G (the “Series 1992G Bonds”), (m) \$350,000,000 aggregate principal amount of Second Senior Revenue Bonds, Series 1998A (the “Series 1998A Bonds”), (n) \$337,010,000 aggregate principal amount of Second Senior Revenue Bonds, Series 1998B (the “Series 1998B Bonds”) and collectively with the Series 1998A Bonds, the “Series 1998 Bonds”), (o) \$314,065,000 aggregate principal amount of Second Senior Revenue Bonds, Series 2002A (the “Series 2002A Bonds”), and (p) \$255,575,000 aggregate principal amount of Second Senior Revenue Bonds, Series 2002B (the “Series 2002B Bonds” and collectively with the Series 2002A Bonds, the “Series 2002 Bonds”) for the purposes of (i) funding a portion of the capital costs of certain Turnpike Projects and Improvements (as defined in the Trust Agreement) to the Oklahoma Turnpike System, (ii) refunding bonds previously issued, (iii) funding reserves for and paying the costs of issuance of such obligations and (iv) paying capitalized interest; and

WHEREAS, in accordance with the Trust Agreement and the Resolution, in order to implement the Authority's plan of finance for refunding certain outstanding first senior bonds and second senior bonds, certain amendments to the Trust Agreement have been determined to be necessary to be implemented prior to (i) entering into the Swap Transactions (hereinafter defined), and (ii) the sale and delivery of the Series 2006 Bonds (hereafter defined); and therefore this Eighth Supplemental Trust Agreement was executed, delivered and made effective pursuant to Article Eleven of the Trust Agreement to amend the Trust Agreement as described in Section 401(i) hereof, and this Eighth Supplemental Trust Agreement is now further amended and restated to reflect the terms of the Swap Transactions and the Series 2006 Bonds; and

WHEREAS, as of the date hereof, the Authority has \$1,173,980,000 aggregate principal amount of Oklahoma Turnpike System obligations Outstanding under the Trust Agreement consisting of (i) \$3,000,000 First Senior Revenue Bonds, Series 1992F (the “Series 1992F First Senior Bonds”); (ii) \$335,010,000 Second Senior Revenue Bonds, Series 1998A (the “Series 1998A Bonds”); (iii) \$327,915,000 Second Senior Revenue Bonds, Series 1998B (the “Series 1998B Bonds”); (iv) \$277,990,000 Second Senior Revenue Bonds, Series 2002A (the “Series 2002A Bonds”) and (v) \$230,065,000 Refunding Second Senior Revenue Bonds, Series 2002B (the “Series 2002B Bonds”); and

WHEREAS, Section 210 of the Trust Agreement authorizes the issuance by the Authority of its turnpike revenue refunding second senior bonds to provide funds, together with other available funds, for the purpose of providing funds for the payment at maturity or redemption prior to their maturities, including payment of any redemption premium thereon, all or part of the outstanding first senior bonds and second senior bonds described in Exhibit B hereto (the “Refunded Bonds”); and

WHEREAS, in accordance with the provisions of Section 210 of the Trust Agreement and the Resolution (as hereinafter defined), the Authority has authorized the issuance of its Oklahoma Turnpike Authority Oklahoma Turnpike System Refunding Second Senior Revenue Bonds in the aggregate principal amount of \$635,590,000 consisting of six series, as follows: Series 2006A in an aggregate principal amount of \$104,790,000 (the “Series 2006A Bonds”), Series 2006B in an aggregate principal amount of \$106,160,000 (the “Series 2006B Bonds”), Series 2006C in an aggregate principal amount of \$106,160,000 (the “Series 2006C Bonds”), Series 2006D in an aggregate principal amount of \$106,160,000 (the “Series 2006D

Bonds”), Series 2006E in an aggregate principal amount of \$106,160,000 (the “Series 2006E Bonds”), and Series 2006F in an aggregate principal amount of \$106,160,000 (the “Series 2006F Bonds”); the Series 2006B Bonds, Series 2006C Bonds, Series 2006D Bonds, Series 2006E Bonds and the Series 2006F are sometimes collectively referred to as the “Series 2006B-F Bonds”, and the Series 2006B-F Bonds and the Series 2006A Bonds are sometimes collectively referred to as the “Series 2006 Bonds”) for the purpose of, with other available moneys, refunding the Refunded Bonds and paying the costs of issuance and related fees and expenses and to amend the Trust Agreement in the manner set forth in the Resolution and Article XI of the Trust Agreement; during any period that the Series 2006B-F Bonds bear interest at a variable interest rate, references thereto may include the words “Variable Rate”, or any other designation deemed appropriate by the Chairman, the Vice-Chairman or the Director; and

WHEREAS, in connection with the Series 2006B-F Bonds, issued as Variable Rate Indebtedness, certain terms and provisions relating to said Series 2006B-F Bonds are set forth in **Appendix A** hereto, which Multi-Modal Obligations Appendix, shall constitute an integral part hereof; and

WHEREAS, Section 210 of the Trust Agreement and the Resolution contemplate that the Authority may fix or provide for in this Eighth Supplemental Trust Agreement or in a related Certificate of Determination (as such term is defined in the Resolution) the aggregate principal amount of the authorized bonds, the maturity dates, the interest rates, the redemption provisions and other details thereof; and

WHEREAS, Section 1101(e) of the Trust Agreement provides that the Authority may enter into a supplement to the Trust Agreement, in form satisfactory to the Trustee, as shall not be inconsistent with the terms and provisions of the Trust Agreement to fix the details of bonds to be issued under the Trust Agreement and to provide for other related matters; and

WHEREAS, in accordance with the provisions of the Enabling Act (as defined in the Trust Agreement) and the Trust Agreement, the Authority has determined and has entered into the Swap Transactions relating to the Series 2006B-F Bonds; and

WHEREAS, the Authority has determined and does hereby declare its intention to authorize the execution and delivery of an Eighth Supplemental Trust Agreement supplementing the Trust Agreement, as previously supplemented, which Eighth Supplemental Trust Agreement will set forth the details of said second senior bonds as contemplated by the Trust Agreement; and

WHEREAS, the Authority has found and determined the issuance and sale of the bonds for the purposes stated hereinabove to be in conformity with the purposes of the Authority set forth in the Enabling Act and are in the public interest and otherwise beneficial to the State of Oklahoma; and

WHEREAS, the Bond Insurer (hereinafter defined) has issued its commitment to insure (i) the scheduled payment of the principal of and the interest on the Series 2006 Bonds, and (ii) the net payment obligations of the Authority under the Swap Transactions, together with

termination coverage relating to such Swap Transactions, in consideration of the payment by or on behalf of the Authority, of the premium indicated in the commitment; and

WHEREAS, in accordance with the provisions of the Trust Agreement and the Resolution, the Authority has determined and has entered into a standby bond purchase agreement with the banks selected therefore to arrange for said banks to purchase the Series 2006B-F Bonds on the terms and conditions set forth in said standby bond purchase agreement; and

WHEREAS, the execution and delivery of this Eighth Supplemental Trust Agreement has been duly authorized by the Authority and the Authority has requested the Trustee to join with it in the execution hereof; and

WHEREAS all acts conditions and things required by the Constitution and laws of the State of Oklahoma and by the resolutions of the Authority to happen, exist and be performed precedent to and in the execution of this Eighth Supplemental Trust Agreement have happened, exist and have been performed as so required; and

WHEREAS, the Trustee has accepted the trusts created by this Eighth Supplemental Trust Agreement and in evidence thereof has joined in the execution hereof;

NOW, THEREFORE, THIS EIGHTH SUPPLEMENTAL TRUST AGREEMENT WITNESSETH, that in consideration of the premises and of the acceptance by the Trustee of the trusts created hereby and by the Trust Agreement, and also for and in consideration of the sum of One Dollar to the Authority in hand paid by the Trustee on or before the execution and delivery of this Eighth Supplemental Trust Agreement, the receipt and sufficiency of which is hereby acknowledged, it is mutually agreed and covenanted by and between the parties hereto, as follows:

## ARTICLE I

### DEFINITIONS

Terms used herein and not otherwise defined shall have the meanings ascribed in **Appendix A** hereto or in the Trust Agreement. The following terms shall have the meanings set forth hereinbelow, unless the context shall clearly require another or different meaning or intent:

“Act of Bankruptcy” shall mean the filing of a petition in bankruptcy by or against the Authority under the United States Bankruptcy Code.

“Bond”, “Bonds” or “Series 2006 Bonds” shall mean the Series 2006 Bonds, or any of them, as appropriate, executed, authenticated and issued under this Eighth Supplemental Trust Agreement.

“Bond Counsel” shall mean Hawkins Delafield & Wood LLP, New York, New York, or other firm of attorneys nationally recognized in municipal bond and public finance law.

“Bond Insurance Policies” shall mean the financial guaranty insurance policies issued by the Bond Insurer insuring the payment when due of the principal of and interest on the Series 2006 Bonds and insuring net payment obligations of the Authority under the Swap Transactions, such policy endorsed to provide up to \$50 million of termination coverage as provided therein.

“Bond Insurer” or “XL Capital” shall mean XL Capital Assurance Inc.

“Closing” shall mean the date and time of issuance of and concomitant receipt of proceeds of the Series 2006 Bonds.

“Director” shall mean the Chief Executive Officer of the Authority as defined in the Trust Agreement, or such person acting in such capacity with the approval of the Authority.

“Eighth Supplemental Trust Agreement” shall mean this Eighth Supplemental Trust Agreement between the Authority and the Bank of Oklahoma, National Association dated as of July 24, 2006, as amended and restated August 24, 2006.

“Enabling Act” shall mean Title 69, Oklahoma Statutes 2001, Section 1701 to 1734, inclusive, as amended.

“Independent Counsel” shall mean an attorney duly admitted to practice law before the highest court of any state and who is not a full-time employee, director, officer, or partner of the Trustee or the Authority.

“Liquidity Provider” shall mean the banks named as parties to the Standby Bond Purchase Agreement, as hereinafter defined, or any successor thereto.

“Resolution” shall mean the resolution of the Authority adopted on August 17, 2005, as ratified, amended and supplemented by the resolution of the Authority adopted on



June 26, 2006, authorizing, among other things, the issuance of the Series 2006 Bonds, entering into the Swap Transactions and effecting the amendment of the Trust Agreement, and shall include the Certificate of Determination of the Chairman, Vice-Chairman or Director dated August 24, 2006.

“Series 2006A Bonds” shall mean the Authority’s \$104,790,000 aggregate principal amount of Oklahoma Turnpike System Refunding Second Senior Revenue Bonds, Series 2006A, executed, authenticated and issued under this Eighth Supplemental Trust Agreement.

“Series 2006B Bonds” shall mean the Authority’s \$106,160,000 aggregate principal amount of Oklahoma Turnpike System Refunding Second Senior Revenue Bonds, Series 2006B (Variable Rate Bonds), executed, authenticated and issued under this Eighth Supplemental Trust Agreement.

“Series 2006C Bonds” shall mean the Authority’s \$106,160,000 aggregate principal amount of Oklahoma Turnpike System Refunding Second Senior Revenue Bonds, Series 2006C (Variable Rate Bonds), executed, authenticated and issued under this Eighth Supplemental Trust Agreement.

“Series 2006D Bonds” shall mean the Authority’s \$106,160,000 aggregate principal amount of Oklahoma Turnpike System Refunding Second Senior Revenue Bonds, Series 2006D (Variable Rate Bonds), executed, authenticated and issued under this Eighth Supplemental Trust Agreement.

“Series 2006E Bonds” shall mean the Authority’s \$106,160,000 aggregate principal amount of Oklahoma Turnpike System Refunding Second Senior Revenue Bonds, Series 2006E (Variable Rate Bonds), executed, authenticated and issued under this Eighth Supplemental Trust Agreement.

“Series 2006F Bonds” shall mean the Authority’s \$106,160,000 aggregate principal amount of Oklahoma Turnpike System Refunding Second Senior Revenue Bonds, Series 2006F (Variable Rate Bonds), executed, authenticated and issued under this Eighth Supplemental Trust Agreement.

“Series 2006B-F Bonds” shall mean, collectively, the Series 2006B Bonds, Series 2006C Bonds, Series 2006D Bonds, Series 2006E Bonds and Series 2006F Bonds.

“Standby Bond Purchase Agreement” or “Liquidity Facility” shall mean the Standby Bond Purchase Agreement by and among the Authority and Lloyds TSB Bank plc, acting through its New York Branch, as Bank Agent and Bank, Fortis Bank S.A./N.V. acting through its Connecticut Branch, as Bank and Banco Bilbao Vizcaya Argentaria, New York Branch, as Bank, dated as of August 24, 2006.

“Swap Transactions” shall mean each of the Swap Agreements (as such term is defined in the Resolution), as follows:

(a) three swaps each with an effective date of August 24, 2006 and a termination date of January 1, 2028 (the "GSMMDP Swaps"), under an ISDA Master Agreement and Schedule dated as of July 28, 2006, and a Confirmation related thereto dated thereunder, entered into between the Authority and Goldman Sachs Mitsui Marine Derivative Products L.P. ("GSMMDP") (together, the "GSMMDP Swap Agreement") with respect to \$318,480,000 notional amount of the Bonds, the interest payments on which are subject to the GSMMDP Swaps;

(b) a swap with an effective date of August 24, 2006 and a termination date of January 1, 2028 (the "UBS AG Swap"), under an ISDA Master Agreement and Schedule dated as of July 28, 2006, and a Confirmation related thereto dated thereunder, entered into between the Authority and UBS AG ("UBS AG") (together, the "UBS AG Swap Agreement") with respect to \$106,160,000 notional amount of the Bonds, the interest payments on which are subject to the UBS AG Swap; and

(c) a swap with an effective date of August 24, 2006 and a termination date of January 1, 2028 (the "JPM Swap"), under an ISDA Master Agreement and Schedule dated as of July 28, 2006, and a Confirmation related thereto dated thereunder, entered into between the Authority and JPMorgan Chase Bank, National Association ("JPM") (together, the "JPM Swap Agreement") with respect to \$106,160,000 notional amount of the Bonds, the interest payments on which are subject to the JPM Swap.

"Trustee" shall mean the Bank of Oklahoma, National Association, successor to The Liberty National Bank and Trust Company of Oklahoma City, as Trustee under the Trust Agreement.

## ARTICLE II

### SERIES 2006 BONDS

Section 201. Description of the Series 2006 Bonds. The Series 2006A Bonds shall be issued pursuant to Section 210 of the Trust Agreement, in one series, in the aggregate principal amount of \$104,790,000, shall bear fixed rates of interest to respective maturities and shall be designated "Oklahoma Turnpike Authority Oklahoma Turnpike System Refunding Second Senior Revenue Bonds, Series 2006A". The Series 2006B-F Bonds shall be issued pursuant to Section 210 of the Trust Agreement, in five series, in the aggregate principal amount for each such series set forth in the definitions in Article I of this Eighth Supplemental Trust Agreement, and shall each initially bear interest at a variable rate of interest and constitute Variable Rate Indebtedness, and shall be designated "Oklahoma Turnpike Authority Oklahoma Turnpike System Refunding Second Senior Revenue Bonds, Series 2006 [B] [C] [D] [E] and [F], (Variable Rate Bonds)", and all of the Series 2006 Bonds shall be issued in book-entry-only form. Except as otherwise provided herein, the Multi-Modal Obligations Appendix appended hereto as **Appendix A ("Appendix A")** shall constitute an integral part of this Eighth Supplemental Trust Agreement and have the same force and effect as if set forth in the forepart of this Eighth Supplemental Trust Agreement. The Series 2006 Bonds shall be subordinate as to their claim to the security pledged under the Trust Agreement to all first senior bonds issued under Section 208 of the Trust Agreement but shall have an equal lien with other second senior

bonds and Parity Indebtedness and have a prior lien under the Trust Agreement as to such security pledged thereunder over subordinated bonds and junior obligations issued under the provisions of Sections 211, 212 or 514 of the Trust Agreement. Payment of the principal and interest when due on the Series 2006 Bonds will be insured by a municipal bond insurance policy issued by the Bond Insurer.

Section 202. Terms of the Series 2006 Bonds.

The Series 2006A Bonds.

The Series 2006A Bonds shall be numbered as the Bond Registrar shall determine, shall be issued in the aggregate principal amount of \$104,790,000 shall be dated August 24, 2006, shall be issuable as registered bonds without coupons in denominations of \$5,000 or any multiple thereof. The Series 2006A Bonds shall be issued as serial bonds maturing on January 1 of the years, in the principal amounts and bearing interest at the rates as follows:

<u>Maturity</u> <u>(January 1)</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>CUSIP</u>
2010	\$20,325,000	3.500%	99.527%	679111RS5
2011	22,640,000	4.000	101.192	679111RT3
2012	21,795,000	3.625	99.395	679111RU0
2013	20,860,000	3.750	99.604	679111RV8
2014	19,170,000	4.000	100.757	679111RW6

Interest on the Series 2006A Bonds shall be payable semiannually on the 1st days of January and July in each year to maturity, commencing January 1, 2007.

The Series 2006B-F Bonds.

The Series 2006B-F Bonds of each Series shall be numbered as the Bond Registrar shall determine, shall be issued in the aggregate principal amount set forth below, shall be dated August 24, 2006, shall be issuable as registered bonds without coupons in denominations of \$100,000 or any whole multiple of \$5,000 in excess thereof. The Series 2006B-F Bonds of each Series shall mature on January 1 of the years, in the principal amounts as follows:

<u>Series</u>	<u>Maturity</u> <u>(January 1)</u>	<u>Amount</u>	<u>CUSIP</u>
2006B	2028	\$106,160,000	679111RX4
2006C	2028	106,160,000	679111RY2
2006D	2028	106,160,000	679111RZ9
2006E	2028	106,160,000	679111SA3
2006F	2028	106,160,000	679111SB1

The Series 2006B-F Bonds of each Series shall be initially issued in a Weekly Mode and shall constitute Variable Rate Indebtedness as provided in **Appendix A**. The interest rate for each Series of the Series 2006B-F Bonds for the initial Interest Period commencing on and including the date hereof and ending on and including the following Wednesday shall be \_\_\_\_% per annum. Interest on the Series 2006B-F Bonds shall be payable on September 1, 2006 and thereafter on the first Business Day of each month until maturity or prior redemption while such Series 2006B-F Bonds remain in a Weekly Mode. Pursuant to Section 215 of the Trust Agreement, the Estimated Average Interest Rate for the Series 2006B-F Bonds shall be 3.859% per annum.

Section 203. Redemption Provisions for the Series 2006 Bonds.

The Series 2006A Bonds

Redemption. The Series 2006A Bonds are not subject to redemption prior to maturity.

The Series 2006B-F Bonds

The Series 2006B-F Bonds are redeemable prior to maturity on such dates and at such prices during the Daily Mode and the Weekly Mode as are set forth below.

Mandatory Sinking Fund Redemption. The Series 2006B-F Bonds are subject to redemption in part on January 1 of each year and in the respective principal amounts set forth below at 100% of the principal amount thereof, plus accrued interest to the redemption date, from sinking fund installments which are required to be made in amounts sufficient to redeem on January 1 of each year set forth below the principal amount of such Series 2006B-F Bonds specified for each of the years shown below:

Sinking Fund Installments

Series 2006B Bonds

<u>January 1</u>	<u>Amount</u>	<u>January 1</u>	<u>Amount</u>
2015	\$3,925,000	2022	\$ 4,035,000
2016	4,085,000	2023	11,395,000
2017	4,555,000	2024	11,690,000
2018	3,535,000	2025	12,375,000
2019	4,005,000	2026	12,880,000
2020	4,175,000	2027	13,405,000
2021	2,145,000	2028*	13,995,000

\* Final maturity

Series 2006C Bonds

<u>January 1</u>	<u>Amount</u>	<u>January 1</u>	<u>Amount</u>
2015	\$3,925,000	2022	\$ 4,035,000
2016	4,085,000	2023	11,395,000
2017	4,555,000	2024	11,690,000
2018	3,535,000	2025	12,375,000
2019	4,005,000	2026	12,880,000
2020	4,175,000	2027	13,405,000
2021	2,145,000	2028*	13,995,000

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\* Final maturity

Series 2006D Bonds

<u>January 1</u>	<u>Amount</u>	<u>January 1</u>	<u>Amount</u>
2015	\$3,925,000	2022	\$ 4,035,000
2016	4,085,000	2023	11,395,000
2017	4,555,000	2024	11,690,000
2018	3,535,000	2025	12,375,000
2019	4,005,000	2026	12,880,000
2020	4,175,000	2027	13,405,000
2021	2,145,000	2028*	13,995,000

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\* Final maturity

Series 2006E Bonds

<u>January 1</u>	<u>Amount</u>	<u>January 1</u>	<u>Amount</u>
2015	\$3,925,000	2022	\$ 4,035,000
2016	4,085,000	2023	11,395,000
2017	4,555,000	2024	11,690,000
2018	3,535,000	2025	12,375,000
2019	4,005,000	2026	12,880,000
2020	4,175,000	2027	13,405,000
2021	2,145,000	2028*	13,995,000

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\* Final maturity

### Series 2006F Bonds

<u>January 1</u>	<u>Amount</u>	<u>January 1</u>	<u>Amount</u>
2015	\$3,925,000	2022	\$ 4,035,000
2016	4,085,000	2023	11,395,000
2017	4,555,000	2024	11,690,000
2018	3,535,000	2025	12,375,000
2019	4,005,000	2026	12,880,000
2020	4,175,000	2027	13,405,000
2021	2,145,000	2028*	13,995,000

\* Final maturity

Credit Toward Mandatory Sinking Fund Redemption. The Authority may take credit toward mandatory Sinking Fund Installment requirements for each series of the Series 2006B-F Bonds as follows, and, if taken, thereafter reduce the amount of Series 2006B-F Bonds otherwise subject to mandatory Sinking Fund Installments on the date for which credit is taken:

- If the Authority directs the Trustee to purchase Series 2006B-F Bonds of a series with money in the Second Senior Bond Service Account (at a price not greater than par plus accrued interest to the date of purchase), then a credit of 100% of the principal amount of bonds purchased will be made against the next Sinking Fund Installment due for such Series 2006B-F Bonds.
- If the Authority purchases or redeems Series 2006B-F Bonds of a series with other available moneys, then the principal amount of those bonds will be credited against future Sinking Fund Installment requirements for such Series 2006B-F Bonds in any order, and in any annual amount, that the Authority may direct.

Optional Redemption. The Series 2006B-F Bonds are subject to redemption prior to maturity as a whole or in part (in accordance with procedures of DTC, so long as DTC or Cede & Co., as its nominee, is the Owner, and otherwise by lot in such manner as the Trustee in its discretion deems proper), on any Business Day, subject to applicable notice, at a Redemption Price equal to the principal amount thereof, without premium, plus accrued interest up to but not including the redemption date. If any such optional redemption shall occur, the Authority will redeem Bank Bonds first.

Redemption of Bank Bonds. The Bank Bonds shall be subject to optional and mandatory redemption under the same terms and conditions as provided with respect to other Series 2006B-F Bonds. The Bank Bonds shall also be subject to mandatory redemption at the times and under the terms and conditions as provided in the Liquidity Facility relating to such Bank Bonds.

Redemption in Part; Bank Bonds To Be Redeemed First. In the event of a redemption of less than all the Series 2006B-F Bonds of a Series, the Trustee shall in accordance

with the Trust Agreement first select for redemption all then outstanding Bank Bonds prior to selecting for redemption any Series 2006B-F Bonds of such Series which are not Bank Bonds unless the Liquidity Provider shall be in default under the Liquidity Facility, in which case, the Trustee shall at the written direction of the Authority, select for redemption all then outstanding Series 2006B-F Bonds of such series in accordance with such direction.

Redemption Notices. So long as DTC is the securities depository for the Series 2006B-F Bonds, the Trustee must mail redemption notices to DTC at least 30 days before the redemption date. If the Series 2006B-F Bonds are not held in book-entry-only form, then the Trustee must mail redemption notices directly to bondholders within the same time frame. A redemption of the Series 2006B-F Bonds is valid and effective even if DTC's procedures for notice should fail. Beneficial owners should consider arranging to receive redemption notices or other communications to DTC affecting them, including notice of interest payments through DTC participants. Any notice of optional redemption may state that it is conditional upon receipt by the Trustee of money sufficient to pay the Redemption Price or upon the satisfaction of any other condition, or that it may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before the payment of the Redemption Price if any such condition so specified is not satisfied or if any such other event occurs. Please note that all redemptions are final - even if beneficial owners did not receive their notice, and even if that notice had a defect.

Redemption Process. If the Trustee gives an unconditional notice of redemption, then on the redemption date the Series 2006B-F Bonds called for redemption will become due and payable. If the Trustee gives a conditional notice of redemption and holds money to pay the redemption price of the affected Series 2006B-F Bonds, then on the redemption date the Series 2006B-F Bonds called for redemption will become due and payable. In either case, if on the redemption date the Trustee holds money to pay the Series 2006B-F Bonds called for redemption, thereafter, no interest will accrue on those Series 2006B-F Bonds, and a bondholder's only right will be to receive payment of the redemption price upon surrender of those Series 2006B-F Bonds.

Section 204. Application of the Proceeds of the Series 2006 Bonds. The proceeds (including any premium) of the Series 2006 Bonds, and any other sources specified by the Director in an Officer's Certificate filed with the Trustee, shall be applied by the Trustee simultaneously with the delivery of the Series 2006 Bonds as follows:

(a) The sum specified in said Certificate of the Director shall be deposited to the credit of a special checking account in its commercial department in the name of the Authority to be used by the Authority for the payment of expenses incident to the issuance of the Series 2006 Bonds or related to the Series 2006 Bonds, including as set forth in said Certificate. The Trustee shall be under no duty or obligation with respect to the disbursements by the Authority of such sum or any part thereof. The Authority shall pay such expenses by wire transfer or checks drawn on said special checking account and signed by any one of the officers or employees of the Authority who shall be designated by the Authority by resolution for such purpose, any balance of said sum not expended within four months from the date of delivery of said bonds shall be paid by the Authority to the Trustee for deposit to the credit of the Second Senior Bond Service Account.

(b) Pursuant to written instructions from the Director, the Trustee shall deposit, in trust, with an escrow deposit agent or agents, under an escrow deposit agreement or agreements, between the Authority and said escrow deposit agent or agents, an amount that the Director shall have certified to the Trustee is sufficient, with other available moneys of the Authority specified therein, to provide the cash deposits, if any, specified in said escrow deposit agreement or agreements that will be sufficient, together with said escrow deposit agent or agents by the Trustee, to purchase Defeasance Obligations the principal of and the interest on which when due and payable will provide, together with any uninvested cash, sufficient moneys for paying the Refunded Bonds, at the respective date fixed for redemption, any redemption premiums thereon and the interest to accrue thereon to said maturity or redemption date as specified in said escrow deposit agreement or agreements.

(c) The Trustee shall deposit to the credit of the Second Senior Bond Reserve Account the amount, if any, specified by the Director to be the amount required, together with other available funds for the Authority, to be deposited therein in order to make the amount to the credit of the Second Senior Bond Reserve Account equal to the Second Senior Bond Reserve Account Requirement.

(d) The balance of the proceeds of the Series 2006 Bonds shall be transferred to the Depository therefor who shall deposit said balance to the credit of the Second Senior Bond Service Account.

### ARTICLE III

#### TAX COVENANT; REBATE FUND

Section 301. Tax Covenant. The Authority covenants that it will comply with the provisions of the Internal Revenue Code of 1986, as amended, so that interest on the Series 2006 Bonds will be excluded from gross income for purposes of Federal income taxation.

Section 302. Creation of and Application of Moneys in Series 2006 Bonds Rebate Fund. (a) There is hereby created and designated "Oklahoma Turnpike System Series 2006 Bonds Rebate Fund" (herein called the "Series 2006 Bonds Rebate Fund") to the credit of which there shall be deposited such amounts as shall be required to satisfy the Rebate Requirement (as defined in the Arbitrage and Use of Proceeds Certificate) and for payment to the federal government of the United States of America. Amounts required to be rebated to the United States shall not be subject to any lien or charge in favor of the owners of the bonds issued and outstanding hereunder or under the Trust Agreement. Amounts held to the credit of the Series 2006 Bonds Rebate Fund shall be invested and applied in accordance with the Arbitrage and Use of Proceeds Certificate.

(b) Any funds remaining in the Series 2006 Bonds Rebate Fund and any amounts described in clause (2) of this paragraph (b) after the retirement of all of the first senior bonds and second senior bonds or provision made therefor satisfactory to the Trustee, including payment of any applicable fees to the Trustee and satisfaction of the Rebate Requirement, shall upon written request of the Authority be withdrawn by the Trustee and remitted to the Authority.



Upon the Authority's written direction, which shall specify all amounts to be disbursed pursuant to this Section and which shall be accompanied by Internal Revenue Service Form 8038-G referred to below, the Trustee shall pay to the United States, out of amounts in the Series 2006 Bonds Rebate Fund.

(1) not later than 60 days after the end of the fifth Bond Year (as defined in the Arbitrage and Use of Proceeds Certificate) and not less frequently than once each five years thereafter, an amount equal to at least 90% of the Rebate Amount; and

(2) not later than 60 days after retirement of all of the Series 2006 Bonds an amount equal to 100% of the Rebate Amount (determined as of the date of the retirement of all of such bonds).

In the event that, prior to the time of any required payment out of the Series 2006 Bonds Rebate Fund, the amount in the Series 2006 Bonds Rebate Fund is not sufficient to make such payment when such payment is due, the Authority shall transfer or cause to be transferred to the Trustee an amount equal to such deficiency, and the Trustee shall immediately deposit such amount to the credit of the Rebate Fund prior to the time such payment is due. In the event that the amount on deposit in the Rebate Fund exceeds the Rebate Amount, the Authority shall instruct the Trustee to withdraw such amount and deposit it in the Revenue Fund. Each payment required to be made to the United States pursuant to this paragraph shall be made to the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255 or such other address as the Authority may designate to the Trustee on or before the date such payment is due, and shall be accompanied by a statement summarizing the determination of the amount required to be paid pursuant to this paragraph and by a copy of the Internal Revenue Service Form 8038-G prepared by the Authority filed with respect to the first senior bonds, the second senior bonds and the subordinated bonds.

(c) For purposes of crediting amounts to the Series 2006 Bonds Rebate Fund or withdrawing amounts from the Series 2006 Bonds Rebate Fund, Nonpurpose Investments shall be valued in the manner provided in the Arbitrage and Use of Proceeds Certificate.

(d) Notwithstanding the provisions of Section 902 or Section 905 of the Trust Agreement:

(1) the Trustee shall not be entitled to reimburse itself from the Series 2006 Bonds Rebate Fund for the costs and expenses, outlay and counsel fees and other reasonable disbursements properly incurred in connection with its beginning suit, or appearing in or defending suit or doing anything else in its judgment proper to be done by it as Trustee in the execution of the trusts created by the Trust Agreement or this Eighth Supplemental Trust Agreement or in the enforcement of any rights or powers thereunder or hereunder,

(2) the Trustee shall not be entitled to indemnify itself or otherwise pay itself from amounts drawn under the Liquidity Facility, and,

(3) the Trustee shall not be entitled to make any payment to itself by virtue of Section 905 of the Trust Agreement from any moneys held to the credit of the Series 2006 Bonds Rebate Fund.

Neither the Authority nor the Trustee shall apply moneys held to the credit of the Senior Bond Sinking Fund to the payment of any amounts required to be disbursed pursuant to this Section 302.

## ARTICLE IV

### AMENDMENTS

Section 401. Amendments; Effectiveness. The amendments to the Trust Agreement set forth in this Article shall be effective (i) pursuant to Section 1101(f) of the Trust Agreement upon the effective date of the Resolution and this Eighth Supplemental Trust Agreement, based on the Authority determination in the Resolution that in its opinion none of such amendments would adversely affect the security of the bonds or any Parity Indebtedness (in the case of Sections 402, 405, 409 and 410 such amendments were effective as of July 24, 2006), (ii) pursuant to Section 1102 upon the consent to such amendment of the owners of not less than a majority in aggregate principal amount of the first senior bonds, second senior bonds and subordinated bonds then outstanding (in the case of Sections 403, 404, 406 and 407), or (iii) pursuant to Section 1101(g), when all bondholders have consented (in the case of Section 408). In addition, written consents of the Credit Banks and Insurers required pursuant to Section 1105 of the Trust Agreement with respect to each of the amendments to the Trust Agreement set forth in this Article IV have been obtained.

Section 402. Amendment to Section 101 of the Trust Agreement. Section 101 of the Trust Agreement is amended by adding the following new defined terms:

"The term **Estimated Average Interest Rate** shall mean, as to any Variable Rate Indebtedness or Qualified Swap and as of any date of calculation, the average interest rate or rates anticipated to be borne by such bonds or Qualified Swap, or by the combination of such arrangements, over the period or periods for which such rate or rates are anticipated to be in effect, all as estimated by the Authority. Notwithstanding the foregoing, in the event that the Qualified Swap Provider fails to maintain a credit rating of at least BBB or the equivalent thereof by at least one Rating Agency, or there is no Qualified Swap related to the Variable Rate Indebtedness, all interest rate assumptions for Variable Rate Indebtedness, shall be assumed to bear interest at the highest of: (i) the actual rate on the Variable Rate Indebtedness on the date of calculation, or if the indebtedness is not yet Outstanding, the initial rate (if established and binding), (ii) if indebtedness has been Outstanding for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation, or if no debt is Outstanding for the twelve prior months under this Trust Agreement, the average rate borne by reference to an index comparable, in the opinion of the Authority, to that to be utilized in determining the interest rate for the debt to be issued, and (iii) if interest on the indebtedness is excludable from gross income under the applicable provisions of the Internal Revenue Code, the most recently published Bond Buyer "Revenue Bond Index" (or comparable index if no longer published), or (iv) if interest is not so excludable, the interest rate on direct United States

Treasury Obligations with comparable maturities; provided, however, that for purposes of the toll covenant set forth in Section 501 of this Trust Agreement measuring actual debt service coverage during any applicable period, Variable Rate Indebtedness shall be deemed to bear interest at the actual average rate per annum applicable during such period."

"The term **Qualified Swap** shall mean, to the extent from time to time permitted by law, with respect to bonds, any transaction utilizing derivative products, and other financial products intended to hedge interest rate risk, including any option to enter into or terminate any of them, that the Authority deems to be necessary or desirable in connection with any bonds issued prior to, at the same time as, or after entering into such arrangement and containing terms and provisions, and may be with such parties, as determined by the Authority; provided, any **Qualified Swap** must first be approved by the Oklahoma State Bond Advisor and the Council of Bond Oversight pursuant to the provisions of the Oklahoma Bond Oversight and Reform Act."

"The term **Qualified Swap Provider** shall mean an entity whose senior long term obligations, other senior unsecured long term obligations, financial program rating, counterparty rating, or claims paying ability, or whose payment obligations under an interest rate exchange agreement are guaranteed by an entity whose senior long term debt obligations, other senior unsecured long term obligations, financial program rating, counterparty rating, or claims paying ability, are rated either at least as high as (i) the third highest Rating Category of each Rating Agency then maintaining a rating for the Qualified Swap Provider or (ii) any such lower Rating Categories which each such Rating Agency indicates in writing to the Authority and the Trustee will not, by itself, result in a reduction or withdrawal of its rating on the outstanding bonds subject to such Qualified Swap that is in effect prior to entering into such Qualified Swap."

"The term **Rating Agency** shall mean each nationally recognized statistical rating organization then maintaining a rating on the bonds at the request of the Authority."

"The term **Rating Category** shall mean one of the generic rating categories of any Rating Agency without regard to any refinement or gradation of such rating by a numerical modifier or otherwise."

Section 403. Additional Amendment to Section 101 of the Trust Agreement. Section 101 of the Trust Agreement is amended by (i) adding the following to the end of the definition of Current Expenses therein: ", or any unrealized losses (or any allowances or reserves therefor) from investments or from transactions of the type described in the definition of Qualified Swap herein" and (ii) adding the following to the end of the definition of Net Revenues therein: ", and shall not include any unrealized gains or losses (or any allowances or reserves therefor) from investments or from transactions of the type described in the definition of Qualified Swap herein".

Section 404. Amendment to Section 210 of the Trust Agreement. Paragraph (II)(A) of Section 210 of the Trust Agreement is amended to read as follows:

"(II) (A) during the bond years in which any of the bonds and Parity Indebtedness not so refunded is outstanding, the aggregate maximum Debt Service Requirements for all such bond years on account of all bonds and Parity Indebtedness outstanding, after the

issuance of such refunding second senior bonds and the redemption or provision for payment of the bonds or Parity Indebtedness to be refunded, shall not exceed the aggregate maximum Debt Service Requirements for all such bond years on account of all the bonds and Parity Indebtedness outstanding, including the bonds or Parity Indebtedness to be refunded, immediately prior to the issuance of such refunding second senior bonds. In applying the foregoing test, if any of the bonds or Parity Indebtedness outstanding immediately prior to or after the issuance of the refunding second senior bonds to be issued constitute Balloon Indebtedness, Option Tender Indebtedness or Variable Rate Indebtedness, the conventions employed in Section 209(A), (B) and (C), respectively, shall be applied in determining the Debt Service Requirements of such bonds or Parity Indebtedness and the Principal and Interest Requirements of the refunding second senior bonds to be issued, or"

Section 405. Amendment to Article II of the Trust Agreement. Article II of the Trust Agreement is amended by adding a new Section 215 to read as follows:

"Section 215. **Optional Treatment of Interest Rate to be Used in Connection with Variable Rate Indebtedness.** Notwithstanding any other provision of this Agreement to the contrary, the Authority, in its sole discretion, may utilize the Estimated Average Interest Rate in calculating the interest rate applicable to Variable Rate Indebtedness for any purpose of this Agreement except payment thereof, including but not limited to calculations under the definitions of Debt Service Requirement, First Senior Bond Reserve Account Requirement, Second Senior Bond Reserve Account Requirement, Subordinated Bond Reserve Account Requirement and for purposes of Article II, including but not limited to, Sections 209(C) and 210(II)(A)(iii) hereof, and for the purpose of any debt service coverage calculation."

Section 406. Amendment to Section 101 of the Trust Agreement. The definition of Investment Obligations is amended as follows:

Clause (a)(ii) thereof is amended to read:

"(ii) bonds, debentures, notes or other obligations issued or guaranteed by any of the following: Federal Home Loan Banks, Export-Import Bank of the United States, the Federal Financing Bank, the Federal Home Loan Mortgage Association, the Federal Housing Administration, the Farmers Home Administration, the Government National Mortgage Association, the Federal Farm Credit Bank ; or for purposes of the definition of Defeasance Obligations, only the following: any obligations issued by an agency of the United States government that is approved by a Rating Agency on its then current list of approved United States Government agencies for purposes of defeasance obligations; and"

A new subsection (j) is added at the end thereof to read:

"(j) money market mutual funds registered with the United States Securities and Exchange Commission, that are rated in the highest Rating Category of each of the Rating Agencies that then rates such funds."

Section 407. Amendment to Section 101 of the Trust Agreement. The definition of Defeasance Obligations set forth in the Trust Agreement is amended to read as follows:

"The term "**Defeasance Obligations**" shall mean (i)(x) the obligations described in clause (i) of the definition of "Government Obligations" (or clause (ii) of such definition, if and to the extent permitted by law), and (y) the obligations described in clause (a)(ii) of the definition of "Investment Obligations", in each case which are not subject to redemption other than at the option of the holder thereof or (ii) if and to the extent permitted by law, Defeased Municipal Obligations; provided, however, that no amendment to the term "Defeasance Obligations" effected by the Eighth Supplemental Trust Agreement (clause "y" above) shall be effective with respect to the defeasance of bonds or Parity Indebtedness Outstanding hereunder prior to the effective date of such Eighth Supplemental Trust Agreement."

Section 408. Amendment to Article V of the Trust Agreement. Article V of the Trust Agreement is amended by the addition of a new Section 518 thereof to read as follows:

"Section 518. Qualified Swaps. Notwithstanding any other provision of this Agreement to the contrary, scheduled periodic payments under Qualified Swaps that relate to any Bonds or Parity Indebtedness may be paid from amounts on deposit in the First Senior Bond Service Account, the Second Senior Bond Service Account or the Subordinated Bond Service Account, as the case may be, and transfers or deposits shall be made by the Trustee to such applicable account at such time or times (each of which shall constitute a Deposit Day under this Agreement) as may be required therefor. Termination and other payments (except scheduled periodic payments) that may be required under Qualified Swaps shall be payable from amounts on deposit in the General Fund. Qualified Swaps shall not have the benefit of the First Senior Bond Reserve Account, the Second Senior Bond Reserve Account or the Subordinated Bond Reserve Account."

Section 409. Amendment to Section 914 of the Trust Agreement. Section 914 of the Trust Agreement is amended by deletion of the third sentence thereof and substituting at the end thereof the following two sentences:

"In addition, so long as no event of default under Section 801 shall have hereof occurred and be continuing hereunder and the Trustee is not pursuing any right or remedy available to it pursuant to this Agreement, the Trustee may be removed by the Authority at any time for failure to provide reasonably acceptable services, failure to charge reasonably acceptable fees or any other reasonable cause, all as determined by a resolution of the Authority filed with the Trustee. Any such removal shall not be effective until a successor shall have been appointed by the Authority or the owners of bonds as provided in Section 915 and shall have qualified therefor."

Section 410. Amendment to Section 1101 of the Trust Agreement. Section 1101 of the Trust Agreement is amended by adding the following as a new paragraph (g) of Section 1101 and changing the existing paragraph designation (g) to (h):

"(g) to make any change that is included in a Supplemental Agreement entered into pursuant to paragraph (e) above providing for the issuance of bonds (the "bonds to be issued") and applicable to the bonds to be issued and to bonds and Parity Indebtedness thereafter issued and effective at such time as all bonds and Parity Indebtedness outstanding on the date of execution and delivery of such Supplemental Agreement (except the bonds to be issued) are no

longer outstanding or the owners of such bonds and Parity Indebtedness have consented to such amendment, or”.

Section 411. Certain Consents. To the extent the Underwriters as such term is defined in the Resolution, as the initial purchasers of the Series 2006 Bonds, or any underwriters or other initial purchasers of additional Bonds consent to such amendments, such consents shall be effective and binding, all pursuant to Section 1102 of the Trust Agreement.

## ARTICLE V

### MISCELLANEOUS

#### Section 501. Provisions Relating to Bond Insurer.

In order to comply with the conditions to the issuance by the Bond Insurer of the Bond Insurance Policies relating to the Series 2006 Bonds, the Authority covenants that the following provisions shall be in effect so long as the Bond Insurance Policies shall be in effect, any Series 2006 Bonds are Outstanding and the Bond Insurer is not in default in respect of any of its obligations under the Bond Insurance Policies or there shall exist any right of the Bond Insurer to subrogation to the rights of the owners of the Series 2006 Bonds and shall be binding upon the owners of such bonds:

(a) So long as the Bond Insurance Policies are in full force and effect and payment on the Bond Insurance Policies is not in default, then XL Capital shall be deemed to be the sole owner of the Series 2006 Bonds, on and after registration of such Bonds in the name of Cede & Co., when the approval, consent or action of the owners of such Bonds is required or may be exercised under the Trust Agreement and following an event of default under the Trust Agreement. No provision of this Eighth Supplemental Trust Agreement expressly recognizing or granting rights in or to XL Capital may be amended without the prior written consent of XL Capital.

(b) In the event that the principal, sinking fund installments, if any, and Redemption Price, if applicable, and interest due on any Series 2006 Bonds shall be paid under the provisions of the Bond Insurance Policies, such Series 2006 Bonds shall continue to be Outstanding under the Trust Agreement and all covenants, agreements and other obligations of the Authority to the owners of such Series 2006 Bonds shall continue to exist and XL Capital shall be subrogated to the rights of such owners.

(c) To the extent that the Trust Agreement confers upon or gives or grants XL Capital any right, remedy or claim under or by reason of the Trust Agreement, XL Capital shall be a third party beneficiary of the Trust Agreement.

(d) In determining whether the owners of Series 2006 Bonds will be adversely affected by any action taken pursuant to the terms of the Trust Agreement, the Trustee and XL Capital shall consider the effect on the owners as if there were no Bond Insurance Policy.

(e) The rights granted to XL Capital under the Trust Agreement to request, consent to or direct any action are rights granted to XL Capital in consideration of the issuance of the Bond Insurance Policies. Any exercise by XL Capital of such rights is merely an exercise of XL Capital's contractual rights and shall not be construed or deemed to be taken for the benefit or on behalf of the owners nor does such action evidence any position of XL Capital, positive or negative, as to whether owner consent is required in addition to consent of XL Capital.

(f) Amounts paid by XL Capital under the Bond Insurance Policies shall not be deemed paid for purposes of the Trust Agreement and shall remain Outstanding and continue to be due and owing until paid by the Authority in accordance with the Trust Agreement. The Trust Agreement shall not be discharged unless all amounts due or to become due to XL Capital have been paid in full or duly provided for.

(g) Claims Upon the Bond Insurance Policies and Payments by and to XL Capital.

If, on the third Business Day prior to the Interest Payment Date or scheduled principal payment date ("Payment Date") there is not on deposit with the Trustee, after making all transfers and deposits required under the Trust Agreement, moneys sufficient to pay the principal of and interest on the Series 2006 Bonds due on such Payment Date, the Trustee shall give notice to XL Capital and to its designated agent (if any) ("XL Capital's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 10:00 a.m., New York City time, on such Business Day. If, on the Business Day immediately preceding the related Payment Date, there is not on deposit with the Trustee moneys sufficient to pay the principal of and interest on the Series 2006 Bonds due on such Payment Date, the Trustee shall make a claim under the Bond Insurance Policy by delivering the Notice of Nonpayment and Certificate by 10:00 a.m., New York City time, on the Business Day immediately preceding the related Payment Date to XL Capital or XL Capital's Fiscal Agent (if any) and otherwise in accordance with the Bond Insurance Policy.

"Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from the Trustee to XL Capital which notice shall specify (a) the name of the entity making the claim, (b) the Bond Insurance Policy number, (c) the claimed amount and (d) the date such claimed amount will become Due for Payment. "Nonpayment" means the failure of the Authority to have provided sufficient funds to the Trustee for payment in full of all principal of and interest on the Series 2006 Bonds which are Due for Payment. "Due for Payment," when referring to the principal of Series 2006 Bonds, means when the scheduled principal payment date has been reached and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by application of sinking fund installments), acceleration or other advancement of maturity, unless XL Capital shall elect, in its sole discretion, to pay such principal due upon such acceleration; and when referring to interest on Series 2006 Bonds, means when the Interest Payment Date has been reached. "Certificate" means a certificate in form and substance satisfactory to XL Capital as to the Trustee's right to receive payment under the Bond Insurance Policies and evidence, including any appropriate instruments of assignment, that all of the Trustee's rights with respect

to payment of such principal and interest that is Due for Payment shall thereupon vest in XL Capital.

In the event the claim to be made is for a sinking fund installment, upon receipt of the moneys due, the Trustee shall authenticate and deliver to affected owners who surrender their Series 2006 Bonds a new Series 2006 Bond in an aggregate principal amount equal to the unredeemed portion of the Series 2006 Bond surrendered. The Trustee shall designate any portion of payment of principal on Series 2006 Bonds paid by XL Capital, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Series 2006 Bonds registered to the then current owner, whether DTC or its nominee or otherwise, and shall issue a replacement Series 2006 Bond to XL Capital, registered in the name of XL Capital Assurance Inc., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement Series 2006 Bond shall have no effect on the amount of principal or interest payable by the Authority on any Series 2006 Bond or the subrogation rights of XL Capital.

The Trustee shall keep a complete and accurate record of all funds deposited by XL Capital into the Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal paid in respect of any Series 2006 Bond. XL Capital shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

Upon payment of a claim under the Bond Insurance Policy the Trustee shall establish a separate purpose trust account for the benefit of owners referred to herein as the "Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Bond Insurance Policy in trust on behalf of owners and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to owners in the same manner as principal and interest payments are to be made with respect to the Series 2006 Bonds under the sections hereof regarding payment of Series 2006 Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments.

Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Policy Payments Account following an interest payment date or scheduled principal payment date shall promptly be remitted to XL Capital.

The obligations to XL Capital shall survive discharge or termination of the Trust Agreement.

(h) Any notices required to be given by any party pursuant to the Resolution shall also be given to XL Capital. The notice address of XL Capital is: XL Capital Assurance Inc., 1221 Avenue of the Americas, New York, New York 10020, Attention: Surveillance, Telephone: (212) 478-3400, Telecopier: (212) 478-3597 or such other address as may be designated by XL Capital.



XL Capital shall be provided with the following information:

- (i) Such information, data or reports as XL Capital shall reasonably request from time to time;
- (ii) Notice of any default or event of default under the Trust Agreement known to the Trustee or the Authority within five Business Days after knowledge thereof;
- (iii) Prior notice of the advance refunding or redemption of any of the Series 2006 Bonds, including the principal amount, maturities and CUSIP numbers thereof;
- (iv) Notice of the resignation or removal of the Trustee or Paying Agent and the appointment of, and acceptance of duties by, any successor thereto;
- (v) Notice of the commencement of any proceeding by or against the Authority commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (as "Insolvency Proceeding");
- (vi) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Series 2006 Bonds;
- (vii) A full original transcript of all proceedings relating to the execution of any amendment or supplement to the Trust Agreement; and
- (viii) All reports, notices and correspondence to be delivered to owners under the terms of the Trust Agreement.

Section 502. Forms of Bonds. The forms of Series 2006A Bonds and Series 2006B-F Bonds, the forms of the certificate of authentication thereof, the forms of endorsement to appear thereon and the forms of assignment thereof shall be substantially in the forms set forth on **Exhibit A** attached hereto, with appropriate variations, omissions and insertions as permitted or required by this Eighth Supplemental Trust Agreement.

Section 503. Authentication. (a) The Trustee shall be the authenticating agent for the Series 2006 Bonds.

(b) No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Eighth Supplemental Trust Agreement unless and until the certificate of authentication on such Bond shall have been duly executed by the Trustee as authorized hereby, and the date of such authentication entered in the space provided therefor, and such executed certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Eighth Supplemental Trust Agreement. The certificate of authentication on any Bond shall be deemed to have been executed by the Trustee as authorized hereby if signed by an authorized signatory of the Trustee, but it shall not be necessary that the same signatory execute the certificate of authentication on all of the Bonds.

Section 504. Trustee to Perform Duties of Bond Registrar. The Trustee accepts and agrees to execute the trusts imposed upon it as Bond Registrar under the Trust Agreement and this Eighth Supplemental Trust Agreement, but only upon the terms and conditions set forth in the Trust Agreement and subject to the provisions of the Trust Agreement, to all of which the parties hereto and the owners of the Outstanding first senior bonds, second senior bonds and the subordinated bonds agree.

Section 505. Notices. (a) Unless otherwise expressly specified or permitted by the terms hereof, all notices, consents or other communications required or permitted hereunder shall be deemed sufficiently given or served if given in writing, mailed by first class mail, postage prepaid and addressed as follows:

- (i) If to the Authority, addressed to:  
Oklahoma Turnpike Authority  
3500 Martin Luther King Avenue  
Oklahoma City, Oklahoma 73111-4220  
Attention: Director
- (ii) If to the Trustee, addressed to:  
Bank of Oklahoma, National Association  
Commerce Banking Center  
9520 North May Avenue  
Second Floor  
Oklahoma City, Oklahoma 73120  
Attention: Corporate Trust Division
- (iii) If to the registered owner of a Bond, addressed to such owner at the address shown on the books of the Trustee kept pursuant hereto.
- (iv) If to Standard & Poor's Ratings Services, addressed to:  
Standard & Poor's Corporation  
55 Water Street  
New York, New York 10041
- (v) If to Moody's Investors Service, addressed to:  
Moody's Investors Service  
99 Church Street  
New York, New York 10007
- (vi) If to Fitch Ratings, addressed to:  
Fitch Ratings  
One State Street Plaza  
New York, New York 10004
- (vii) If to the Bond Insurer, addressed to:  
XL Capital Assurance Inc.  
1221 Avenue of the Americas

New York, New York 10020  
Attention: Surveillance  
Telephone No. (212) 478-3400  
Facsimile No. (212) 478-3597

(b) The Authority or the Trustee may from time to time by notice in writing to the others designate a different address or addresses for notice hereunder.

Section 506. Eighth Supplemental Trust Agreement as Supplemental Agreement. This Eighth Supplemental Trust Agreement is executed and shall be construed as an agreement supplemental to the Trust Agreement, and shall form a part thereof, and, except as hereby supplemented, the Trust Agreement is hereby ratified, approved and confirmed.

Section 507. Recitals, etc. made by Authority, not Trustee. The recitals, statements and representations contained herein shall be taken and construed as made by and on the part of the Authority and not by the Trustee, and the Trustee assumes and shall be under no responsibility for the correctness of the same.

Section 508. Authority, Trustee and Bondholders Alone to Have Rights. Nothing in this Eighth Supplemental Trust Agreement expressed or implied is intended or shall be construed to give to any person other than the Authority, the Trustee, the owners of the first senior bonds, second senior bonds and subordinated bonds issued under the Trust Agreement any legal or equitable right, remedy or claim under or in respect of the Trust Agreement, or this Eighth Supplemental Trust Agreement, or under any covenant, condition or provisions therein or herein or in said bonds contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Authority, the Trustee and the owners of said bonds issued under the Trust Agreement.

Section 509. Headings Not Part of Agreement. The titles of any Sections and any wording on the cover of this Eighth Supplemental Trust Agreement are inserted for convenience only and are not a part hereof.

Section 510. Covenants to Bind Successors. All the covenants, stipulations, promises and agreements in this Eighth Supplemental Trust Agreement contained made by or on behalf of the Authority or of the Trustee shall inure to and bind their respective successors and assigns.

Section 511. Governing Law. This Eighth Supplemental Trust Agreement shall be governed by, and construed in accordance with, the law of the State of Oklahoma.

Section 512. Counterparts. This Eighth Supplemental Trust Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 513. Covenant not to issue Balloon Indebtedness. The Authority covenants not to issue bonds under the Trust Agreement which bonds shall be considered or fall within the category of Balloon Indebtedness.

Section 514. Covenant as to Pledge under the Trust Agreement. The Authority covenants as follows:

(a) The Trust Agreement creates a valid and binding pledge of the property described in the Granting Clause of the Trust Agreement in favor of the Trustee as security for payment of the Series 2006 Bonds, enforceable by the Trustee in accordance with the terms of the Trust Agreement.

(b) Under the laws of the State of Oklahoma, (i) such pledge, (ii) and each pledge, assignment, lien, or other security interest made to secure any prior obligations of the Authority which, by the terms of the Trust Agreement, rank on a parity with or prior to the pledge granted hereby, is and shall be prior to any judicial lien hereafter imposed on such collateral to enforce a judgment against the Authority on a simple contract, and (iii) by the date of issue of the Series 2006 Bonds, the Authority will have filed all financing statements describing, and transferred such possession or control over, such collateral (and for so long as any Series 2006 Bond is outstanding the Authority will file, continue, and amend all such financing statements and transfer such possession and control) as may be necessary to establish and maintain such priority in each jurisdiction in the State of Oklahoma.

(c) The Authority has not heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of such collateral that ranks on a parity with or prior to the pledge granted by the Trust Agreement, except for the pledge granted under the Trust Agreement to secure the Senior Indebtedness outstanding upon issuance of the Series 2006 Bonds. The Authority has not described such collateral in a Uniform Commercial Code financing statement that will remain effective when the Series 2006 Bonds are issued, except in connection with the foregoing pledges, assignments, liens, and security interest and the pledge securing any subordinate bonds outstanding under the Trust Agreement. The Authority shall not hereafter make any pledge or assignment of, lien on, or security interest in such collateral that ranks prior to or on a parity with the pledge granted by the Trust Agreement, or file any financing statement describing any such pledge, assignment, lien, or security interest, except as expressly permitted by the Trust Agreement.


Section 515. Swap Transactions. The Authority hereby ratifies and confirms the Swap Transactions entered into in anticipation of the issuance of the Series 2006B-F Bonds, and the obtaining by the Authority of insurance related thereto. Such Swap Transactions were entered into pursuant to the Act, the Resolution, and the Authority's Master Swap Policy, adopted August 17, 2005, as amended April 26, 2006, and approved by the Oklahoma State Bond Advisor and the Council of Bond Oversight.

IN WITNESS WHEREOF, Oklahoma Turnpike Authority has caused this Eighth Supplemental Trust Agreement to be executed by its Chairman and its official seal to be impressed hereon and attested by its Assistant Secretary and Treasurer, and Bank of Oklahoma, National Association has caused this Eighth Supplemental Trust Agreement to be executed in its behalf by a Vice President and its corporate seal to be impressed hereon and attested by an Assistant Secretary, all as of the day and year first above written.

OKLAHOMA TURNPIKE AUTHORITY

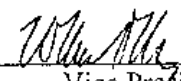
By:   
Chairman

ATTEST:

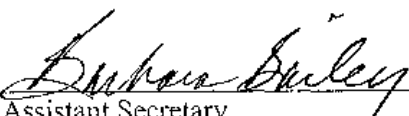
  
Assistant Secretary and Treasurer

(SEAL)

BANK OF OKLAHOMA, NATIONAL  
ASSOCIATION

By:   
Vice President

ATTEST:

  
Assistant Secretary

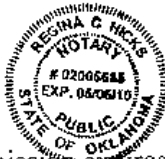
(SEAL)

STATE OF OKLAHOMA       )  
  )SS  
COUNTY OF OKLAHOMA    )

The foregoing instrument was acknowledged before me this 21 day of August, 2006, by Douglas F. Riebel, Chairman of the Oklahoma Turnpike Authority, an instrumentality of the State of Oklahoma, on behalf of the Authority.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

Regina C. Hick  
Notary Public



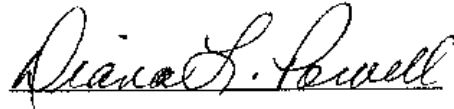
(SEAL)

My commission expires 5/6/2010

STATE OF OKLAHOMA       )  
                                  )SS  
COUNTY OF OKLAHOMA    )

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this 24th day of August, 2006, personally appeared Mark McCoy, to me known to be the identical person who subscribed the name of Bank of Oklahoma to the foregoing instrument as a Vice President, and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of said national banking association, for the uses and purposes therein set forth.

GIVEN under my hand and seal of office the day and year last above written.



Notary Public

(SEAL)

My commission expires 5-5-2007.

**EXHIBIT A**

[Form of Face of Refunding Second Senior Revenue Bonds, Series 2006A]

No. R06A-\_\_

\$ \_\_\_\_\_

United States of America  
State of Oklahoma**OKLAHOMA TURNPIKE AUTHORITY**Oklahoma Turnpike System  
Refunding Second Senior Revenue Bond, Series 2006A

<u>Interest Rate</u>	<u>Dated Date</u>	<u>Maturity Date</u>	<u>CUSIP NO.</u>
%	August 24, 2006		679111 _____
Registered Owner	Goldman, Sachs & Co. as Representatives of the Underwriters under the Bond Purchase Agreement dated August 8, 2006, and the Agreement Among Underwriters relating thereto.		

**Principal Amount**

Oklahoma Turnpike Authority, a body corporate and politic and an instrumentality of the State of Oklahoma (herein sometimes called the "Authority"), duly created by the Enabling Act (hereinafter mentioned), for value received, promises to pay, but solely from the special fund provided therefor as hereinafter set forth and in the manner hereinafter provided, to the Registered Owner named above, or registered assigns, on the Maturity Date set forth above (or earlier as hereinafter referred to), upon the presentation and surrender hereof, at the principal corporate trust office of Bank of Oklahoma, National Association in the City of Oklahoma City (the "Trustee"), the Principal Amount set forth above in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts, and to pay in like coin or currency interest on said Principal Amount on each January 1 and July 1, commencing January 1, 2007, solely from such sources, from the date hereof or the January 1 or July 1 next preceding the date on which this bond is authenticated unless it is authenticated on a January 1 or July 1, in which event from such date, at the Interest Rate set forth above until the Principal Amount hereof is paid. The interest so payable and punctually paid or duly provided for on any interest payment date will, as provided in the Agreement hereinafter referred to, be paid by check mailed to the person in whose name this bond (or one or more predecessor bonds, as defined in the Agreement) is registered at the close of business on the regular record date for such interest, which shall be the June 15 or



December 15 (whether or not a business day) next preceding such interest payment date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Registered Owner on such regular record date, and may be paid to the person in whose name this bond or any predecessor bond is registered at the close of business on a special record date for the payment of such defaulted interest to be fixed by the Trustee hereinafter referred to, notice whereof being given by the Trustee by mail to the registered owners not less than 10 days prior to such special record date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the bonds of this series may be listed and upon such notice as may be required by such exchange, or as more fully provided in the Agreement. Such payment of interest shall be by check mailed to the Registered Owner at such owners address as it appears on the bond registration books of the Authority maintained by the Bond Registrar and shall be made in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts.

This bond shall not be deemed to constitute a debt of the State of Oklahoma or of any political subdivision thereof or a pledge of the faith and credit of the State of Oklahoma or of any such political subdivision. Neither the State of Oklahoma nor the Authority shall be obligated to pay this bond or the interest hereon except from the special fund provided therefor from tolls and revenues of the Oklahoma Turnpike System (hereinafter defined), including motor fuel excise taxes apportioned to the Authority under the provisions of the Enabling Act for deposit in a special trust fund and pledged for the payment of such principal and interest, and neither the faith and credit nor the taxing power of the State of Oklahoma or of any political subdivision thereof is pledged, or may hereafter be pledged, to the payment of the principal of or the interest on this bond.

This bond is one of a duly authorized series of revenue bonds of the Authority aggregating One Hundred and Four Million Seven Hundred and Ninety Thousand Dollars (\$104,790,000) in principal amount, designated as "Oklahoma Turnpike Authority Oklahoma Turnpike System Refunding Second Senior Revenue Bonds, Series 2006A" (herein called the "Series 2006A Bonds"), dated August 24, 2006, consisting of bonds maturing in annual installments on the 1st day of January in the years 2010 through 2014, inclusive, and issued for the purpose of providing funds, with other available funds, to pay the costs of refunding certain outstanding obligations of the Authority, to pay costs of issuance therefore and to effect certain amendments to the Trust Agreement.

All of the bonds are issued under and pursuant to a trust agreement (said agreement, together with all agreements supplemental thereto as therein permitted, being herein called the "Agreement"), dated as of the 1st day of February 1989, by and between the Authority and Bank of Oklahoma, National Association, in Oklahoma City, Oklahoma (said national bank and any bank, banking association or trust company becoming successor trustee under the Agreement being herein called the "Trustee"), an executed counterpart of which Agreement is on file at the principal corporate trust office of the Trustee. Reference is hereby made to the Agreement for the provisions, among others, with respect to the custody and application of the proceeds of bonds issued under the Agreement, the collection and disposition of revenues, the funds charged with and pledged to the payment of the interest on and the principal and premium, if any, of the bonds, the nature and extent of the security, the terms and conditions on which the

bonds of each series are or may be issued, the rights, duties and obligations of the Authority, the Trustee and the Bond Registrar for the Series 2006A Bonds and the rights of the registered owners of the bonds and, by the acceptance of this bond the registered owner hereof assents to all of the provisions of the Agreement.

The Agreement provides for the issuance, from time to time, under the conditions, limitations and restrictions therein set forth, hereinafter for refunding purposes only, of bonds senior to the Series 2006A Bonds with respect to their lien on the tolls and other revenues of the Oklahoma Turnpike System (as such term is defined in the Agreement), including any motor fuel excise taxes apportioned to the Authority as aforesaid, (such bonds being herein collectively called the "first senior bonds").

The Agreement also provides for the issuance, from time to time, under the conditions, limitations and restrictions therein set forth, of additional series of bonds and other indebtedness on a parity with the Series 2006A Bonds for the purposes authorized therein (such bonds, other indebtedness and the Series 2006A Bonds being herein collectively called the "bonds").

This bond is issued and the Agreement was made and entered into under and pursuant to the Constitution and laws of the State of Oklahoma, particularly Title 69, Oklahoma Statutes 2001 Sections 1701 through 1734, as amended, (herein called the "Enabling Act"), and under and pursuant to resolutions duly adopted by the Authority.

The Agreement, in accordance with and as required by the Enabling Act, provides for the fixing, revising, charging and collecting by the Authority of tolls for the use or services of the Oklahoma Turnpike System and the different parts and sections thereof and for revising such tolls from time to time in order that such tolls and other revenues will be sufficient to provide funds to pay the cost of maintaining, repairing and operating the Oklahoma Turnpike System and to pay the principal of and the interest on all bonds issued under the Agreement as the same shall become due and payable, and to create and maintain reserves for such purposes. The Agreement also provides for the deposit of a sufficient amount of such tolls and other revenues, over and above such cost of maintenance, repair and operation, and reserves for such purposes, and after making the required deposits to provide for the payment of the principal of and interest on all first senior bonds issued under the Agreement as the same become due and payable and the required reserves therefor, to the credit of a special account designated "Second Senior Bond Service Account" (herein called the "Second Senior Bond Service Account") to pay such principal and interest. The Second Senior Bond Service Account is pledged to and charged with the payment of the principal of and the interest on all bonds issued under the Agreement to the extent provided in the Agreement.

The Series 2006A Bonds are issuable as registered bonds without coupons in the denomination of \$5,000 or any whole multiple thereof. At the principal corporate trust office of the Bond Registrar, in the manner and subject to the limitations and conditions provided in the Agreement, Series 2006A Bonds may, upon presentation and surrender, be exchanged for an equal aggregate principal amount of second senior bonds of the same series and maturity, of authorized denominations and bearing interest at the same rate.

The transfer of this bond is registrable by the registered owner hereof in person or by his attorney or legal representative at the principal corporate trust office of the Bond Registrar by only in the manner and subject to the limitations and conditions provided in the Agreement and upon surrender and cancellation of this bond. Upon any such registration of transfer the Authority shall execute and the Bond Registrar shall authenticate and deliver in exchange for this bond a new bond or bonds registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the principal amount of this bond, of the same series and maturity and bearing interest at the same rate. Neither the Authority nor the Bond Registrar shall be required to make any exchange or to register the transfer of any bond during the fifteen (15) days immediately preceding the date of the Authority's giving notice of redemption or after such bond has been selected for redemption.

The Series 2006A Bonds are not subject to redemption prior to maturity.

The moneys in the Second Senior Bond Service Account available for the purchase or redemption of bonds shall be allocated to all series of bonds outstanding under the Agreement in the manner provided in the Agreement.

If less than all of the bonds of any one maturity of a series shall be called for redemption, the particular bonds or portions of bonds to be redeemed from such series and maturity shall be selected in such manner as the Trustee deems fair and appropriate as provided in the Agreement.

At least thirty (30) days before the redemption date of any Series 2006A Bonds, whether such redemption is in whole or in part, the Authority shall cause a notice of any such redemption signed to be mailed, first class, postage prepaid, to all registered owners of Series 2006A Bonds to be redeemed, but any defect in such notice or the failure so to mail any such notice to the registered owner of any bond shall not affect the validity of the proceedings for the redemption of any other bonds. On the date fixed for redemption, notice having been mailed in the manner provided in the Agreement, the Series 2006A Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If a portion of this bonds shall be called for redemption a new Series 2006A Bond or Bonds in principal amount equal to the unredeemed portion hereof, of the same maturity and bearing interest at the same rate will be issued to the registered owner upon the surrender hereof.

The registered owner of this bond shall have no right to enforce the provisions of the Agreement or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Agreement, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Agreement.

In certain events, on the conditions, in the manner and with the effect set forth in the Agreement, the principal of all the bonds then outstanding under the Agreement may become or may be declared due and payable before the stated maturities thereof together with the interest accrued thereon.

Modifications or alterations of the Agreement or of any agreement supplemental thereto may be made by the Authority and the Trustee only to the extent and in the circumstances permitted by the Agreement.

This bond is issued with the intent that the laws of the State of Oklahoma shall govern its construction.

All acts, conditions and things required by the Constitution and laws of the State of Oklahoma and the by-laws of the Authority to happen, exist and be performed precedent to and in the issuance of this bond and the execution of the Agreement have happened, exist and have been performed as so required.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Agreement until it shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

WITNESS WHEREOF, Oklahoma Turnpike Authority has caused this bond to be executed by the manual signatures or to bear the facsimile signatures of the Chairman and the Assistant Secretary and Treasurer of the Authority, and the official seal of the Authority to be impressed hereon or a facsimile thereof to be printed hereon, all as of August 24, 2006.

\_\_\_\_\_  
Chairman of the Oklahoma  
Turnpike Authority

(SEAL)

\_\_\_\_\_  
Assistant Secretary and Treasurer  
of the Oklahoma Turnpike Authority

#### CERTIFICATE OF AUTHENTICATION

This is one of the bonds of the series designated herein and issued under the provisions of the within-mentioned Agreement.

BANK OF OKLAHOMA, NATIONAL  
ASSOCIATION,  
as Bond Registrar

By: \_\_\_\_\_  
Authorized Signatory

Date of Authentication:

## **STATEMENT OF INSURANCE**

XL Capital Assurance Inc. ("XLCA"), New York, New York, has delivered its municipal bond insurance policy (the "XLCA Policy") with respect to the scheduled payments due of principal of and interest on this Bond to Bank of Oklahoma, National Association, Oklahoma City, Oklahoma, or its successor, as paying agent for the Series 2006A Bonds (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from XLCA or the Paying Agent.

Assignment

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ [Please Print or Typewrite Name, Tax Identification Number and Address of Transferee] the within bonds, and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to register the transfer of the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_ Signature: \_\_\_\_\_

Taxpayer Identification Number: \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed\* by: \_\_\_\_\_

New York, New York

\* Signature must be guaranteed by a commercial bank or trust company having an officer or correspondent in New York, New York or by a firm having membership on the New York Stock Exchange.

[Form of Face of Refunding Second Senior Revenue Bonds, Series 2006B-F]

No. R06[B][C][D][E][F]-\_\_

\$\_\_\_\_\_

United States of America  
State of Oklahoma

OKLAHOMA TURNPIKE AUTHORITY

Oklahoma Turnpike System  
Refunding Second Senior Revenue Bond, Series 2006[B][C][D][E][F]  
(Variable Rate Bonds)

Dated Date

Maturity Date

CUSIP NO.

August 24, 2006

January 1, 2028

679111 \_\_\_\_\_

Registered Owner: Goldman, Sachs & Co. as Representatives of the  
Underwriters under the Bond Purchase Agreement  
dated August 23, 2006, and the Agreement Among  
Underwriters relating thereto.

Principal Amount:

Oklahoma Turnpike Authority, a body corporate and politic and an instrumentality of the State of Oklahoma (herein sometimes called the "Authority"), duly created by the Enabling Act (hereinafter mentioned), for value received, promises to pay, but solely from the special fund provided therefor as hereinafter set forth and in the manner hereinafter provided, to the Registered Owner named above, or registered assigns, on the Maturity Date set forth above (or earlier as hereinafter referred to), upon the presentation and surrender hereof, at the principal corporate trust office of Bank of Oklahoma, National Association in the City of Oklahoma City (the "Trustee"), the Principal Amount set forth above in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts.

This bond shall not be deemed to constitute a debt of the State of Oklahoma or of any political subdivision thereof or a pledge of the faith and credit of the State of Oklahoma or of any such political subdivision. Neither the State of Oklahoma nor the Authority shall be obligated to pay this bond or the interest hereon except from the special fund provided therefor from tolls and revenues of the Oklahoma Turnpike System (hereinafter defined), including motor fuel excise taxes apportioned to the Authority under the provisions of the Enabling Act for deposit in a special trust fund and pledged for the payment of such principal and interest, and neither the faith and credit nor the taxing power of the State of Oklahoma or of any political subdivision thereof is pledged, or may hereafter be pledged, to the payment of the principal of or the interest on this bond.



This bond is one of a duly authorized series of revenue bonds of the Authority aggregating One Hundred And Six Million One Hundred And Sixty Thousand Dollars (\$106,160,000) in principal amount, designated as "Oklahoma Turnpike Authority Oklahoma Turnpike System Refunding Second Senior Revenue Bonds, Series 2006[B][C][D][E][F] (Variable Rate Bonds)" (herein called the "Series 2006[B][C][D][E][F] Bonds"), dated August 24, 2006, issued for the purpose of providing funds, with other available funds, to pay the costs of refunding certain outstanding obligations of the Authority, to pay costs of issuance therefore and to effect certain amendments to the Trust Agreement.

All of the bonds are issued under and pursuant to a trust agreement (said agreement, together with all agreements supplemental thereto as therein permitted, being herein called the "Agreement"), dated as of the 1st day of February 1989, by and between the Authority and Bank of Oklahoma, National Association, in Oklahoma City, Oklahoma (said national bank and any bank, banking association or trust company becoming successor trustee under the Agreement being herein called the "Trustee"), an executed counterpart of which Agreement is on file at the principal corporate trust office of the Trustee. Reference is hereby made to the Agreement for the provisions, among others, with respect to the custody and application of the proceeds of bonds issued under the Agreement, the collection and disposition of revenues, the funds charged with and pledged to the payment of the interest on and the principal and premium, if any, of the bonds, the nature and extent of the security, the terms and conditions on which the bonds of each series are or may be issued, the rights, duties and obligations of the Authority, the Trustee and the Bond Registrar for the Series 2006[B][C][D][E][F] Bonds and the rights of the registered owners of the bonds and, by the acceptance of this bond the registered owner hereof assents to all of the provisions of the Agreement. All capitalized terms used but not otherwise defined have the respective meanings ascribed by the Agreement.

The Agreement provides for the issuance, from time to time, under the conditions, limitations and restrictions therein set forth, hereinafter for refunding purposes only, of bonds senior to the Series 2006[B][C][D][E][F] Bonds with respect to their lien on the tolls and other revenues of the Oklahoma Turnpike System (as such term is defined in the Agreement), including any motor fuel excise taxes apportioned to the Authority as aforesaid, (such bonds being herein collectively called the "first senior bonds").

The Agreement also provides for the issuance, from time to time, under the conditions, limitations and restrictions therein set forth, of additional series of bonds and other indebtedness on a parity with the Series 2006[B][C][D][E][F] Bonds for the purposes authorized therein (such bonds, other indebtedness and the Series 2006[B][C][D][E][F] Bonds being herein collectively called the "bonds").

This bond is issued and the Agreement was made and entered into under and pursuant to the Constitution and laws of the State of Oklahoma, particularly Title 69, Oklahoma Statutes 2001 Sections 1701 through 1734, as amended, (herein called the "Enabling Act"), and under and pursuant to resolutions duly adopted by the Authority.

The Agreement, in accordance with and as required by the Enabling Act, provides for the fixing, revising, charging and collecting by the Authority of tolls for the use or services of the Oklahoma Turnpike System and the different parts and sections thereof and for revising such

tolls from time to time in order that such tolls and other revenues will be sufficient to provide funds to pay the cost of maintaining, repairing and operating the Oklahoma Turnpike System and to pay the principal of and the interest on all bonds issued under the Agreement as the same shall become due and payable, and to create and maintain reserves for such purposes. The Agreement also provides for the deposit of a sufficient amount of such tolls and other revenues, over and above such cost of maintenance, repair and operation, and reserves for such purposes, and after making the required deposits to provide for the payment of the principal of and interest on all first senior bonds issued under the Agreement as the same become due and payable and the required reserves therefor, to the credit of a special account designated "Second Senior Bond Service Account" (herein called the "Second Senior Bond Service Account") to pay such principal and interest. The Second Senior Bond Service Account is pledged to and charged with the payment of the principal of and the interest on all bonds issued under the Agreement to the extent provided in the Agreement.

The Series 2006[B][C][D][E][F] Bonds are issuable as registered bonds without coupons in the denomination of \$100,000 or any whole multiple of \$5,000 in excess thereof. At the principal corporate trust office of the Bond Registrar, in the manner and subject to the limitations and conditions provided in the Agreement, Series 2006[B][C][D][E][F] Bonds may, upon presentation and surrender, be exchanged for an equal aggregate principal amount of second senior bonds of the same series and maturity, of authorized denominations and bearing interest at the same rate.

This Bond shall be dated the Dated Date set forth above and shall bear interest from such date. For so long as the Securities Depository Nominee is the registered owner of the Series 2006[B][C][D][E][F] Bonds, interest on this Bond is payable on September 1, 2006 and thereafter on the first Business Day of each month until maturity or prior redemption by wire transfer of same day funds to the account of the Securities Depository Nominee on the interest payment date for the Series 2006[B][C][D][E][F] Bonds. In the event that the book-entry only system is discontinued with respect to the Series 2006[B][C][D][E][F] Bonds, interest on this Bond is payable on each interest payment date by wire transfer of immediately available funds to the account specified by the Registered Owner in a written direction received by the Trustee on or prior to a Record Date or, if no such account number is furnished, by check mailed by the Trustee to the Registered Owner at the address appearing on the books required to be kept by the Trustee pursuant to the Agreement. Except as otherwise provided in the Agreement with respect to the Series 2006[B][C][D][E][F] Bonds in book-entry only form, the principal and the Redemption Price of this Bond shall be payable on its Principal Payment Date, upon surrender thereof at the office of the Trustee. The payment of the Purchase Price of this Bond payable upon mandatory tender for purchase shall be made by wire transfer in immediately available funds by Tender Agent or, if the Registered Owner has not provided wire transfer instructions, by check mailed to the Registered Owner at the address appearing in the books required to be kept by the Trustee pursuant to the Agreement. Any such direction or request shall remain in effect until revoked or revised by such Registered Owner by an instrument in writing delivered to the Trustee.

### **DETERMINATION OF INTEREST**

This Bond is initially issued in the Weekly Mode. The Mode applicable to this Bond may at any time be changed to a Commercial Paper Mode, Daily Mode, Auction Rate Mode, Term Rate Mode or Fixed Rate Mode, all as provided in the Agreement. From the Dated Date set forth above to the initial Rate Determination Date specified in the Agreement for the Series 2006[B][C][D][E][F] Bonds, this Bond shall bear interest at a rate per annum specified in the Agreement for the Series 2006[B][C][D][E][F] Bonds. During any other Interest Period or Auction Period, as the case may be, in any Mode, the interest rate applicable to this Bond will be determined at the times and in the manner provided in the Agreement.

While this Bond is in an Auction Rate Mode with an Auction Period over 180 days, a Term Rate Mode or a Fixed Rate Mode, interest hereon shall be computed on the basis of a year of 360 days composed of twelve 30-day months. While this Bond is in an Auction Rate Mode with an Auction Period of 180 days or less, interest hereon shall be computed on the basis of a 360-day year for the actual number of days elapsed to the Interest Payment Date. While this Bond is in a Commercial Paper Mode, a Daily Mode or a Weekly Mode, interest hereon shall be computed on the basis of a 365/366-day year for the actual number of days elapsed to the Interest Payment Date.

### **PURCHASE OF BOND**

This Bond is subject to mandatory purchase at a price equal to the Purchase Price thereof on each Mandatory Purchase Date for the Series 2006[B][C][D][E][F] Bonds.

Notice of any proposed Mandatory Purchase Date shall be given to Owners of Series 2006[B][C][D][E][F] Bonds of which this Bond is one by the Trustee as provided in the Agreement. The Registered Owner of this Bond does not have the right to retain it after any Mandatory Purchase Date.

When this Bond is in a Daily Mode or Weekly Mode, its Owner may elect to have it or any portion thereof in an amount equal to the Authorized Denomination purchased at the times, in the manner and under the terms and conditions provided in the Agreement.

Funds for the payment of the Purchase Price due on a Mandatory Purchase Date or Purchase Date shall be derived solely from the sources in the order of priority indicated and under the terms and conditions provided in the Agreement. None of the Authority, the Trustee, the Tender Agent nor the Remarketing Agent shall have any liability or obligation to pay or, except from the sources identified in the Agreement, make available such Purchase Price. Unless otherwise provided in a certificate of an Authorized Officer of the Authority delivered to the Trustee and Tender Agent on a Mandatory Purchase Date, the failure to pay any such Purchase Price for Series 2006[B][C][D][E][F] Bonds that have been tendered or deemed tendered for purchase from any of the sources identified above shall not constitute an event of default under the Agreement and in the case of such failure such Series 2006[B][C][D][E][F] Bonds shall not be purchased and shall remain in the Mode in effect immediately preceding such Purchase Date or Mandatory Purchase Date, as the case may be, unless such Mode is automatically converted to a Weekly Rate Mode pursuant to the Agreement.

## REDEMPTION OF BOND

This Bond shall be subject to redemption prior to maturity at the option of the Authority, in whole or in part, on the redemption dates and at the Redemption Prices and in the manner and under the terms and conditions provided in the Agreement.

Under certain conditions described in the Agreement, the Authority may, in connection with a change in the Mode to a Term Rate Mode or the Fixed Rate Mode, waive or otherwise alter its rights to redeem thereafter any Series 2006[B][C][D][E][F] Bonds in the Term Rate Mode or Fixed Rate Mode.

The Series 2006[B][C][D][E][F] Bonds are subject to mandatory sinking fund redemption in part (in accordance with procedures of DTC, so long as DTC is the sole registered owner, and otherwise by lot in such manner as the Trustee in its discretion deems proper) on January 1 of each year and in the respective principal amounts set forth below at 100% of the principal amount thereof, plus accrued interest to the redemption date, from sinking fund installments which are required to be made in amounts sufficient to redeem on January 1 of each year set forth below the principal amount of such respective Series 2006[B][C][D][E][F] Bonds specified for each of the years shown below:

<u>Year</u>	<u>Sinking Fund Installment</u>	<u>Year</u>	<u>Sinking Fund Installment</u>
2015	\$3,925,000	2022	\$ 4,035,000
2016	4,085,000	2023	11,395,000
2017	4,555,000	2024	11,690,000
2018	3,535,000	2025	12,375,000
2019	4,005,000	2026	12,880,000
2020	4,175,000	2027	13,405,000
2021	2,145,000	2028*	13,995,000

\* Final maturity

The date on which a sinking fund installment will be due when the Series 2006 [B][C][D][E][F] Bonds of a subseries entitled to such sinking fund installment are in the Auction Rate Mode will be either the dates set forth above, or if any such date is not an Interest Payment Date, then the Interest Payment Date immediately preceding the date set forth above.

The foregoing schedule shall be deemed to be the sinking fund installments for the Series 2006 [B][C][D][E][F] Bonds which may be converted to Serial Bonds pursuant to Section A-208(d) of Appendix A in connection with a change to a Term Rate Mode or Fixed Rate Mode.

Series 2006 [B][C][D][E][F] Bonds that are Bank Bonds shall be subject to redemption in the principal amounts, at the times, in the manner and under the terms and conditions provided in the Agreement.

The transfer of this Bond is registrable by the registered owner hereof in person or by his attorney or legal representative at the principal corporate trust office of the Bond Registrar

by only in the manner and subject to the limitations and conditions provided in the Agreement and upon surrender and cancellation of this Bond. Upon any such registration of transfer the Authority shall execute and the Bond Registrar shall authenticate and deliver in exchange for this Bond a new bond or bonds registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the principal amount of this Bond, of the same series and maturity and bearing interest at the same rate. Neither the Authority nor the Bond Registrar shall be required to make any exchange or to register the transfer of any bond during the fifteen (15) days immediately preceding the date of the Authority's giving notice of redemption or after such bond has been selected for redemption.

The moneys in the Second Senior Bond Service Account available for the purchase or redemption of bonds shall be allocated to all series of bonds Outstanding under the Agreement in the manner provided in the Agreement.

If less than all of the bonds of any one maturity of a series shall be called for redemption, the particular bonds or portions of bonds to be redeemed from such series and maturity shall be selected in such manner as the Trustee deems fair and appropriate as provided in the Agreement.

At least thirty (30) days before the redemption date of any Series 2006 [B][C][D][E][F] Bonds, whether such redemption is in whole or in part, the Authority shall cause a notice of any such redemption signed to be mailed, first class, postage prepaid, to all registered owners of Series 2006 [B][C][D][E][F] Bonds to be redeemed, but any defect in such notice or the failure so to mail any such notice to the registered owner of any bond shall not affect the validity of the proceedings for the redemption of any other bonds. On the date fixed for redemption, notice having been mailed in the manner provided in the Agreement, the Series 2006 [B][C][D][E][F] Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If a portion of these bonds shall be called for redemption a new Series 2006 [B][C][D][E][F] Bond or Bonds in principal amount equal to the unredeemed portion hereof, of the same maturity and bearing interest at the same rate will be issued to the registered owner upon the surrender hereof.

The registered owner of this Bond shall have no right to enforce the provisions of the Agreement or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Agreement, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Agreement.

In certain events, on the conditions, in the manner and with the effect set forth in the Agreement, the principal of all the bonds then outstanding under the Agreement may become or may be declared due and payable before the stated maturities thereof together with the interest accrued thereon.

Modifications or alterations of the Agreement or of any agreement supplemental thereto may be made by the Authority and the Trustee only to the extent and in the circumstances permitted by the Agreement.

This Bond is issued with the intent that the laws of the State of Oklahoma shall govern its construction.

All acts, conditions and things required by the Constitution and laws of the State of Oklahoma and the by-laws of the Authority to happen, exist and be performed precedent to and in the issuance of this Bond and the execution of the Agreement have happened, exist and have been performed as so required.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Agreement until it shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

WITNESS WHEREOF, Oklahoma Turnpike Authority has caused this Bond to be executed by the manual signatures or to bear the facsimile signatures of the Chairman and the Assistant Secretary and Treasurer of the Authority, and the official seal of the Authority to be impressed hereon or a facsimile thereof to be printed hereon, all as of August 24, 2006.

\_\_\_\_\_  
Chairman of the Oklahoma  
Turnpike Authority

(SEAL)

\_\_\_\_\_  
Assistant Secretary and Treasurer  
of the Oklahoma Turnpike Authority

#### CERTIFICATE OF AUTHENTICATION

This is one of the bonds of the series designated herein and issued under the provisions of the within-mentioned Agreement.

BANK OF OKLAHOMA, NATIONAL  
ASSOCIATION,  
as Bond Registrar

By: \_\_\_\_\_  
Authorized Signatory

Date of Authentication:

## STATEMENT OF INSURANCE

XL Capital Assurance Inc. ("XLCA"), New York, New York, has delivered its municipal bond insurance policy (the "XLCA Policy") with respect to the scheduled payments due of principal of and interest on this Bond to Bank of Oklahoma, National Association, Oklahoma City, Oklahoma, or its successor, as paying agent for the Series 2006B-F Bonds (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from XLCA or the Paying Agent.



Assignment

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ [Please Print or Typewrite Name, Tax Identification Number and Address of Transferee] the within bonds, and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to register the transfer of the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_ Signature: \_\_\_\_\_

Taxpayer Identification Number: \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed\* by: \_\_\_\_\_

New York, New York

\* Signature must be guaranteed by a commercial bank or trust company having an officer or correspondent in New York, New York or by a firm having membership on the New York Stock Exchange.

**EXHIBIT B****Description of Refunded Bonds****BONDS TO BE REFUNDED**

The Oklahoma Turnpike System First Senior Revenue Bonds and Second Senior Revenue Bonds listed below are being advance refunded, by applying a portion of the proceeds of the Series 2006 Bonds, together with other funds available to the Authority, to provide for the payment of the principal of and interest and redemption premium, if any, on such bonds to the extent and to the payment dates set forth below.

**Second Senior Revenue Bonds, Series 1998A****Dated Date: May 1, 1998****Redemption Date: January 1, 2009, Redemption Price: 100%**

<b>Maturity Date (January 1)</b>	<b>Par Amount Refunded</b>	<b>Interest Rate</b>
2010	\$10,005,000	5.250%
2011	10,530,000	5.250%
2012	11,080,000	5.250%
2013	11,665,000	5.250%
2014	12,275,000	5.000%
2015	12,890,000	5.000%
2016	13,535,000	5.000%
2017	14,210,000	5.000%
2018	14,920,000	5.000%
2019	15,665,000	5.000%
2020	16,450,000	5.000%
2023	54,445,000	5.000%
2024	19,995,000	4.750%
2025	20,945,000	5.000%
2028	69,495,000	5.250%

**Second Senior Revenue Bonds , Series 1998B****Dated Date: July 1, 1998****Redemption Date: January 1, 2009, Redemption Price 100%**

<b>Maturity Date (January 1)</b>	<b>Par Amount Refunded</b>	<b>Interest Rate</b>
2010	\$ 9,750,000	5.250%
2011	10,265,000	5.250%
2012	10,805,000	5.250%
2013	11,370,000	5.250%
2014	11,965,000	5.250%
2015	12,595,000	5.250%
2016	13,255,000	5.000%
2017	13,920,000	5.000%
2018	14,615,000	5.000%
2019	15,345,000	5.000%
2023	69,455,000	5.000%
2028	108,225,000	5.000%

**Second Senior Revenue Bonds, Series 1992F**  
**Dated Date: October 1, 1992**  
**Redemption Date: Not Applicable, Defeased to Maturity<sup>(1)</sup>**

<u>Maturity Date (January 1)</u>	<u>Maturity Amount Refunded</u>
2007	\$1,500,000
2008	1,500,000

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<sup>(1)</sup> The 2007 and 2008 maturities of the Series 1992F Bonds are capital appreciation bonds that are not subject to optional redemption and are being defeased to maturity.

## **APPENDIX A**

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### **MULTI-MODAL OBLIGATIONS APPENDIX**

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## TABLE OF CONTENTS

### MULTI-MODAL OBLIGATIONS APPENDIX

#### ARTICLE A-I

##### DEFINITIONS

Section A-101.	Definitions .....	1
Section A-102.	Rules of Construction.....	10

#### ARTICLE A-II

##### INTEREST RATE MODES, INTEREST RATES AND PAYMENT

Section A-201.	Denominations; Medium, Method and Place of Payment of Principal and Interest .....	11
Section A-202.	Determination of Interest Rates and Interest Periods During Commercial Paper Mode.....	12
Section A-203.	Determination of Interest Rate During Daily Mode .....	13
Section A-204.	Determination of Interest Rate During Weekly Mode.....	13
Section A-205.	Determination of Term Rate(s) and Fixed Rate .....	14
Section A-206.	Alternate Rate for Interest Calculation .....	14
Section A-207.	Determination of Interest Rate and Auction Period During Auction Rate Mode .....	15
Section A-208.	Changes in Mode .....	17
Section A-209.	Conversion from Taxable to Tax-Exempt Obligations.....	19

#### ARTICLE A-III

##### REDEMPTION OF BONDS OF EACH SERIES

Section A-301.	Optional Redemption .....	22
Section A-302.	Redemption from Sinking Fund Installments.....	23
Section A-303.	Redemption of Bank Bonds.....	23
Section A-304.	Bank Bonds To Be Redeemed First; Redemption in Part.....	23

#### ARTICLE A-IV

##### PURCHASE OF BONDS

Section A-401.	Optional Tenders of Bonds in Daily Mode and Weekly Mode.....	25
Section A-402.	Mandatory Purchase at End of Commercial Paper Mode Interest Periods.....	26
Section A-403.	Mandatory Purchase on Any Mode Change Date and Tax-Exempt Conversion Date .....	26

Section A-404.	Mandatory Purchase at End of each Term Rate Mode Interest Period.....	26
Section A-405.	Mandatory Purchase Upon Expiration Date, Termination Tender Date, Interest Non-Reinstatement Date and Substitution Date.....	26
Section A-406.	Notice of Mandatory Tender for Purchase .....	26
Section A-407.	Purchase Fund .....	28
Section A-408.	Remarketing of Bonds of a Series; Notices.....	29
Section A-409.	Source of Funds for Purchase of Bonds of a Series .....	30
Section A-410.	Delivery of Bonds .....	31
Section A-411.	Delivery and Payment for Purchased Bonds of a Series; Undelivered Bonds.....	31
Section A-412.	Draws on Liquidity Facility.....	32

## ARTICLE A-V

### LIQUIDITY FACILITIES AND CREDIT FACILITIES

Section A-501.	Liquidity Facility and Credit Facility.....	33
Section A-502.	Direct-Pay Credit Facility Drawing Account.....	34

## ARTICLE A-VI

### AGENTS

Section A-601.	Remarketing Agent .....	36
Section A-602.	Tender Agent .....	36
Section A-603.	Auction Agent.....	37
Section A-604.	Broker-Dealers.....	37

## ARTICLE A-VII

### MISCELLANEOUS

Section A-701.	Defeasance of Bonds in Daily or Weekly Mode .....	38
Section A-702.	Modifications or Amendments to the Trust Agreement .....	38
Section A-703.	Notices.....	38
Section A-704.	Notice By Trustee Relating to a Suspension Event .....	40

## MULTI-MODAL OBLIGATIONS APPENDIX

### ARTICLE A-I

#### DEFINITIONS

**Section A-101. Definitions.** Capitalized terms used but not otherwise defined in this Appendix A shall have the meanings set forth in the Trust Agreement or in the Supplemental Trust Agreement to which this Appendix A is appended. The following terms shall, for all purposes herein and (except as the context may otherwise require) in the Supplemental Trust Agreement to which this Appendix A is appended, have the following meanings:

**Alternate Credit Facility** means a Credit Facility that is issued in substitution for a then-existing Credit Facility in accordance with, and pursuant to, Section A-501 hereof, as the same may be amended or supplemented from time to time.

**Alternate Liquidity Facility** means a Liquidity Facility that is issued in substitution for a then-existing Liquidity Facility in accordance with, and pursuant to, Section A-501 hereof, as the same may be amended or supplemented from time to time.

**Alternate Rate** means, on any Rate Determination Date, (i) with respect to Bonds of a Series that are issued as Tax-Exempt Obligations, the BMA Index or if the BMA Index is no longer published, the S&P Weekly High-Grade Index, or if neither the BMA Index nor the S&P Weekly High-Grade Index are published, an index or a rate selected or determined by the Remarketing Agent and consented to by the Authority, the Trustee and the Credit Facility Issuer, and (ii) with respect to Bonds of a Series that are issued as Taxable Obligations, the One Week LIBOR Rate or if the One Week LIBOR Rate is no longer published, an index or a rate selected or determined by the Remarketing Agent and consented to by the Authority, the Trustee and the Credit Facility Issuer.

**Auction Agent** shall have the meaning set forth in Exhibit A hereto.

**Auction Agreement** shall have the meaning set forth in Exhibit A hereto.

**Auction Date** shall have the meaning set forth in Exhibit A hereto.

**Auction Period** shall have the meaning set forth in Exhibit A hereto.

**Auction Period Rate** shall have the meaning set forth in Exhibit A hereto.

**Auction Procedures** shall have the meaning set forth in Exhibit A hereto.

**Auction Rate Mode** means the mode during which the duration of the Auction Period and the interest rate is determined in accordance with Section 207 hereof and Exhibit A hereto.

**Authorized Denominations** means with respect to Bonds of a Series (i) in an Auction Rate Mode, \$25,000 and any integral multiple thereof, (ii) in a Commercial Paper Mode,

Daily Mode or Weekly Mode, \$100,000 and any integral multiple of \$5,000 in excess thereof and (iii) in a Term Rate Mode or Fixed Rate Mode, \$5,000 and any integral multiple thereof, provided, however, that if as a result of the change in the Mode of the Bonds of a Series from a Term Rate Mode to a Commercial Paper Mode, Daily Mode or Weekly Mode, it is not possible to deliver all the Bonds of a Series required or permitted to be Outstanding in a denomination permitted above, Bonds of a Series may be delivered, to the extent necessary, in different denominations.

**Bank Bond** means any Bond of a Series during any period commencing on the day such Bond is owned by or held on behalf of the Liquidity Facility Issuer or its permitted assignee as a result of such Bond having been purchased pursuant to Article A-IV hereof from the proceeds of a draw under the Liquidity Facility and ending when such Bond is, pursuant to the provisions of the Liquidity Facility, no longer deemed to be a Bank Bond.

**Bank Bond Maximum Rate** means fourteen percent (14%) per annum or such higher rate as determined by the Authority's Board and consented to by the Credit Facility Issuer.

**Bank Interest Rate** means with respect to any amounts owing under any Bank Bond, the rate of interest which is (i) applicable to the amounts owing under such Bank Bond as specified in and computed in accordance with the Liquidity Facility and (ii) not in excess of the Maximum Rate.

**BMA Index** means The Bond Market Association Municipal Swap Index released by Municipal Market Data to its subscribers.

**Bonds or Bonds of a Series** and words of like import shall mean any bonds or Series of bonds authorized pursuant to the Supplemental Trust Agreement and issued in accordance with the forepart of the Supplemental Trust Agreement, or all such bonds or Series collectively, as the context may require.

**Broker-Dealer** shall have the meaning set forth in Exhibit A hereto.

**Broker-Dealer Agreement** shall have the meaning set forth in Exhibit A hereto.

**Business Day** means a day other than (i) a Saturday and Sunday, (ii) a day on which the Trustee, the Tender Agent, the Auction Agent (if the Bonds of a Series are in an Auction Rate Mode), the Broker-Dealers (if the Bonds of a Series are in an Auction Rate Mode), the Remarketing Agent, the Credit Facility Issuer, the Liquidity Facility Issuer or banks and trust companies in New York, New York are authorized or required to remain closed, or (iii) a day on which the New York Stock Exchange is closed.

**Closing Date** when used with respect to the Bonds of a Series, means the date on which such Bonds are first issued, sold and delivered.

**Commercial Paper Mode** means the mode during which the duration of the Interest Periods and the interest rates are determined under Section A-202 hereof.



**Commercial Paper Rate Bond** means any Bond of a Series while in a Commercial Paper Mode.

**Credit Facility** means a Credit Facility (as defined in the Trust Agreement but excluding, for purposes of this Appendix A, any Liquidity Facility as defined below) which is obtained by the Authority pursuant to Section A-501 hereof and that provides (to the extent, and subject to the terms and conditions, set forth therein) for the payment of principal of and interest on the Bonds of a Series becoming due and payable during the term thereof, as the same may be amended or supplemented from time to time.

**Credit Facility Issuer** means the issuer of a Credit Facility.

**Current Mode** has the meaning specified in Section A-208(b) hereof.

**Daily Mode** means the mode during which Bonds of a Series bear interest at a Daily Rate.

**Daily Rate** means an interest rate determined pursuant to Section A-203 hereof.

**Differential Interest Amount** has the meaning specified in Section A-201 hereof.

**Direct-Pay Credit Facility** means a Credit Facility that is issued in the form of a direct-pay letter of credit.

**Direct-Pay Credit Facility Drawing Account** means the account that may be established pursuant to Section A-502 hereof.

**DTC** shall mean The Depository Trust Company, New York, New York, or its successors.

**Electronic Means** means telecopy, facsimile transmission, e-mail transmission or other similar electronic means of communication providing evidence of transmission, including a telephonic communication confirmed by any other method set forth in this definition.

**Expiration Date** means, with respect to a Credit Facility or Liquidity Facility with respect to the Bonds of a Series, the stated expiration date of such Credit Facility or Liquidity Facility, or such stated expiration date as it may be extended from time to time as provided therein; provided, however, that the "Expiration Date" shall not mean any date upon which a Credit Facility or Liquidity Facility is no longer effective by reason of its Termination Date, the date on which all Bonds of such Series bear interest at a Fixed Rate or an Auction Period Rate or the expiration of such Credit Facility or Liquidity Facility by reason of the obtaining of an Alternate Credit Facility or Alternate Liquidity Facility.

**Expiration Tender Date** shall have the meaning set forth in clause (i) of Section A-405 hereof.

**Favorable Opinion of Bond Counsel** means, with respect to any action the occurrence of which requires such an opinion, an unqualified Counsel's Opinion to the effect that such action is permitted under the Enabling Act and the Trust Agreement and, in the case of Bonds of a Series that are issued as Tax-Exempt Obligations, that such action will not impair the exclusion of interest on such Bonds from gross income for purposes of federal income taxation (subject to the inclusion of any exceptions contained in the opinion delivered upon original issuance of the Bonds).

**Fixed Rate** means an interest rate fixed to the Maturity Date of the Bonds of a Series.

**Fixed Rate Mode** means the period during which Bonds of a Series bear interest at a Fixed Rate.

**Interest Non-Reinstatement Tender Date** shall have the meaning set forth in clause (iii) of Section A-405 hereof.

**Interest Payment Date** means the following dates upon which interest is payable on Bonds of a Series:

(a) the Maturity Date, any Tax-Exempt Conversion Date or any Mode Change Date;

(b) with respect to a Commercial Paper Rate Bond, the Business Day following the last day of the Interest Period therefor;

(c) with respect to the Daily Mode and the Weekly Mode, the first Business Day of each calendar month;

(d) with respect to the Term Rate Mode, each January 1 and July 1 prior to the Purchase Date and the Purchase Date;

(e) with respect to the Auction Rate Mode, each date that is specified as an "Interest Payment Date" in Exhibit A hereto;

(f) with respect to the Fixed Rate Mode, each January 1 and July 1, provided that the Interest Payment Dates for the Fixed Rate Mode may be changed in connection with the conversion to such Mode upon receipt of a Favorable Opinion of Bond Counsel; and

(g) with respect to a Bank Bond, each date that is specified as a date on which interest is payable thereon pursuant to the Liquidity Facility under which such Bank Bond was purchased.

**Interest Period** means the period of time that any interest rate remains in effect, which period:

(i) with respect to a Commercial Paper Rate Bond, shall be the period of time established by the Remarketing Agent pursuant to Section A-202 hereof;

(ii) with respect to Bonds of a Series in the Daily Mode, shall be the period from and including the Closing Date (if initially issued in the Daily Mode), the Mode Change Date that they began to bear interest at the Daily Rate or the Tax-Exempt Conversion Date that they began to bear interest at the Daily Rate as Tax-Exempt Obligations to and excluding the next Business Day and thereafter commencing on each Business Day to and excluding the next Business Day;

(iii) with respect to Bonds of a Series in the Weekly Mode, shall be the period from and including the Closing Date (if initially issued in the Weekly Mode), the Mode Change Date that they began to bear interest at the Weekly Rate or the Tax-Exempt Conversion Date that they began to bear interest at the Weekly Rate as Tax-Exempt Obligations to and including the following Wednesday and thereafter commencing on each Thursday to and including the earlier of the Wednesday of the following week or the day preceding any Mandatory Purchase Date or the Maturity Date;

(iv) with respect to Bonds of a Series in the Term Rate Mode, shall be the period from and including the Closing Date (if initially issued in the Term Rate Mode), the Mode Change Date that they began to bear interest at the Term Rate or the Tax-Exempt Conversion Date that they began to bear interest at the Term Rate as Tax-Exempt Obligations to and including the date selected by the Authority prior to the Closing Date or the Mode Change Date, as the case may be, as the last day upon which an interest rate determined by the Remarketing Agent pursuant to Section A-205 hereof shall be in effect and thereafter shall be the period beginning on the day after the end of the prior Interest Period and ending on the date selected by the Authority prior to the end of such Interest Period as the last day upon which an interest rate determined by the Remarketing Agent pursuant to Section A-205 hereof shall be in effect; provided, that no Interest Period shall extend beyond the day preceding any Mandatory Purchase Date or the Maturity Date; and provided further, that each Interest Period shall end on January 1, April 1, July 1 and October 1; and

(v) with respect to Bonds of a Series in the Fixed Rate Mode, shall be the period from and including the Mode Change Date that they began to bear interest at the Fixed Rate to and including the Maturity Date.

**Liquidity and Credit Amount** means at any time:

(i) in the case of a Credit Facility and/or a Liquidity Facility that is not also a Direct-Pay Credit Facility and with respect to (a) Commercial Paper Rate Bonds, an amount as shall then be available to be drawn under the Liquidity Facility and Credit Facility applicable thereto for the payment of principal of and interest on such Commercial Paper Rate Bonds; (b) the Bonds of a Series bearing interest at the Daily Rate or Weekly Rate, an amount to pay the Purchase Price equal to the principal amount (and, with respect to a Credit Facility, Redemption Price) of the Bonds of the Series then Outstanding plus an interest amount equal to 35 days' interest thereon calculated at the Maximum Rate on the basis of a 365 day year for the actual number of days elapsed; and (c) the Bonds of a Series in the Term Rate Mode, an amount equal to the principal amount (and, with respect to a Credit Facility, Redemption Price) of such Bonds then Outstanding plus an interest amount equal to 187 days' (or such other number of days as

may be required by S&P, Fitch or Moody's) interest thereon calculated at the then applicable Term Rate; and

(ii) in the case of a Credit Facility and/or a Liquidity Facility that is also a Direct-Pay Credit Facility and with respect to (a) Commercial Paper Rate Bonds, an amount as shall then be available to be drawn under the Liquidity Facility and Credit Facility applicable thereto for the payment of principal of and interest on such Commercial Paper Rate Bonds; (b) the Bonds of a Series bearing interest at the Daily Rate or Weekly Rate, an amount to pay the Purchase Price equal to the principal amount (and, with respect to a Credit Facility, Redemption Price) of the Bonds of the Series then Outstanding plus an interest amount equal to 46 days' interest thereon calculated at the Maximum Rate on the basis of a 365 day year for the actual number of days elapsed; and (c) the Bonds of a Series in the Term Rate Mode, an amount equal to the principal amount (and, with respect to a Credit Facility, Redemption Price) of such Bonds then Outstanding plus an interest amount equal to 197 days' (or such other number of days as may be required by S&P, Fitch or Moody's) interest thereon calculated at the then applicable Term Rate.

**Liquidity Facility** means a Credit Facility (as defined in the Trust Agreement but excluding, for purposes of this Appendix A, any Credit Facility as defined above) which is obtained by the Authority pursuant to Section A-501 hereof and that provides (to the extent, and subject to the terms and conditions, set forth therein) for the payment of the Purchase Price of Bonds of a Series tendered or deemed tendered to the Tender Agent during the term thereof, as the same may be amended or supplemented from time to time.

**Liquidity Facility Issuer** means the issuer of a Liquidity Facility.

**Liquidity Facility Purchase Account** means the account by the name created pursuant to Section A-407 hereof.

**Mandatory Purchase Date** means (i) the Purchase Date of Bonds of a Series in the Commercial Paper Mode or the Term Rate Mode, (ii) any Mode Change Date, (iii) any Tax-Exempt Conversion Date, (iv) the Interest Non-Reinstatement Tender Date, (v) the Substitution Date, (vi) the Expiration Tender Date and (vii) the Termination Tender Date.

**Maturity Date** means, with respect to any Bond of a Series, the final date specified therefor in the forepart of the Supplemental Trust Agreement.

**Maximum Auction Rate** shall have the meaning set forth in Exhibit A hereto.

**Maximum Rate** means, (i) with respect to Bonds of a Series that are issued as Tax-Exempt Obligations, the Tax-Exempt Maximum Rate or such lesser rate as may be specified in the Liquidity Facility for the Bonds of such Series, (ii) with respect to Bonds of a Series that are issued as Taxable Obligations, the Taxable Maximum Rate or such lesser rate as may be specified in the Liquidity Facility for the Bonds of such Series, and (iii) with respect to Bonds of a Series that are issued as Tax-Exempt Obligations or Taxable Obligations and that are Bank Bonds, the Bank Bond Maximum Rate; provided, however, that in no event shall the Maximum Rate on any such Tax-Exempt Obligations or Taxable Obligations exceed the maximum rate permitted by applicable law.

**Mode** means the Commercial Paper Mode, the Daily Mode, the Weekly Mode, the Term Rate Mode, the Auction Rate Mode or the Fixed Rate Mode.

**Mode Change Date** means, with respect to Bonds of a Series, the date one Mode terminates and another Mode begins.

**Mode Change Notice** shall have the meaning specified in Section A-208(a) hereof.

**New Mode** shall have the meaning specified in Section A-208(b) hereof.

**Notice Parties** means the Authority, the Trustee, the Owners, the Remarketing Agent (if any), the Tender Agent, the Auction Agent (if any), all Broker-Dealers (if any), the Credit Facility Issuer (if any) and the Liquidity Facility Issuer (if any).

**One Week LIBOR Rate** means, as of any date of determination, the offered rate for deposits in U.S. dollars for a seven-day period which appears on the Telerate Page 3750 at approximately 11:00 a.m., London time, on such date, or if such date is not a date on which dealings in U.S. dollars are transacted in the London interbank market, then on the next preceding day on which such dealings were transacted in such market.

**Payment and Reimbursement Account** means the account that may be established pursuant to Section A-502 hereof.

**Principal Payment Date** means any date upon which the principal amount of Bonds of a Series is due hereunder at maturity or on any Redemption Date.

**Purchase Date** means with respect to any Bond of a Series (i) in the Commercial Paper Mode or the Term Rate Mode, the Business Day after the last day of the Interest Period applicable thereto and (ii) during the Daily Mode or Weekly Mode, any Business Day upon which such Bond is tendered or deemed tendered for purchase pursuant to Section A-401 hereof.

**Purchase Fund** means the fund created in Section A-407 hereof.

**Purchase Price** means an amount equal to the principal amount of any Bond of a Series purchased on any Purchase Date or Mandatory Purchase Date, plus, in the case of any Bond of a Series that has been tendered pursuant to Section A-401 hereof, unless the Purchase Date for such Bond is also an Interest Payment Date, accrued interest to the Purchase Date.

**Rate Determination Date** means any date on which the interest rate on any Bonds of a Series is required to be determined, being: (i) in the case of any Commercial Paper Rate Bond, the first day of each Interest Period for any Commercial Paper Rate Bond; (ii) in the case of Bonds of a Series in the Daily Mode, each Business Day; (iii) in the case of any Bonds of a Series in the Weekly Mode, for any Interest Period commencing on a Mode Change Date or a Tax-Exempt Conversion Date, the Business Day immediately preceding the Mode Change Date or the Tax-Exempt Conversion Date, and for any other Interest Period, each Wednesday or, if such Wednesday is not a Business Day, the next preceding Business Day, and (iv) in the case of

any Bonds of a Series to be, or continue to be, in the Term Rate Mode or Fixed Rate Mode, a Business Day prior to the first day of an Interest Period.

**Record Date** means, with respect to Bonds of a Series (i) in a Commercial Paper Mode, the day (whether or not a Business Day) next preceding each Interest Payment Date, (ii) in the Auction Rate Mode, the Daily Mode or the Weekly Mode, the opening of business on the Business Day next preceding an Interest Payment Date and (iii) in the Term Rate Mode or the Fixed Rate Mode, the fifteenth (15th) day (whether or not a Business Day) of the calendar month next preceding each Interest Payment Date.

**Redemption Date** means the date fixed for redemption of Bonds of a Series subject to redemption in any notice of redemption given in accordance with the terms hereof.

**Remarketing Agent** means the remarketing agent appointed pursuant to Section A-601 of this Appendix A.

**Remarketing Agreement** means the remarketing agreement entered into by and between the Authority and the Remarketing Agent with respect to the Bonds of a Series pursuant to which the Remarketing Agent has agreed to establish interest rates for and remarket the Bonds of such Series on the Purchase Date or the Mandatory Purchase Date at a price of not less than 100% of the principal amount thereof.

**Remarketing Proceeds Account** means the account by that name created in Section A-407 hereof.

**S&P Weekly High-Grade Index** means the rate determined on the basis of the S&P Weekly High Grade Index announced on Tuesday or the next preceding Business Day and as published and announced by Standard and Poor's.

**Substitution Date** means:

(a) the second Business Day preceding the date that is specified in a written notice given to the Trustee, the Remarketing Agent and the Tender Agent in accordance with the Liquidity Facility or the Credit Facility as the date on which the assignment of the obligation of the Liquidity Facility Issuer or the Credit Facility Issuer under such Liquidity Facility or Credit Facility shall be effective; provided, however, that any date specified in such written notice as the effective date of such assignment shall be treated as the effective date of such assignment even if the assignment fails to occur on such date; and

(b) the date that is specified in a written notice given by the Authority to the Trustee, the Remarketing Agent and the Tender Agent as the date on which an Alternate Credit Facility or an Alternate Liquidity Facility is to be substituted for a then-existing Credit Facility or Liquidity Facility in effect pursuant to Section A-501 hereof; provided, however, that any date so specified in the written notice shall be treated as a Substitution Date only if a written notice thereof is given to the Trustee and the Tender Agent at least sixteen (16) days preceding such date; provided further, however, that any date so specified in the written notice shall be treated as a Substitution Date for the purposes of the Trust Agreement even if the substitution of the Alternate Credit Facility or the Alternate Liquidity Facility fails to occur on such date.

**Supplemental Trust Agreement** shall mean the Eighth Supplemental Trust Agreement dated as of July 24, 2006 and as amended and restated on August 24, 2006 between the Authority and the Trustee to which this Appendix A is appended and of which this Appendix A constitutes an integral part.

**Tax-Exempt Conversion** means any conversion of the Bonds of a Series from Taxable Obligations to Tax-Exempt Obligations pursuant to Section A-209 hereof.

**Tax-Exempt Conversion Date** shall have the meaning specified in Section A-209(b) hereof.

**Tax-Exempt Conversion Opinion** means an unqualified Counsel's Opinion to the effect that the Tax-Exempt Conversion of the Bonds of a Series is permitted under the Authority Act and the Trust Agreement and that, upon such Tax-Exempt Conversion, interest on the Bonds of such Series will be generally excluded from gross income for federal income tax purposes and exempt from personal income taxes imposed by the State or any political subdivision thereof.

**Tax-Exempt Maximum Rate** means twelve percent (12%) per annum or such higher rate as determined by the Authority's Board.

**Tax-Exempt Obligations** means any bonds the interest on which is intended by the Issuer to be generally excluded from gross income for federal income tax purposes and which are designated as Tax-Exempt Obligations in the Supplemental Trust Agreement authorizing such bonds.

**Taxable Maximum Rate** means fourteen percent (14%) per annum or such higher rate as determined by the Authority's Board.

**Taxable Obligations** means any bonds which are not Tax-Exempt Obligations.

**Tender Agent** means the tender agent appointed pursuant to Section A-602 hereof.

**Tender Agency Agreement** means the tender agency agreement entered into by and between the Tender Agent and the Authority with respect to the Bonds of a Series.

**Term Rate** means an interest rate determined pursuant to Section A-205 hereof.

**Term Rate Mode** means the mode during which Bonds of a Series bear interest at a Term Rate.

**Termination Date** means, with respect to a Credit Facility or a Liquidity Facility, (i) the date on which such Credit Facility or Liquidity Facility shall terminate pursuant to its terms or otherwise be terminated prior to its Expiration Date or (ii) the date on which the obligation of the Credit Facility Issuer or the Liquidity Facility Issuer to provide a loan shall terminate; provided, however, that "Termination Date" shall not mean any date upon which a Credit Facility or Liquidity Facility is no longer effective by reason of its Expiration Date.

**Termination Tender Date** shall have the meaning set forth in clause (ii) of Section A-405 hereof.

**Weekly Mode** means a period of time during which Bonds of a Series bear interest at a Weekly Rate.

**Weekly Rate** means an interest rate determined pursuant to Section A-204 hereof.

**Section A-102. Rules of Construction.** (a) This Appendix A constitutes an integral part of the Supplemental Trust Agreement and, except to the extent provided in the next sentence, has the same force and effect as if set forth in the forepart of the Supplemental Trust Agreement. In the event of any conflict between this Appendix A and the forepart of the Supplemental Trust Agreement, the forepart of the Supplemental Trust Agreement shall control.

(b) References in the Supplemental Trust Agreement and in this Appendix A to Articles or Sections with "A-" preceding the number of an Article or Section are to such Article or Section of this Appendix A.

(c) To the extent that the Bonds of any Series are issued in or re-designated into two or more subseries, references in the Supplemental Trust Agreement and in this Appendix A to the Bonds of a Series shall be deemed to refer to Bonds of such subseries.

(d) Unless otherwise provided in the Supplemental Trust Agreement and this Appendix A, references in the Supplemental Trust Agreement and in this Appendix A to "time" shall be deemed to refer to New York, New York time.



## ARTICLE A-II

### INTEREST RATE MODES, INTEREST RATES AND PAYMENT

**Section A-201. Denominations; Medium, Method and Place of Payment of Principal and Interest.** The Bonds of each Series shall be issued in Authorized Denominations. The principal and Redemption Price of and interest on the Bonds of each Series shall be payable in lawful money of the United States of America. Accrued and unpaid interest on the Bonds of a Series shall be due on the Interest Payment Dates and payable by wire transfer of immediately available funds to the account specified by the Owner in a written direction received by the Trustee on or prior to a Record Date or, if no such account number is furnished, by check mailed by the Trustee to the Owner at the address appearing on the books required to be kept by the Trustee pursuant to the Trust Agreement. The payment of the Purchase Price of Bonds of a Series on any Purchase Date or Mandatory Purchase Date, as the case may be, shall be made by wire transfer in immediately available funds by the Tender Agent to the account specified by the Owner in a written direction received by the Tender Agent or, if no such account number is furnished, by check mailed by the Tender Agent to the Owner at the address appearing on the books required to be kept by the Trustee pursuant to the Trust Agreement. Any such direction shall remain in effect until revoked or revised by such Owner by an instrument in writing delivered to the Trustee or the Tender Agent, as the case may be. The principal and the Redemption Price on each Bond of a Series shall be payable on its Principal Payment Date, upon surrender thereof at the office of the Trustee.

Interest on Bonds of a Series that are issued as Tax-Exempt Obligations in the Commercial Paper Mode, the Daily Mode or Weekly Mode shall be calculated on the basis of a 365/366-day year for the actual number of days elapsed to the Interest Payment Date. Interest on Bonds of a Series that are issued as Taxable Obligations in the Commercial Paper Mode, the Daily Mode or Weekly Mode shall be calculated on the basis of a 360-day year for the actual number of days elapsed to the Interest Payment Date. Interest on Bonds of a Series that are issued as Tax-Exempt Obligations or Taxable Obligations in the Auction Rate Mode with an Auction Period over 180 days, the Term Rate Mode or Fixed Rate Mode shall be calculated on the basis of a 360-day year composed of twelve 30-day months. Interest on Bonds of a Series that are issued as Tax-Exempt Obligations or Taxable Obligations in the Auction Rate Mode with an Auction Period of 180 days or less shall be calculated on the basis of a 360-day year for the actual number of days elapsed to the Interest Payment Date.

The interest rates for Bonds of a Series contained in the records of the Trustee shall be conclusive and binding, absent manifest error, upon the Authority, the Remarketing Agent, the Tender Agent, the Trustee, the Auction Agent, all Broker-Dealers, the Liquidity Facility Issuer, the Credit Facility Issuer and the Owners.

Notwithstanding the provisions of Sections A-202 through A-207, inclusive, each Bank Bond shall bear interest on the outstanding principal amount thereof, and on the amount (if any) of accrued and unpaid interest thereon, at the Bank Interest Rate for each day from and including the date such Bond becomes a Bank Bond to, but not including, the date such Bond is paid in full or is remarketed. The Owner of a Bond of a Series other than the Liquidity Facility Issuer or its permitted assignee shall be paid (and shall be obligated to pay as part of the price

paid by such Owner in connection with the remarketing to it of such Bonds) interest thereon for an Interest Period only in the amount that would have accrued thereon at the rate or rates established pursuant to Sections A-202, A-203, A-204, A-205, A-206 or A-207, as applicable, regardless of whether such Bond was a Bank Bond during any portion of such Interest Period. Accrued interest in respect to any Bank Bond shall be payable to the Liquidity Facility Issuer or its permitted assignee on each Interest Payment Date applicable thereto; provided that any Differential Interest Amount due to the Liquidity Facility Issuer or its permitted assignee shall be paid by the Authority at the times specified in the Liquidity Facility. For purposes of the preceding sentence "Differential Interest Amount" means the excess of (a) interest which has accrued on Bank Bonds at the Bank Interest Rate up to but excluding the Business Day on which such Bank Bonds are purchased from the Liquidity Facility Issuer, less (b) the interest accrued on such Bonds received by the Liquidity Facility Issuer as part of the Purchase Price as therein described.

No Bond of a Series may bear interest at an interest rate higher than the Maximum Rate.

**Section A-202. Determination of Interest Rates and Interest Periods During Commercial Paper Mode.** Interest Periods in a Commercial Paper Mode shall be of such duration, of at least one day and not more than two hundred seventy days, ending on a day next preceding a Business Day or the Maturity Date, as the Remarketing Agent shall determine in accordance with the provisions of this Section A-202. In making the determinations with respect to Interest Periods, subject to the limitations imposed by the preceding sentence, the Remarketing Agent shall on each Rate Determination Date select for each Bond of a Series then subject to such adjustment the Interest Period which, if implemented on such Rate Determination Date, would result in the Remarketing Agent being able to remarket such Bond at par in the secondary market at the lowest interest rate then available and for the longest Interest Period available at such rate, provided that if on any Rate Determination Date, the Remarketing Agent determines that current or anticipated future market conditions or anticipated future events are such that a different Interest Period would result in a lower average interest cost on such Bond, then the Remarketing Agent shall select the Interest Period which in the judgment of the Remarketing Agent would permit such Bond to achieve such lower average interest cost; provided, however, that if the Remarketing Agent has received notice from the Authority that any Bond of a Series is to be changed from the Commercial Paper Mode to any other Mode or if it is to be purchased pursuant to Section A-405, the Remarketing Agent shall, with respect to such Bond, select Interest Periods which do not extend beyond the Mandatory Purchase Date.

By 1:00 p.m. on each Rate Determination Date, the Remarketing Agent shall, with respect to each Commercial Paper Rate Bond that is subject to adjustment on such date, determine an interest rate for the Interest Period then selected for such Bond and, no later than 12:15 p.m., shall give notice by Electronic Means to the Trustee of the applicable Interest Period, Purchase Date and interest rate.

Anything in this Appendix A to the contrary notwithstanding, to the extent a Liquidity Facility and/or Credit Facility is in effect, (i) no Interest Period shall be implemented if it would cause the number of calendar days in such Interest Period plus five (5) calendar days (or, in the case of a Direct-Pay Credit Facility, ten (10) calendar days) to exceed the number of

days for which an amount is available to be drawn under the Liquidity Facility and/or Credit Facility applicable thereto for the payment of interest on the Bonds of a Series in the Commercial Paper Mode, and (ii) no Interest Period shall be implemented and no interest rate for such Interest Period shall be determined if it would cause the amount of interest payable on Bonds of a Series in the Commercial Paper Mode to be Outstanding immediately thereafter to be in excess of the amount that shall then be available to be drawn under the Liquidity Facility and/or Credit Facility applicable thereto for the payment of interest on such Bonds. No remarketing of Bonds in the Commercial Paper Mode shall be given effect by the Trustee if it would cause such limitations to be exceeded.

By acceptance of any Commercial Paper Rate Bond, the Owner thereof shall be deemed to have agreed, during each Interest Period, to the interest rate (including the Alternate Rate, if applicable), Interest Period and Purchase Date then applicable thereto and to have further agreed to tender such Bond to the Tender Agent for purchase on the next succeeding Purchase Date at the Purchase Price. Such Owner further acknowledges that if funds for such purchase are on deposit with the Tender Agent on such Purchase Date, such Owner shall have no rights under the Trust Agreement other than to receive the payment of such Purchase Price and that interest shall cease to accrue to such Owner on such Purchase Date.

**Section A-203. Determination of Interest Rate During Daily Mode.** The interest rate for any Bond of a Series in the Daily Mode shall be the rate of interest per annum determined by the Remarketing Agent on or before 10:00 a.m. on the Rate Determination Date as the minimum rate of interest that, in the opinion of the Remarketing Agent, would, under then existing market conditions, result in the sale of the Bonds of the Series in the Daily Mode on the Rate Determination Date at a price equal to the principal amount thereof, plus accrued interest, if any. The Remarketing Agent shall make the rates determined by the Remarketing Agent on each day of the week available by Electronic Means to the Authority and the Trustee by 10:30 a.m., on (i) each Monday (or, if such Monday is not a Business Day, on the immediately succeeding Business Day), (ii) each Purchase Date and (iii) the Business Day immediately preceding each Interest Payment Date. With respect to any day that is not a Business Day, the interest rate shall be the same rate as the interest rate established for the immediately preceding Business Day. The determination of each interest rate by the Remarketing Agent shall, in the absence of manifest error, be conclusive and binding upon the Remarketing Agent, the Tender Agent, the Trustee, the Liquidity Facility Issuer, the Credit Facility Issuer, the Authority and the Owners.

**Section A-204. Determination of Interest Rate During Weekly Mode.** To the extent the Bonds of a Series are initially issued in a Weekly Mode, the interest rate for Bonds of such Series for the initial Interest Period shall be the rate of interest per annum set forth in the forepart of the Supplemental Trust Agreement. For any Interest Period that is not an initial Interest Period, the interest rate for Bonds of a Series in a Weekly Mode for each such Interest Period shall be the rate of interest per annum determined by the Remarketing Agent on and as of the applicable Rate Determination Date as the minimum rate of interest that, in the opinion of the Remarketing Agent, would, under then existing market conditions, result in the sale of the Bonds of the Series in the Weekly Mode on the Rate Determination Date at a price equal to the principal amount thereof, plus accrued interest, if any. The Remarketing Agent shall make the rate available by Electronic Means to the Authority and the Trustee by 5:00 p.m., on the Business Day immediately succeeding the Rate Determination Date. The determination of each

interest rate by the Remarketing Agent shall be conclusive and binding, in the absence of manifest error, upon the Remarketing Agent, the Tender Agent, the Trustee, the Liquidity Facility Issuer, the Credit Facility Issuer, the Authority and the Owners.

**Section A-205. Determination of Term Rate(s) and Fixed Rate.** (a) Term Rates. To the extent the Bonds of a Series are initially issued in a Term Rate Mode, the Term Rate to be effective for the Interest Period commencing on the Closing Date shall be the rate of interest set forth in the Supplemental Trust Agreement. The Term Rate to be effective for the Interest Period commencing on any Mode Change Date after which Bonds of a Series will bear interest at a Term Rate or any Purchase Date while Bonds of a Series are in the Term Rate Mode shall be determined by the Remarketing Agent. No later than 4:00 p.m. on the Business Day next preceding the Mode Change Date or the Purchase Date, as the case may be, the Remarketing Agent shall determine the Term Rate and shall make the Term Rate available by Electronic Means to the Authority and the Trustee. The Term Rate shall be the minimum rate that, in the sole opinion of the Remarketing Agent, would result in a sale of the Bonds of the Series at a price equal to the principal amount thereof on the Rate Determination Date taking into consideration the duration of the Interest Period, which shall be established by the Authority.

Notwithstanding anything in this Appendix A to the contrary, if the Bonds of a Series have been in a Term Rate Mode and there has been a failure to pay the Purchase Price of the Bonds of such Series on the Purchase Date, the Bonds of such Series shall continue to bear interest at the then-existing Term Rate until such Purchase Price has been paid.

(b) Fixed Rate. The Fixed Rate to be effective for the Interest Period commencing on any Mode Change Date after which Bonds of a Series will bear interest at a Fixed Rate, shall be determined by the Remarketing Agent. No later than 4:00 p.m. on the Business Day next preceding the Mode Change Date, the Remarketing Agent shall determine the Fixed Rate and shall make the Fixed Rate available by Electronic Means to the Authority and the Trustee. The Fixed Rate shall be the minimum rate that, in the sole judgment of the Remarketing Agent, would result in a sale of the Bonds of the Series at a price equal to the principal amount thereof on the Rate Determination Date taking into consideration the duration of the Interest Period; provided, however, that in lieu of the foregoing, the Fixed Rate may be the rate that, in the sole judgment of the Remarketing Agent, would result in a sale of the Bonds of the Series at the minimum yield thereof on the Rate Determination Date taking into consideration the duration of the Interest Period and the price at which the Remarketing Agent determines to remarket the Bonds of the Series but only if: (i) the Favorable Opinion of Bond Counsel delivered on the Mode Change Date pursuant to Section A-208(c)(3) also addresses the effect of remarketing the Bonds of the Series at a price other than the principal amount thereof; (ii) in the event the Bonds of the Series are remarketed at a price less than the principal amount thereof, there is deposited into the Remarketing Proceeds Account or other account in the Purchase Fund designated for such purpose moneys which, together with the proceeds from the remarketing of the Bonds of the Series, are sufficient to pay the Purchase Price of the Bonds of the Series; and (iii) in the event a Credit Facility or a Liquidity Facility is in place that requires payment to holders of the Bonds of the Series to not constitute a transfer which may be avoided under any provision of the United States Bankruptcy Code in the event of an act of bankruptcy of the Authority (an "Avoidable Transfer"), the Authority shall deliver to the Trustee a letter from counsel acceptable to the

Trustee and addressed to the Trustee (with a copy to all other Notice Parties) to the effect that the deposit of moneys pursuant to clause (ii) does not constitute an Avoidable Transfer.

(c) Failure to Establish Term Rate or Fixed Rate. If, for any reason, a Term Rate or Fixed Rate cannot be established on a Mode Change Date or Purchase Date, as the case may be, the Bonds of the Series affected, other than Bonds of a Series in an Auction Rate Mode, will be changed automatically to the Weekly Mode on the Purchase Date. Notwithstanding the foregoing, the Mode applicable to the Bonds of a Series will be changed automatically from a Term Rate Mode to a Weekly Mode only to the extent that the Purchase Price of all of the Bonds of such Series shall have been paid on the Purchase Date. If the Purchase Price of all of the Bonds of a Series in a Term Rate Mode has not been paid on such Purchase Date, such automatic change shall not be effective and the Bonds of such Series shall continue to bear interest at the then-existing Term Rate until such Purchase Price has been paid.

**Section A-206. Alternate Rate for Interest Calculation.** In the event (i) the Remarketing Agent fails to determine the interest rate(s) or Interest Periods with respect to the Bonds of a Series, or (ii) the method of determining the interest rate(s) or Interest Periods with respect to the Bonds of a Series shall be held to be unenforceable by a court of law of competent jurisdiction, the Bonds of a Series, other than Bonds of a Series in an Auction Rate Mode, shall thereupon, (i) in the case of Commercial Paper Rate Bonds and Bonds in the Daily Mode and Term Rate Mode, be automatically converted to a Weekly Mode, and (ii) in the case of Bonds in the Weekly Mode, bear interest at the Alternate Rate for subsequent Interest Periods until such time as the Remarketing Agent again makes such determination or until there is delivered to the Authority and the Trustee a Favorable Opinion of Bond Counsel. Notwithstanding the foregoing, the Mode applicable to the Bonds of a Series will be changed automatically from a Term Rate Mode to a Weekly Mode only to the extent that the Purchase Price of all of the Bonds of such Series shall have been paid on the Purchase Date. If the Purchase Price of all of the Bonds of a Series in a Term Rate Mode has not been paid on such Purchase Date, such automatic change shall not be effective and the Bonds of such Series shall continue to bear interest at the then-existing Term Rate until such Purchase Price has been paid..

**Section A-207. Determination of Interest Rate and Auction Period During Auction Rate Mode.** (a) During any Auction Rate Mode, the Bonds of a Series shall bear interest at the Auction Period Rate for each Auction Period determined as set forth in this Section A-207 and Exhibit A hereto. The provisions of such Exhibit A constitute an integral part of this Appendix A and the Supplemental Trust Agreement and have the same force and effect as if set forth in the forepart of this Appendix A or the Supplemental Trust Agreement.

To the extent that the Bonds of any Series are initially issued in an Auction Rate Mode, (i) the initial Auction Period for the Bonds of such Series shall commence from and include the Closing Date and shall expire on and include the initial Auction Date (or, if such initial Auction Date is not followed by a Business Day, the next day which is followed by a Business Day), (ii) the initial Auction Date for the Bonds of such Series (which will be the day of the week on which Auctions will generally be conducted) shall be the date set forth in the forepart of the Supplemental Trust Agreement and (iii) the Auction Period Rate for the initial Auction Period for such Bonds of a Series shall be the interest rate set forth in the forepart of the Supplemental Trust Agreement. After the initial Auction Period, each Auction Period shall be an

Auction Period set forth in the forepart of the Supplemental Trust Agreement, unless such Auction Period is adjusted or changed to a daily, 7-day, 28-day, 35-day, three-month, six-month or a Special Auction Period in accordance with Exhibit A hereto. For any other Auction Period that is not an initial Auction Period, the Auction Period Rate shall be the rate of interest determined in accordance with Exhibit A.

To the extent that the Mode that is applicable to the Bonds of a Series is changed to an Auction Rate Mode or to the extent that the Bonds of a Series in an Auction Rate Mode are converted from Taxable Obligations to Tax-Exempt Obligations, the initial Auction Period immediately after such change shall commence from and include the Mode Change Date or the Tax-Exempt Conversion Date and shall expire on and include the initial Auction Date (or, if such initial Auction Date is not followed by a Business Day, the next day which is followed by a Business Day). The initial Auction Date (which will be the day of the week on which Auctions will generally be conducted) immediately after any change in the Mode applicable to the Bonds of a Series to an Auction Rate Mode or any Tax-Exempt Conversion, shall be the date determined and certified to the Trustee (with a copy to the Remarketing Agent, the Broker-Dealer(s), the Auction Agent and the Credit Facility Issuer (if any)) by the Authority on or before the Mode Change Date or the Tax-Exempt Conversion Date. The Auction Period Rate for any initial Auction Period immediately after any change in the Mode applicable to the Bonds of a Series to an Auction Rate Mode or any Tax-Exempt Conversion, shall be the rate of interest per annum determined and certified to the Trustee (with a copy to the Authority, the Remarketing Agent, the Auction Agent, the other Broker-Dealers, if any, and the Credit Facility Issuer (if any)) by the Broker-Dealer designated by the Authority on a date not later than the Mode Change Date or the Tax-Exempt Conversion Date as the minimum rate of interest which, in the opinion of such Broker-Dealer, would be necessary as of such date to market Bonds of a Series in an Auction Rate Mode in a secondary market transaction at a price equal to the principal amount thereof, provided that such interest rate shall not exceed the Maximum Rate. After the initial Auction Period, each Auction Period shall be an Auction Period certified to the Trustee (with a copy to the Remarketing Agent, the Broker-Dealer(s), the Auction Agent and the Credit Facility Issuer (if any)) by the Authority on or before the Mode Change Date or the Tax-Exempt Conversion Date, unless such Auction Period is adjusted or changed to a daily, 7-day, 28-day, 35-day, three-month, six-month or a Special Auction Period in accordance with Exhibit A hereto. For any other Auction Period that is not an initial Auction Period, the Auction Period Rate shall be the rate of interest determined in accordance with Exhibit A.

(b) During any Auction Rate Mode, upon the occurrence of (i) a default of the Authority in the payment of principal, Sinking Fund Installment, interest or premium on any Bond of a Series in the Auction Rate Mode after the same shall have become due, whether at maturity, upon call for redemption or on an Interest Payment Date and (ii) a default of the Credit Facility Issuer under the Credit Facility securing such Bond, if any, the Trustee shall immediately give notice of the occurrence of such events to the Auction Agent and the Broker-Dealer. Immediately after the Credit Facility Issuer cures its default under the Credit Facility by making payments that the Authority failed to make when the same became due, the Trustee shall give notice of such payment to the Auction Agent and the Broker-Dealer.

(c) (1) Less than all of the Bonds of a Series then subject to a particular Auction Period may be converted to another Auction Period in accordance with Exhibit A;

provided, however, that in such event such Series shall be re-designated into two or more subseries for each separate Auction Period with a new CUSIP number for each subseries.

(2) If less than all of the Bonds of a Series then subject to a particular Auction Period are converted to another Auction Period in accordance with Exhibit A, the particular Bonds of a Series or portions thereof which are to be converted to a new Auction Period shall be selected by the Auction Agent in its discretion subject to the provisions hereof regarding Authorized Denominations of Bonds of a Series subject to such Mode.

(3) All Bonds of any subseries shall be in the same Auction Period, except to the extent that the Bonds of any Series are issued in or re-designated into two or more subseries.

**Section A-208. Changes in Mode.** (a) Changes. Any Mode, other than a Fixed Rate Mode, may be changed to any other Mode at the times and in the manner hereinafter provided. Subsequent to such change in Mode, the Bonds of the Series may again be changed to a different Mode at the times and in the manner hereinafter provided. Any Bonds of a Series converted to a Fixed Rate Mode shall not be changed to any other Mode.

(b) Notice of Intention to Change Mode. The Authority shall give written notice (the "Mode Change Notice") to the Notice Parties of its intention to effect a change in the Mode from the Mode then prevailing (the "Current Mode") to another Mode (the "New Mode") specified in such written notice, together with the proposed Mode Change Date. Such notice shall be given at least twenty (20) days prior to the Mode Change Date.

(c) General Provisions Applying to Changes from One Mode to Another.

(1) The Mode Change Date must be a Business Day.

(2) Additionally, the Mode Change Date:

(a) from the Commercial Paper Mode shall be the last Purchase Date for the Commercial Paper Rate Bonds with respect to which a change is to be made;

(b) from a Term Rate Mode shall be the Purchase Date of the current Interest Period; and

(c) from an Auction Rate Mode shall be the Interest Payment Date following the last day of an Auction Period.

(3) On or prior to the date the Authority provides the notice to the Notice Parties pursuant to Section A-208(b) hereof, the Authority shall deliver to the Trustee a letter from counsel acceptable to the Trustee and addressed to the Trustee (with a copy to all other Notice Parties) to the effect that it expects to be able to deliver a Favorable Opinion of Bond Counsel on the Mode Change Date.

(4) No change in Mode will become effective unless all conditions precedent thereto have been met and the following items shall have been delivered to the Trustee and the Remarketing Agent by 10:00 a.m., or such later time as is acceptable to the Authority, the Trustee and the Remarketing Agent, on the Mode Change Date:

(a) except in the case of a change in Mode pursuant to Sections A-205(c), A-206 or Section A-208(c)(6), a Favorable Opinion of Bond Counsel dated the Mode Change Date;

(b) if required, unless a Tender Agency Agreement and Remarketing Agreement is effective, an executed copy of such Tender Agency Agreement and Remarketing Agreement;

(c) a certificate of an authorized officer of the Tender Agent to the effect that all of the Bonds of a Series tendered or deemed tendered, unless otherwise redeemed, have been purchased at a price at least equal to the Purchase Price thereof;

(d) with respect to a change in the Mode to an Auction Rate Mode, an executed copy of an Auction Agreement and one or more Broker-Dealer Agreements.

(5) If all conditions to the Mode change are met, the Interest Period(s) or the Auction Period for the New Mode shall commence on the Mode Change Date and the Interest Rate(s) (together, in the case of a change to the Commercial Paper Mode, with the Interest Period(s)) shall be determined by the Remarketing Agent in the manner provided in Sections A-202, A-203, A-204, A-205 and A-207, as applicable.

(6) With respect to a change in the Mode from any Mode (other than an Auction Rate Mode) to any other Mode, in the event the foregoing conditions have not been satisfied by the Mode Change Date, the New Mode shall not take effect and the Bonds of the Series that are the subject of the Mode Change Notice will be automatically changed to Bonds in the Weekly Mode on the Mode Change Date. Notwithstanding the foregoing, the Mode applicable to the Bonds of a Series will be automatically changed from a Term Rate Mode to a Weekly Mode only to the extent that the Purchase Price of all of the Bonds of such Series shall have been paid on the Mode Change Date. If the Purchase Price of all of the Bonds of a Series in a Term Rate Mode has not been paid on such Mode Change Date, such automatic change shall not be effective and the Bonds of such Series shall continue to bear interest at the then-existing Term Rate until such Purchase Price has been paid.

(7) With respect to a change in the Mode from an Auction Rate Mode to any other Mode, in the event the foregoing conditions have not been satisfied, the Bonds of a Series that are subject to the Mode Change Notice will not be



subject to mandatory tender for purchase, will continue to bear interest in the Auction Rate Mode and the Auction Period Rate for the Auction Period commencing on the failed Mode Change Date shall be equal to the Maximum Auction Rate as determined on the Auction Date for such Auction Period and the Auction Period commencing on the failed Mode Change Date shall be a seven-day Auction Period. Thereafter, the Auction Period Rate for each succeeding Auction Period shall be determined in accordance with Exhibit A and each Auction Period shall be a seven-day Auction Period until the length of the Auction Period is changed in accordance with Exhibit A.

(d) Serial Bonds. The Authority may, in the notice given pursuant to Section A-208(b) hereof in connection with any change of Bonds of a Series to the Term Rate Mode or Fixed Rate Mode, provide that all or some of such Bonds shall be Serial Bonds. The principal amount of Serial Bonds due on any date shall be equal to the sinking fund installment specified for such date in a Supplemental Trust Agreement, and the remaining sinking fund installments shall continue to be Sinking Fund Installments for the Bonds of the Series due on the Maturity Date, unless the Authority specifies otherwise in the notice. The interest rate for the Serial Bonds maturing on a particular date may be different from the interest rate or rates established for other Bonds.

(e) Partial Mode Changes and Subseries Designations. (1) Less than all of the Bonds of a Series then subject to a particular Mode may be converted to another Mode pursuant to this Section A-208 hereof, provided, however, that in such event such Series shall be re-designated into two or more subseries for each separate Mode with a new CUSIP number for each subseries.

(2) If less than all of the Bonds of a Series then subject to a particular Mode are converted to another Mode pursuant to this Section A-208 hereof, the particular Bonds of a Series or portions thereof which are to be converted to a New Mode shall be selected by the Trustee in its discretion subject to the provisions hereof regarding Authorized Denominations of Bonds of a Series subject to such New Mode.

**Section A-209. Conversion from Taxable to Tax-Exempt Obligations.**

(a) Tax-Exempt Conversion. The Bonds of any Series that are issued as Taxable Obligations, other than Bonds of a Series in a Fixed Rate Mode, may be converted to Tax-Exempt Obligations at the times and in the manner hereinafter provided.

(b) Notice of Intention to effect a Tax-Exempt Conversion. The Authority shall give written notice to the Notice Parties of its intention to effect a conversion (the "Tax-Exempt Conversion") of the Bonds of a Series from Taxable Obligations to Tax-Exempt Obligations, together with the proposed effective date of such conversion (the "Tax-Exempt Conversion Date"). Such notice shall be given at least twenty (20) days prior to the Tax-Exempt Conversion Date.

(c) General Provisions Applying to Tax-Exempt Conversions.

- (1) The Tax-Exempt Conversion Date must be a Business Day.
- (2) Additionally, the Tax-Exempt Conversion Date shall be:
  - (a) in the case of Bonds of a Series in a Commercial Paper Mode, the last Purchase Date for the Commercial Paper Rate Bonds with respect to which a Tax-Exempt Conversion is to be made;
  - (b) in the case of Bonds of a Series in a Term Rate Mode, the Purchase Date of the current Interest Period; and
  - (c) in the case of Bonds of a Series in an Auction Rate Mode, the Interest Payment Date following the last day of an Auction Period.
- (3) On or prior to the date the Authority provides the notice to the Notice Parties pursuant to Section A-209(b) hereof, the Authority shall deliver to the Trustee a letter from counsel acceptable to the Trustee and addressed to the Trustee (with a copy to all other Notice Parties) to the effect that it expects to be able to deliver a Tax-Exempt Conversion Opinion on the Tax-Exempt Conversion Date.
- (4) No Tax-Exempt Conversion will become effective unless all conditions precedent thereto have been met and the following items shall have been delivered to the Trustee and the Remarketing Agent by 11:00 a.m., or such later time as is acceptable to the Authority, the Trustee and the Remarketing Agent, on the Tax-Exempt Conversion Date:
  - (a) a Tax-Exempt Conversion Opinion;
  - (b) if required, unless a Tender Agency Agreement and Remarketing Agreement is effective, an executed copy of such Tender Agency Agreement and Remarketing Agreement; and
  - (c) a certificate of an authorized officer of the Tender Agent to the effect that all of the Bonds of a Series tendered or deemed tendered, unless otherwise redeemed, have been purchased at a price at least equal to the Purchase Price thereof.
- (5) If all conditions to the Tax-Exempt Conversion are met, the Interest Period(s) or the Auction Period shall commence on the Tax-Exempt Conversion Date and the Interest Rate(s) (together, in the case of Commercial Paper Rate Bonds, with the Interest Period(s)) shall be determined by the Remarketing Agent or the Broker-Dealer as applicable, in the manner provided in Sections A-202, A-203, A-204, A-205 and A-207, as applicable.
- (6) With respect to Bonds of a Series in any Mode other than an Auction Rate Mode, in the event the foregoing conditions, except for the condition in Section A-209(c)(4)(c), have not been satisfied by the Tax-Exempt

Conversion Date, the Tax-Exempt Conversion shall not be effective and the Bonds of the Series that are the subject of the notice given pursuant to subsection (b) of this Section A-209 will continue to be Taxable Obligations and will be changed to a Weekly Mode on the failed Tax-Exempt Conversion Date. Notwithstanding the foregoing, the Mode applicable to the Bonds of a Series will be automatically changed from a Term Rate Mode to a Weekly Mode only to the extent that the Purchase Price of all of the Bonds of such Series shall have been paid on the failed Tax Exempt Conversion Date. If the Purchase Price of all of the Bonds of a Series in a Term Rate Mode has not been paid on such failed Tax Exempt Conversion Date, such automatic change shall not be effective and the Bonds of such Series shall continue to bear interest at the then-existing Term Rate until such Purchase Price has been paid.

(7) With respect to Bonds of a Series in an Auction Rate Mode, in the event the foregoing conditions have not been satisfied, the Bonds of a Series that are the subject of the notice given pursuant to subsection (b) of this Section A-209 will not be subject to mandatory tender for purchase, will continue to be Taxable Obligations and will continue to bear interest in the Auction Rate Mode and the Auction Period Rate for the Auction Period commencing on the failed Tax-Exempt Conversion Date shall be equal to the Maximum Auction Rate as determined on the Auction Date for such Auction Period and the Auction Period commencing on the failed Tax-Exempt Conversion Date shall be a seven-day Auction Period. Thereafter, the Auction Period Rate for each succeeding Auction Period shall be determined in accordance with Exhibit A and each Auction Period shall be a seven-day Auction Period until the length of the Auction Period is changed in accordance with Exhibit A.

(d) Partial Tax-Exempt Conversions and Subseries Designations. (1) Less than all of the Bonds of a Series may be subject to a Tax-Exempt Conversion pursuant to this Section A-209 hereof; provided, however, that in such event such Series shall be re-designated into two subseries for each portion thereof with a new CUSIP number for each subseries.

(2) If less than all of the Bonds of a Series is subject to a Tax-Exempt Conversion pursuant to this Section A-209 hereof, the particular Bonds of a Series or portions thereof which are subject to such Tax-Exempt Conversion shall be selected by the Trustee in its discretion subject to the provisions hereof regarding Authorized Denominations of Bonds of a Series subject to such Tax-Exempt Conversion.

(e) Unless the Authority changes the Mode applicable to the Bonds of a Series in accordance with Section A-208 hereof in connection with a Tax-Exempt Conversion, the Bonds of such Series shall remain in the same Mode after such Tax-Exempt Conversion.

## ARTICLE A-III

### REDEMPTION OF BONDS OF EACH SERIES

**Section A-301. Optional Redemption.** (a) Bonds of a Series in the Commercial Paper Mode shall be subject to redemption at the option of the Authority, in whole or in part, on their respective Purchase Dates at the Redemption Price, plus accrued interest to the Redemption Date.

(b) Bonds of a Series in the Auction Rate Mode shall be subject to redemption at the option of the Authority, in whole or in part, on any Interest Payment Date immediately following an Auction Period, at the Redemption Price equal to the principal amount thereof, plus accrued interest to the Redemption Date; provided, however, that in the event of a partial redemption of Bonds of a Series in an Auction Rate Mode, the aggregate principal amount of Bonds of a Series in an Auction Rate Mode which will remain outstanding shall be equal to or more than \$10,000,000 unless otherwise consented to by each Broker-Dealer.

(c) Bonds of a Series in the Daily Mode or Weekly Mode shall be subject to redemption at the option of the Authority, in whole or in part, on any Business Day, at the Redemption Price equal to the principal amount thereof, plus accrued interest to the Redemption Date.

(d) Bonds of a Series in a Term Rate Mode during an Interest Period that is less than 4 years shall be subject to redemption at the option of the Authority, in whole or in part on their individual Purchase Dates, at the Redemption Price equal to the principal amount thereof, plus interest accrued to the Redemption Date.

(e) Bonds of a Series in the Term Rate Mode during an Interest Period that is equal to or greater than 4 years or Bonds of a Series in the Fixed Rate Mode are subject to redemption at the option of the Authority, in whole or in part, on any date following the "No Call Period" set forth below at the Redemption Prices set forth below:

#### OPTIONAL REDEMPTION DURING TERM RATE MODE AND FIXED RATE MODE

<b>Duration of Interest Period in Term Rate Mode or <u>Fixed Rate Mode</u></b>	<b>No Call Period (commencing on the date of commencement of the Term Rate or Fixed Rate Mode <u>Interest Period</u>)</b>	<b><u>Redemption Price</u></b>
Greater than or equal to 11 years	8 years	101%, declining by 1% on each succeeding anniversary of the end of the no call period until reaching 100% and thereafter at 100%

Greater than or equal to 8 years and less than 11 years	6 years	101%, declining by 1% on each succeeding anniversary of the end of the no call period until reaching 100% and thereafter at 100%
Greater than or equal to 4 years and less than 8 years	3 years	100½%, declining by ½% on each succeeding anniversary of the end of the no call period until reaching 100% and thereafter at 100%
Duration of Interest Period in Fixed Rate Mode is less than 4 years	Bonds are subject to optional redemption at any time	100%

(f) The Authority may, in connection with a change to a Term Rate Mode or Fixed Rate Mode, or on any Purchase Date for Bonds of a Series bearing interest at a Term Rate, alter the times and prices as described above in Section A-301(e) to redeem any Bonds of such Series on and after the Mode Change Date or Purchase Date, as the case may be, without the consent of Owners of the Bonds of such Series; provided, that notice describing the alteration shall be submitted to the Tender Agent, the Trustee and the Remarketing Agent, together with a Favorable Opinion of Bond Counsel, addressed to them.

**Section A-302. Redemption from Sinking Fund Installments.** To the extent that the Supplemental Trust Agreement provides that Bonds of a Series are subject to redemption from Sinking Fund Installments, the date on which a Sinking Fund Installment shall be due when the Bonds of such Series are in an Auction Rate Mode shall be the dates set forth in the Supplemental Trust Agreement, or if any such date is not an Interest Payment Date, the Interest Payment Date immediately preceding such date.

**Section A-303. Redemption of Bank Bonds.** (a) The Bank Bonds of a Series shall be subject to redemption at the option of the Authority, in whole or in part, on any Business Day, at the Redemption Price equal to the principal amount thereof, plus accrued interest to the Redemption Date.

(b) The Bank Bonds of a Series also shall be subject to mandatory redemption as provided in the Supplemental Trust Agreement.

**Section A-304. Bank Bonds To Be Redeemed First; Redemption in Part.** In the event of redemption of less than all the Bonds of a Series having the same Maturity Date and bearing the same interest rate, subject to Section A-302 of the Trust Agreement, the Trustee shall (unless otherwise provided in the Liquidity Facility applicable thereto) first select for redemption all then Outstanding Bank Bonds prior to selecting for redemption any Bonds of such Series which are not Bank Bonds unless the Liquidity Facility Issuer shall be in default under the Liquidity Facility, in which case, the Trustee shall at the written direction of the Authority, select

for redemption from then Outstanding Bonds of the Series in accordance with said direction. The Trustee shall promptly give the Liquidity Facility Issuer and the Remarketing Agent notice by telephone of the selection of any Bank Bonds for redemption pursuant to the foregoing provision. New Bonds of the Series representing the unredeemed balance of the principal amount thereof shall be issued in Authorized Denominations to the Owner thereof, without charge therefor. Any new Bond of a Series issued pursuant to this Section shall be executed by the Authority and authenticated by the Trustee and shall be in an aggregate unpaid principal amount equal to the unredeemed portion of such Bond surrendered.

## ARTICLE A-IV

### PURCHASE OF BONDS

#### **Section A-401. Optional Tenders of Bonds in Daily Mode and Weekly Mode.**

(a) Any Bond of a Series (or portions thereof in Authorized Denominations) in the Daily Mode that is not a Bank Bond is subject to purchase, on the demand of the Owner thereof, at a price equal to the Purchase Price on any Business Day (such purchase to be made on the Business Day upon which such demand is made), upon irrevocable notice submitted by Electronic Means to the Tender Agent and the Remarketing Agent, by 11:00 a.m. New York City time at their respective Principal Offices, which states the number and principal amount of such Bond being tendered and the Purchase Date. Such tender notice, once transmitted to the Tender Agent, shall be irrevocable with respect to the tender for which such tender notice was delivered and such tender shall occur on the Business Day specified in such Tender Notice. The Tender Agent shall, as soon as practicable, notify the Trustee and the Liquidity Facility Issuer of the principal amount of Bonds of the Series being tendered. The contents of any such irrevocable telephonic tender notice shall be conclusive and binding on all parties.

(b) The Owners of Bonds of a Series in a Weekly Mode that are not Bank Bonds may elect to have such Bonds (or portions thereof in Authorized Denominations) purchased at a price equal to the Purchase Price upon delivery of an irrevocable notice of tender, submitted by Electronic Means, to the Tender Agent and the Remarketing Agent by 11:00 a.m., New York City time at their respective Principal Offices, by opening of business on a Business Day not less than seven (7) days before the Purchase Date specified by the Owner. Such notice shall (i) state the number and the principal amount of such Bond being tendered and (ii) state that such Bond shall be purchased on the Purchase Date so specified by the Owner. The Tender Agent shall notify the Trustee and the Liquidity Facility Issuer by the close of business on the next succeeding Business Day of the receipt of any notice pursuant to this paragraph.

(c) Notwithstanding anything herein to the contrary, during any period that the Bonds of a Series are issued registered in the name of DTC or a nominee thereof pursuant to the Trust Agreement, (i) any notice of tender delivered pursuant to this Section shall identify the DTC participant through whom the beneficial owner will direct transfer; (ii) on or before the Purchase Date, the beneficial owner must direct (or if the beneficial owner is not a DTC participant, cause its DTC participant to direct) the transfer of said Bond on the records of DTC; and (iii) it shall not be necessary for Bonds of a Series to be physically delivered on the date specified for purchase thereof, but such purchase shall be made as if such Bonds had been so delivered, and the Purchase Price thereof shall be paid to DTC. In accepting a notice of tender of any Bond of a Series pursuant to this Section, the Trustee and the Tender Agent may conclusively assume that the Person providing the notice of tender is the beneficial owner of the Bonds being tendered and therefore entitled to tender them. The Trustee and Tender Agent assume no liability to anyone in accepting a notice of tender from a Person whom it reasonably believes to be such a beneficial owner of the Bonds of the Series.

**Section A-402. Mandatory Purchase at End of Commercial Paper Mode Interest Periods.** Except for Bank Bonds, each Bond of a Series in the Commercial Paper Mode

shall be subject to mandatory tender for purchase on its Purchase Date at the Purchase Price. No notice of such mandatory purchase shall be given to the Owners.

**Section A-403. Mandatory Purchase on Any Mode Change Date and Tax-Exempt Conversion Date.** Except for Bank Bonds, the Bonds of a Series to be changed to any Mode from any other Mode are subject to mandatory tender for purchase on the Mode Change Date at the Purchase Price and the Bonds of a Series to be converted from Taxable Obligations to Tax-Exempt Obligations are subject to mandatory tender for purchase on the Tax-Exempt Conversion Date at the Purchase Price.

**Section A-404. Mandatory Purchase at End of each Term Rate Mode Interest Period.** Except for Bank Bonds, the Bonds of a Series in the Term Rate Mode are subject to mandatory tender for purchase on each Purchase Date at the Purchase Price.

**Section A-405. Mandatory Purchase Upon Expiration Date, Termination Tender Date and Substitution Date.** Except for Bank Bonds, the Bonds of a Series shall be subject to mandatory tender for purchase at the Purchase Price on:

(i) the second Business Day preceding the Expiration Date of a Credit Facility or Liquidity Facility, which second Business Day is hereinafter referred to as an "Expiration Tender Date";

(ii) the fifth calendar day (or if such day is not a Business Day, the preceding Business Day) preceding the Termination Date of a Credit Facility or a Liquidity Facility, which fifth calendar day is hereinafter referred to as a "Termination Tender Date", if the Liquidity Facility permits a draw thereon on the Termination Tender Date; and

(iii) the Substitution Date for a Credit Facility (other than a bond insurance policy securing Bonds of a Series in an Auction Rate Mode, a Term Rate Mode or a Fixed Rate Mode) or a Liquidity Facility.

**Section A-406. Notice of Mandatory Tender for Purchase.** (a) The Trustee shall, at least fifteen (15) days prior to the Expiration Tender Date with respect to Bonds of a Series, give notice of the mandatory tender of the Bonds of such Series on such Expiration Tender Date if it has not theretofore received confirmation that the Expiration Date has been extended.

(b) Upon receipt of a written notice from the Credit Facility Issuer, the Liquidity Facility Issuer or the Authority that the Credit Facility or the Liquidity Facility, as the case may be, will terminate or the obligation of the Credit Facility Issuer or Liquidity Facility Issuer, as the case may be, to provide a loan thereunder will terminate prior to its Expiration Date, the Trustee shall within one (1) Business Day give notice of the mandatory tender of the Bonds of such Series that is to occur on such Termination Tender Date if it has not theretofore received from the Credit Facility Issuer, the Liquidity Facility Issuer or the Authority, as the case may be, a notice stating that the event which resulted in the Credit Facility Issuer, the Liquidity Facility Issuer or the Authority giving a notice of the Termination Date has been cured and that the Credit Facility Issuer, the Liquidity Facility Issuer or the Authority has rescinded its election to terminate the Credit Facility or Liquidity Facility, as the case may be. Notwithstanding



anything to the contrary in subsection (f) below, such notice shall be given by Electronic Means capable of creating a written notice. Any notice given substantially as provided in this subsection (b) shall be conclusively presumed to have been duly given, whether or not actually received by each Owner.

(c) Upon receipt of a written notice from the issuer of a Direct-Pay Credit Facility that such Direct-Pay Credit Facility will not be reinstated (in respect of interest) to an amount equal to the interest component of the Liquidity and Credit Amount required with respect to the Bonds of such Series, the Trustee shall within one (1) Business Day give notice of the mandatory tender of the Bonds of such Series on such Interest Non-Reinstatement Tender Date if it has not theretofore received from the issuer of the Direct-Pay Credit Facility a notice stating that the Direct-Pay Credit Facility has been reinstated to an amount equal to the interest component of the Liquidity and Credit Amount. Notwithstanding anything to the contrary in subsection (f) below, such notice shall be given by Electronic Means capable of creating a written notice. Any notice given substantially as provided in this subsection (c) shall be conclusively presumed to have been duly given, whether or not actually received by each Owner.

(d) The Trustee shall, at least fifteen (15) days prior to any Substitution Date with respect to a Liquidity Facility relating to any Bonds, give notice of the mandatory tender of such Bonds that is to occur on such Substitution Date.

(e) The Trustee shall, at least fifteen (15) days prior to any Mode Change Date, any Tax-Exempt Conversion Date or any Purchase Date (other than a Purchase Date for any Commercial Paper Rate Bond) give notice to the Notice Parties of the mandatory tender for purchase of such Bonds that is to occur on such date.

(f) Except as provided in Section A-402, notice of any mandatory tender of Bonds of a Series shall state that such Bonds are to be purchased pursuant to Section A-403, A-404 or A-405, shall be provided by the Trustee or caused to be provided by the Trustee by mailing a copy of the notice of mandatory tender by first-class mail to each Owner of Bonds of the Series at the respective addresses shown on the registry books. Each notice of mandatory tender for purchase shall identify the reason for the mandatory tender for purchase, and specify the Mandatory Purchase Date, the Purchase Price, the place and manner of payment, that the Owner has no right to retain such Bonds and that no further interest will accrue from and after the Mandatory Purchase Date to such Owner. Each notice of mandatory tender for purchase caused by a change in the Mode applicable to the Bonds of a Series shall in addition specify the conditions that have to be satisfied pursuant to Section A-208 hereof in order for the New Mode to become effective and the consequences that the failure to satisfy any of such conditions would have. In the event a mandatory tender of Bonds of a Series shall occur at or prior to the same date on which an optional tender for purchase is scheduled to occur, the terms and conditions of the applicable mandatory tender for purchase shall control. The Trustee shall give a copy of any notice of mandatory tender given by it to the other Notice Parties. Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner of any Bond receives the notice, and the failure of such Owner to receive any such notice shall not affect the validity of the action described in such notice. Failure by the Trustee to give a notice as provided in this Section shall not affect the obligation of the Tender Agent to

purchase the Bonds of a Series subject to mandatory tender for purchase on the Mandatory Purchase Date.

**Section A-407. Purchase Fund.** (a) Funds and Accounts. There is hereby established, and there shall be maintained with the Tender Agent for the Bonds of each Series, a separate fund to be known as the "Purchase Fund". The Tender Agent shall further establish a separate account within such Purchase Fund to be known as the "Liquidity Facility Purchase Account" and a separate account within such Purchase Fund to be known as the "Remarketing Proceeds Account." To the extent that the Bonds of a Series are re-designated into two or more subseries, the Tender Agent shall establish and maintain a separate Purchase Fund with separate accounts therein for the Bonds of each such subseries.

(b) Remarketing Proceeds Account. Upon receipt of the proceeds of a remarketing of Bonds of a Series on a Purchase Date or Mandatory Purchase Date, the Tender Agent shall deposit such proceeds in the related Remarketing Proceeds Account for application to the payment of the Purchase Price of such Bonds. Notwithstanding the foregoing, upon receipt of the proceeds of a remarketing of Bank Bonds, the Tender Agent shall immediately pay such proceeds to or for the account of the related Liquidity Facility Issuer to the extent of any amount owing to the Liquidity Facility Issuer.

(c) Liquidity Facility Purchase Account. Upon receipt by the Tender Agent of the proceeds of any draw on a Liquidity Facility supporting Bonds of a Series that are transferred to such Tender Agent pursuant to subsection (a) of Section A-412 hereof, the Tender Agent shall deposit such moneys in the related Liquidity Facility Purchase Account for application to the payment of the Purchase Price of Bonds of such Series. Any amounts deposited in the Liquidity Facility Purchase Account for a Series of Bonds and not needed with respect to any Purchase Date or Mandatory Purchase Date for the payment of the Purchase Price for any Bonds of such Series shall be returned immediately to the Liquidity Facility Issuer.

(d) No Investment; Amounts Applied Solely to related Series. Amounts held by the Tender Agent in the Liquidity Facility Purchase Account and the Remarketing Proceeds Account relating to the Bonds of a Series shall not be deemed to be pledged to Owners under the Trust Agreement and shall be held uninvested and separate and apart from all other funds and accounts. Amounts so held or available to be drawn under the Liquidity Facility for deposit in a Liquidity Facility Purchase Account shall not be available to pay the Purchase Price of Bonds of any Series other than Bonds of a Series that are supported by such Liquidity Facility.

(e) Payment of Purchase Price by Tender Agent. The Tender Agent shall pay the Purchase Price of Bonds of a Series to their Owners from the moneys in the Liquidity Facility Purchase Account and the Remarketing Proceeds Account in accordance with this Appendix A by 3:00 p.m. on any Purchase Date or Mandatory Purchase Date, as the case may be.

**Section A-408. Remarketing of Bonds of a Series; Notices.** (a) Remarketing of Bonds of a Series. The Remarketing Agent for Bonds of a Series shall offer for sale and use its best efforts to find purchasers for (i) all Bonds of such Series or portions thereof as to which notice of tender pursuant to Section A-401 has been given and (ii) all Bonds required to be

tendered for purchase. To the extent a Direct-Pay Credit Facility is in effect, any Bonds of a Series purchased pursuant to clause (iii) of Section A-405 shall not be remarketed unless such Direct-Pay Credit Facility has been reinstated to the Liquidity and Credit Amount. To the extent a Liquidity Facility is in effect, no Bonds of a Series supported by such Liquidity Facility shall be remarketed (i) to the Authority, or any affiliate of the Authority, nor shall any Bank Bonds be remarketed unless the Liquidity Facility has been or will be, immediately upon such remarketing, reinstated by the amount of the reduction that occurred when such Bonds became Bank Bonds, and (ii) at a price that is less than the Purchase Price of such Bonds.

(b) Notice of Remarketing; Registration Instructions; New Bonds.

(i) The Remarketing Agent shall notify the Tender Agent by Electronic Means not later than 11:45 a.m. (12:15 p.m. in the case of Bonds of a Series in the Commercial Paper Mode and the Daily Mode) on the Purchase Date or Mandatory Purchase Date of the registration instructions as may be necessary to re-register Bonds; and

(ii) Unless otherwise permitted by the Securities Depository and the book-entry-only system applicable to a Series of Bonds, the Tender Agent shall authenticate and have available for delivery to the Remarketing Agent prior to 12:30 p.m. on the Purchase Date or Mandatory Tender Date new Bonds of the Series for the respective purchasers thereof.

(c) Transfer of Funds; Draw on Liquidity Facility.

(i) The Remarketing Agent shall at or before 11:45 a.m. (12:00 p.m. in the case of Bonds of a Series in the Commercial Paper Mode and the Daily Mode) on the Purchase Date or Mandatory Purchase Date, as the case may be, (x) notify the Authority, the Trustee and the Tender Agent by Electronic Means of the amount of tendered Bonds of the Series that were not successfully remarketed, and (y) confirm to the Trustee and the Tender Agent the transfer of the Purchase Price of remarketed Bonds of the Series to the Tender Agent in immediately available funds at or before 12:00 noon (12:15 p.m. in the case of Bonds of a Series in the Commercial Paper Mode and the Daily Mode), such confirmation to include the pertinent Fed Wire reference number.

(ii) To the extent a Liquidity Facility is in effect, the Trustee shall draw on the Liquidity Facility, in accordance with the terms thereof, by 12:15 p.m. (12:30 p.m. in the case of Bonds of a Series in the Commercial paper Mode and the Daily Mode) on the Purchase Date or Mandatory Purchase Date, as the case may be, in an amount equal to the Purchase Price of all Bonds of the Series tendered or deemed tendered less the aggregate amount of remarketing proceeds confirmed to the Trustee and the Tender Agent by the Remarketing Agent pursuant to clause (i) of this Section A-408(c) and shall cause the proceeds of such draw to be transferred to the Tender Agent by no later than 2:30 p.m. Notwithstanding the foregoing, the Trustee shall draw on the Liquidity Facility, if any, in an amount equal to the Purchase Price of all Bonds of the Series tendered

or deemed tendered for purchase on each Purchase Date or Mandatory Purchase Date, as the case may be, if it does not receive a confirmation from the Remarketing Agent pursuant to clause (i) above of this Section A-408(c).

(iii) To the extent a Liquidity Facility is in effect, the Tender Agent shall confirm to the Authority and the Trustee by 2:40 p.m. on the Purchase Date or Mandatory Purchase Date, receipt of the proceeds of any draw on the Liquidity Facility.

(d) Notice to the Authority of Bank Bond Remarketing. The Remarketing Agent shall notify the Authority by Electronic Means of any proposed remarketing of Bank Bonds by the close of business on the Business Day preceding the proposed date of remarketing of such Bank Bonds.

**Section A-409. Source of Funds for Purchase of Bonds of a Series.** On or before 3:00 p.m. on the Purchase Date or the Mandatory Purchase Date with respect to Bonds of a Series, the Tender Agent shall purchase such Bonds from the Owners at the Purchase Price. Unless otherwise provided in the forepart of the Supplemental Trust Agreement or in a certificate of an Authorized Officer of the Authority delivered to the Trustee, the Tender Agent and the Remarketing Agent on a Mandatory Purchase Date, funds for the payment of such Purchase Price shall be derived solely from the following sources in the order of priority indicated:

(a) immediately available funds on deposit in the Remarketing Proceeds Account with respect to Bonds of such Series; and

(b) to the extent a Liquidity Facility is in effect, immediately available funds on deposit in the Liquidity Facility Purchase Account derived from the Liquidity Facility relating to Bonds of such Series.

Notwithstanding the foregoing, unless otherwise provided in the forepart of the Supplemental Trust Agreement or in a certificate of an Authorized Officer of the Authority delivered to the Trustee, the Tender Agent and the Remarketing Agent on a Mandatory Purchase Date, the Authority shall have the option, but shall not be obligated, to transfer immediately available funds to the Tender Agent for the payment of the Purchase Price of any Bond that is tendered or deemed tendered for purchase in accordance with this Appendix A and the Purchase Price of which is not paid on the Purchase Date or Mandatory Purchase Date from any of the sources identified above. None of the Authority, the Trustee, the Tender Agent nor the Remarketing Agent shall have any liability or obligation to pay or, except from the sources identified above, make available such Purchase Price. Unless otherwise provided in the forepart of the Supplemental Trust Agreement or in a certificate of an Authorized Officer of the Authority delivered to the Trustee and Tender Agent on a Mandatory Purchase Date, the failure to pay any such Purchase Price for Bonds of a Series that have been tendered or deemed tendered for purchase from any of the sources identified above shall not constitute an Event of Default under the Trust Agreement and in the case of such failure such Bonds shall not be purchased and shall remain in the Mode in effect immediately preceding such Purchase Date or Mandatory Purchase Date, as the case may be, unless such Mode is automatically converted to a Weekly Rate Mode pursuant to Section A-205(c), A-206, A-208(c)(6), or A-209(c)(6) hereof.

**Section A-410. Delivery of Bonds.** Except as otherwise required or permitted by the book-entry-only system of the Securities Depository, the Bonds of a Series shall be delivered as follows:

(a) Bonds of a Series sold by the Remarketing Agent pursuant to Section A-408 shall be delivered by the Remarketing Agent to the purchasers of those Bonds by 3:00 p.m., on the Purchase Date or the Mandatory Purchase Date, as the case may be.

(b) The Tender Agent shall, as appropriate to the circumstances, either (i) register Bonds of a Series purchased by the Tender Agent with moneys described in Section A-409(b), or if any such Bond is not delivered by the Owner thereof, a new Bond of such Series in replacement of the undelivered Bond, in the name of the Liquidity Facility Issuer or, if directed in writing by the Liquidity Facility Issuer, its nominee or designee on the registry books on or before the close of business on the Purchase Date or Mandatory Purchase Date, as the case may be, and shall promptly deliver such Bonds to the custodian, if any, provided for in the Liquidity Facility or as the Liquidity Facility Issuer may otherwise direct in writing, and prior to such delivery shall hold such Bonds of such Series in trust for the benefit of the Liquidity Facility Issuer or (ii) cause the beneficial ownership of such Bonds of such Series to be credited to the account of the Liquidity Facility Issuer or, if directed in writing by the Liquidity Facility Issuer, its nominee or designee with DTC.

(c) When any Bank Bonds of a Series are remarketed, the Tender Agent shall not release the Bonds so remarketed to the Remarketing Agent until the Tender Agent has received and forwarded to or for the account of the Liquidity Facility Issuer the proceeds of such remarketing and (i) the Liquidity Facility has been reinstated by an amount equal to the principal amount of Bank Bonds so remarketed plus the interest component of the Liquidity and Credit Amount calculated with respect to such principal amount of Bonds, which reinstatement the Tender Agent has confirmed with the Liquidity Facility Issuer, or (ii) if the Bonds of a Series became Bank Bonds on a Mandatory Purchase Date and a Liquidity Facility is no longer in effect with respect to Bonds of such Series after the Mandatory Purchase Date, any draws on such Liquidity Facility and interest thereon have been reimbursed to the Liquidity Facility Issuer.

**Section A-411. Delivery and Payment for Purchased Bonds of a Series; Undelivered Bonds.** Except as otherwise required or permitted by the book-entry-only system of the Securities Depository, the Bonds of a Series purchased pursuant to this Article shall be delivered (with all necessary endorsements) at or before 12:00 noon on the Purchase Date or Mandatory Purchase Date, as the case may be, at the office of the Tender Agent in New York, New York; provided, however, that payment of the Purchase Price of any Bond of a Series purchased pursuant to Section A-401 hereof shall be made only if such Bond so delivered to the Tender Agent conforms in all respects to the description thereof in the notice of tender. Payment of the Purchase Price shall be made by wire transfer in immediately available funds by the Tender Agent by the close of business on the Purchase Date or Mandatory Purchase Date, as the case may be, or, if the Owner has not provided or caused to be provided wire transfer instructions, by check mailed to the Owner at the address appearing in the books required to be kept by the Trustee pursuant to the Trust Agreement. If Bonds of a Series to be purchased are not delivered by the Owners to the Tender Agent by 12:00 noon on the Purchase Date or the Mandatory Purchase Date, as the case may be, the Tender Agent shall hold any funds received

for the purchase of those Bonds in trust in a separate account and shall pay such funds to the former Owners upon presentation of the Bonds subject to tender. Any such amounts shall be held uninvested. Such undelivered Bonds shall be deemed tendered and cease to accrue interest as to the former Owners on the Purchase Date or the Mandatory Purchase Date, as the case may be, and moneys representing the Purchase Price shall be available against delivery of those Bonds at the Principal Office of the Tender Agent; provided, however, that any funds which shall be so held by the Tender Agent and which remain unclaimed by the former Owner of any such Bond not presented for purchase for a period of two years after delivery of such funds to the Tender Agent, shall, to the extent permitted by law, upon request in writing by the Authority and the furnishing of security or indemnity to the Tender Agent's satisfaction, be paid to the Authority free of any trust or lien and thereafter the former Owner of such Bond shall look only to the Authority and then only to the extent of the amounts so received by the Authority without any interest thereon and the Tender Agent shall have no further responsibility with respect to such moneys or payment of the Purchase Price of such Bonds. The Tender Agent shall authenticate a replacement Bond of a Series for any undelivered Bond of such Series which may then be remarketed by the Remarketing Agent.

**Section A-412. Draws on Liquidity Facility.** (a) To the extent a Liquidity Facility is in effect with respect to the Bonds of a Series, by 12:00 p.m. on each Purchase Date or Mandatory Purchase Date with respect to Bonds of such Series, as the case may be, the Trustee shall draw on the Liquidity Facility supporting the Bonds of such Series in accordance with the terms thereof and cause to have transferred the proceeds of such draw to the Tender Agent so as to have funds deposited with the Tender Agent by 2:30 p.m. on such date in an amount, in immediately available funds, sufficient, together with the proceeds of the remarketing of such Bonds on such date, to enable the Tender Agent to pay the Purchase Price in connection therewith. The Tender Agent shall deposit said proceeds in the related Liquidity Facility Purchase Account. If a draw under a Liquidity Facility is required, the provision of indemnification under the Trust Agreement shall not be a condition precedent to such draw or any payment therefrom.

(b) Notwithstanding the foregoing provisions of this Section, the Trustee shall not draw on a Liquidity Facility with respect to the Purchase Price of Bank Bonds or Bonds of a Series owned by the Authority, any subsidiary or affiliate of the Authority, the Liquidity Facility Issuer or the Credit Facility Issuer except as set forth otherwise in the forepart to this Supplemental Trust Agreement.

## ARTICLE A-V

### LIQUIDITY FACILITIES AND CREDIT FACILITIES

**Section A-501. Liquidity Facility and Credit Facility.** (a) At any time, the Authority may provide for the delivery to the Trustee of (i) an initial and an Alternate Liquidity Facility with respect to the Bonds of any Series, and/or (ii) an initial and an Alternate Credit Facility with respect to the Bonds of any Series. The Authority shall not obtain a Liquidity Facility for the Bonds of a Series or provide for the delivery of a Liquidity Facility for the Bonds of a Series to the Trustee without the prior consent of the Credit Facility Issuer for the Bonds of such Series. Any such Liquidity Facility or Credit Facility shall provide that a Termination Date which permits the Trustee to make on the Termination Tender Date a draw under the Liquidity Facility or the Credit Facility, as the case may be, shall not occur unless written notice thereof is given to the Trustee and the Tender Agent at least sixteen (16) days prior to the Termination Tender Date. To the extent that any Liquidity Facility or Credit Facility permits the issuer thereof to assign its obligation thereunder, such Liquidity Facility or Credit Facility, as the case may be, shall provide that such assignment shall not be effective unless a written notice of such assignment is given to the Trustee and the Tender Agent at least sixteen (16) days prior to the effective date of such assignment. On or prior to the date on which a Liquidity Facility or Credit Facility is obtained or delivered to the Trustee, the Authority shall furnish to the Trustee a Favorable Opinion of Bond Counsel. As provided in Section A-405 hereof, all Outstanding Bonds of the Series to which such Liquidity Facility or Credit Facility (other than a bond insurance policy securing Bonds of a Series in an Auction Rate Mode, a Term Rate Mode or a Fixed Rate Mode) relates will become subject to mandatory tender for purchase on the Substitution Date.

(b) At the direction of the Authority, the Trustee shall execute and deliver any instrument that, upon such execution and delivery by the Trustee, would constitute a "Credit Facility" or "Liquidity Facility."

(c) The Authority shall deliver to the Trustee, the Tender Agent, the Credit Facility Issuer and the Remarketing Agent a copy of each Liquidity Facility or Credit Facility obtained pursuant to this article on the effective date of such Liquidity Facility or Credit Facility. If at any time there shall have been delivered to the Trustee (i) an Alternate Credit Facility or Alternate Liquidity Facility in substitution for the Credit Facility or Liquidity Facility with respect to Bonds of a Series then in effect and (ii) a Favorable Opinion of Bond Counsel, then, providing that any condition to substitution contained in the existing Credit Facility or Liquidity Facility shall have been satisfied, the Trustee shall accept such Alternate Credit Facility or Alternate Liquidity Facility and, subject to subsection (d) of this Section A-501, shall surrender the Credit Facility or Liquidity Facility then in effect to the Credit Facility Issuer or Liquidity Facility Issuer on the effective date of the Alternate Credit Facility or Alternate Liquidity Facility. In the event of an extension of the Expiration Date, the Authority shall give the Trustee, the Tender Agent, the Credit Facility Issuer and the Remarketing Agent a written notice of the new Expiration Date at least sixteen (16) days prior to the Expiration Tender Date. In the event of a substitution of a Liquidity Facility with an Alternate Liquidity Facility or of a Credit Facility with an Alternate Credit Facility, the Authority shall give the Trustee, the Tender Agent and the Remarketing Agent a written notice of the Substitution Date at least sixteen (16) days prior to

such Substitution Date. The Authority shall give the Trustee, Tender Agent and the Remarketing Agent a written notice of its election to terminate the Credit Facility or the Liquidity Facility at least sixteen (16) days prior to the Termination Tender Date resulting from its election to terminate such Credit Facility or Liquidity Facility.

(d) In no event shall the Trustee surrender or cancel a Liquidity Facility relating to the Bonds of any Series unless it has received funds, either from proceeds of remarketing or a draw under the Liquidity Facility to be surrendered or cancelled, sufficient to pay the Purchase Price of such Bonds to the applicable Mandatory Purchase Date. In no event shall the Trustee surrender or cancel a Credit Facility relating to the Bonds of any Series unless it has received funds sufficient to pay the Purchase Price of such Bonds to the applicable Mandatory Purchase Date.

(e) The Trustee shall not sell, assign or otherwise transfer the Credit Facility or Liquidity Facility, except to a successor Trustee hereunder and in accordance with the terms of the Credit Facility or Liquidity Facility and the Trust Agreement.

(f) Neither the Authority nor the Trustee shall consent to the substitution of a new Credit Facility for the then-existing Credit Facility that is a bond insurance policy, or the surrender, cancellation, termination, amendment or modification of the then-existing Credit Facility that is a bond insurance policy, without (i) the prior written consent of the Liquidity Facility Issuer, if any, and (ii) the written confirmation from each Rating Agency then rating such Bonds to the effect that the such substitution, surrender, cancellation, termination, amendment or modification will not, by itself, result in a reduction or withdrawal of the short-term rating, if any, or the long-term rating of such Bonds below the rating of such Rating Agency then in effect with respect to such Bonds.

(g) On or prior to the Substitution Date, no drawing under an Alternate Liquidity Facility shall be made by the Trustee if the predecessor Liquidity Facility shall be effective and available to make drawings thereunder on the date of such drawing. After the Substitution Date, no drawing under a predecessor Liquidity Facility shall be made by the Trustee if the Alternate Liquidity Facility shall be effective and available to make drawings thereunder on the date of such drawing.

**Section A-502. Direct-Pay Credit Facility Drawing Account.** If a Direct-Pay Credit Facility is in effect with respect to the Bonds of a Series, the following provisions shall apply with respect to the Bonds of such Series:

(a) There shall be created and established separate accounts for the Bonds of such Series, to be held by the Trustee, to be known as the “[Name of Bonds of a Series that are secured by such Credit Facility] Direct-Pay Credit Facility Drawing Account” (the “Direct-Pay Credit Facility Drawing Account”) and the “[Name of Bonds of a Series that are secured by such Credit Facility] Payment and Reimbursement Account” (the “Payment and Reimbursement Account”). The Direct-Pay Credit Facility Drawing Account and the Payment and Reimbursement Account shall be established outside of the Second Senior Bond Service Account and shall be held by the Trustee. The establishment of such Direct-Pay Credit Facility



Drawing Account and Payment and Reimbursement Account shall be evidenced in the forepart of the Supplemental Trust Agreement or a certificate of an Authorized Officer of the Authority.

(b) The Authority shall transfer amounts that are sufficient to make payments of principal and Redemption Price of and interest on the Bonds of a Series as and when the same shall become due and payable for deposit in the Second Senior Bond Service Account in accordance with the Trust Agreement, and the Trustee shall on or prior to the related Principal Payment Date or Interest Payment Date transfer such payments from the Second Senior Bond Service Account to the related Payment and Reimbursement Account, regardless of whether (x) a draw is made under such Direct-Pay Credit Facility and (y) the issuer of such Direct-Pay Credit Facility honors a draw thereunder.

(c) The Trustee shall take all action necessary to draw or make a claim on the related Direct-Pay Credit Facility in accordance with the provisions of such facility, in such amounts, at such times, and in such manner as shall be necessary to pay the principal and Redemption Price (including, to the extent amounts are available therefor under the Direct-Pay Credit Facility, from Sinking Fund Installments) of and interest on all Bonds payable therefrom as and when the same shall become due and payable. The Trustee shall promptly deposit into the related Direct-Pay Credit Facility Drawing Account all moneys so drawn by the Trustee under the related Direct-Pay Credit Facility, which shall not be commingled with any other moneys held by the Trustee and which shall be applied to the payment of such principal, Redemption Price and interest. If such a draw is required, the provision of indemnification under the Trust Agreement shall not be a condition precedent to such draw or any payment therefrom.

(d) The Trustee shall make payments of principal or Redemption Price of and interest on the Bonds of such Series to their Owners in the manner provided for in the Trust Agreement from the moneys deposited in the related Direct-Pay Credit Facility Drawing Account pursuant to subsection (c) of this Section A-502. If sufficient funds are not available in the related Direct-Pay Credit Facility Drawing Account, the Trustee shall apply other moneys, if any, available in the related Payment and Reimbursement Account, to the extent necessary to make such payment. If the principal or Redemption Price of and interest on the Bonds of a Series has been paid in full when due and all payments required to be made under the Direct-Pay Credit Facility have been made, the Trustee shall apply remaining moneys, if any, available in the Payment and Reimbursement Account in an amount not to exceed the amount of the draw or borrowing under the Direct-Pay Credit Facility to reimburse the issuer of the Direct-Pay Credit Facility for such draw or borrowing after such draw or borrowing has been honored by the issuer of the Direct-Pay Credit Facility.

(e) Amounts held in each Direct-Pay Credit Facility Drawing Account shall not be deemed to be pledged to Owners under the Trust Agreement and shall be held uninvested and separate and apart from all other funds and accounts.

## ARTICLE A-VI AGENTS

**Section A-601. Remarketing Agent.** The Authority shall appoint and employ the services of a Remarketing Agent while the Bonds of any Series are in the Daily Mode, the Weekly Mode or the Commercial Paper Mode. The Authority shall appoint and employ the services of a Remarketing agent prior to any Purchase Date, Tax-Exempt Conversion Date or Mode Change Date while the Bonds of any Series are in the Term Rate Mode or the Auction Rate Mode.

The Remarketing Agent for Bonds of a Series shall offer for sale and use its best efforts to find purchasers for (i) all Bonds of such Series or portions thereof as to which notice of tender pursuant to Section A-401 has been given and (ii) all Bonds required to be tendered for purchase.

Any Remarketing Agent may at any time resign and be discharged of the duties and obligations created by the Trust Agreement by giving notice to the related Liquidity Facility Issuer, the Trustee, the Authority, the related Credit Facility Issuer and the Tender Agent in accordance with the Remarketing Agreement. Any Remarketing Agent may be removed at any time, at the direction of the Authority, by an instrument filed with the Trustee, the related Remarketing Agent and the related Tender Agent in accordance with the Remarketing Agreement.

Any remarketing agent shall be selected by the Authority and shall be a member of the National Association of Securities Dealers, Inc., and shall be authorized by law to perform all the duties set forth in the Trust Agreement. The Authority's delivery to the Trustee of a Certificate setting forth the effective date of the appointment of a remarketing agent and the name, address and telephone number of such Remarketing Agent shall be conclusive evidence that (i) such Remarketing Agent has been appointed and is qualified to act as Remarketing Agent under the terms of the Trust Agreement and (ii) if applicable, the predecessor Remarketing Agent has been removed in accordance with the provisions of the Trust Agreement.

Each Remarketing Agent shall keep such books and records as shall be consistent with prudent industry practice and make such books and records available for inspection by the Authority and the Trustee at all reasonable times.

**Section A-602. Tender Agent.** The Authority shall appoint and employ the services of the Tender Agent while the Bonds of any Series are in the Daily Mode, the Weekly Mode or the Commercial Paper Mode. The Authority shall appoint and employ the services of the Tender Agent prior to any Purchase Date, Tax-Exempt Conversion Date or Mode Change Date while the Bonds of any Series are in the Term Rate Mode or the Auction Rate Mode.

The Tender Agent may at any time resign and be discharged of the duties and obligations created by the Trust Agreement by giving at least fifteen (15) days' notice to the related Liquidity Facility Issuer, the Trustee, the Authority and the related Credit Facility Issuer, provided that a successor Tender Agent shall be appointed and acting hereunder on or prior to the effective date of such resignation or discharge. The Tender Agent may be removed at any

time, at the direction of the Authority, by an instrument filed with the Trustee and the related Remarketing Agent and upon at least fifteen (15) days' notice to the Tender Agent, provided that a successor Tender Agent shall be appointed and acting hereunder on or prior to the effective date of such removal.

The Tender Agent shall be selected by the Authority and shall be a bank or other financial institution that satisfies the qualifications set forth in Section 917 of the Trust Agreement. The Authority's delivery to the Trustee of a Certificate setting forth the effective date of the appointment of a Tender Agent and the name, address and telephone number of such Tender Agent shall be conclusive evidence that (i) such Tender Agent has been appointed and is qualified to act as Tender Agent under the terms of the Trust Agreement and (ii) if applicable, the predecessor Tender Agent has been removed in accordance with the provisions of the Trust Agreement.

The Tender Agent shall keep such books and records as shall be consistent with prudent industry practice and make such books and records available for inspection by the Authority, the Trustee, the related Credit Facility Issuer and the related Liquidity Facility Issuer at all reasonable times.

The Tender Agent shall be a Depositary within the meaning given to such term in the Trust Agreement.

**Section A-603. Auction Agent.** The Authority shall direct the Trustee in writing to appoint and employ the services of an Auction Agent while the Bonds of any Series are in the Auction Rate Mode. The Trustee shall upon such direction appoint the Auction Agent. No appointment of the Auction Agent for the Bonds of a Series shall be effective without the consent of the Credit Facility Issuer for the Bonds of such Series. Such consent shall be deemed to have been given if such Credit Facility Issuer delivers the Credit Facility on the Closing Date, Tax-Exempt Conversion Date or Mode Change Date, as the case may be, or unreasonably withholds its consent. The Trustee shall have the right to remove the Auction Agent as provided in the Auction Agreement. The Trustee shall, upon a written direction of the Credit Facility Issuer for the Bonds of a Series, remove the Auction Agent for the Bonds of such Series if the Auction Agent fails to comply with its obligations under the Auction Agreement.

**Section A-604. Broker-Dealers.** The Authority shall appoint and employ the services of one or more Broker-Dealers for the Bonds of each Series that are in the Auction Rate Mode.

## ARTICLE A-VII

### MISCELLANEOUS

#### **Section A-701. Defeasance of Bonds in Daily or Weekly Mode.**

Notwithstanding Section 1301 of the Trust Agreement, no Bonds of a Series in the Daily Mode or Weekly Mode may be defeased pursuant to said Section 1301 without the written confirmation from each Rating Agency then rating such Bonds to the effect that the deposit made pursuant to such Section 1301 will not, by itself, result in a reduction or withdrawal of the short-term or long-term rating of such Bonds below the rating of such Rating Agency then in effect with respect to such Bonds (it being understood that upon defeasance, the change to a special "AAA" level defeased security rating does not constitute a "reduction or withdrawal" as set forth above).

#### **Section A-702. Modifications or Amendments to the Trust Agreement.**

Notwithstanding Article Eleven of the Trust Agreement, the provisions of the Trust Agreement, including, without limitation, the provisions of the Supplemental Trust Agreement and this Appendix A, may be modified or amended, with respect to Bonds of a Series, with the consent of the Credit Facility Issuer for the Bonds of such Series, pursuant to the Trust Agreement by obtaining, when required by the Trust Agreement, the consent of the Owners all Outstanding Bonds of such Series as follows:

(i) during a Weekly Mode or Daily Mode, if on the 30<sup>th</sup> day (or if such day is not a Business Day, on the next succeeding Business Day) after the date on which the Trustee mailed notice of such proposed modification or amendment to Owners of the Outstanding Bonds of a Series there is delivered to the Trustee (a) a certificate of the Tender Agent to the effect that all Bonds that have been tendered for purchase by their Owners pursuant to Section A-401 after the date on which the Trustee mailed such notice of the proposed modification or amendment have been purchased at a price equal to the Purchase Price thereof, (b) a written consent of the Remarketing Agent to the proposed modification or amendment and (c) a Favorable Opinion of Bond Counsel, the proposed amendment shall be deemed to have been consented to by the Owners of the Bonds of such Series;

(ii) during any Mode other than the Fixed Rate Mode, if on or prior to any Mandatory Purchase Date there is delivered to the Trustee (a) a certificate of the Tender Agent to the effect that all Bonds of such Series have been purchased at a price equal to the Purchase Price thereof, (b) a written consent of the Remarketing Agent to the proposed modification or amendment, and (c) a Favorable Opinion of Bond Counsel, the proposed amendment shall be deemed to have been consented to by the Owners of the Bonds of such Series; and

(iii) during an Auction Rate Mode, in accordance with Section 2.07(b) of Exhibit A hereto.

**Section A-703. Notices.** (a) Notices to Owners. All notices required to be given to Owners of Bonds of a Series under the Supplemental Trust Agreement, unless otherwise

expressly provided in the Supplemental Trust Agreement, shall be given by first class mail, postage prepaid.

(b) Notices to Rating Agencies. The Authority shall give prior written notice to the Rating Agencies of any of the following events:

- (1) Any change of Trustee, Tender Agent or Remarketing Agent;
- (2) Any material changes to the Trust Agreement that affect the Bonds;
- (3) Any changes to the Liquidity Facility, the Credit Facility, or any agreement with the Liquidity Facility Issuer, Credit Facility Issuer, Remarketing Agent or Tender Agent pertaining to the Bonds;
- (4) Any expiration, termination or extension of any Liquidity Facility or Credit Facility or the obtaining of an Alternate Liquidity Facility or Alternate Credit Facility pertaining to the Bonds;
- (5) Any action in connection with a change to a Term Rate Mode or Fixed Rate Mode or Commercial Paper Mode; and
- (6) Any redemption, defeasance, mandatory tender or acceleration of all the Outstanding Bonds.

(c) Demands; Requests. All notices, demands and requests to be given to or made hereunder by the Authority, the Trustee, the Tender Agent, the Remarketing Agents, the Liquidity Facility Issuers, the Credit Facility Issuers, the Rating Agencies shall, unless otherwise expressly provided herein, be given or made in writing and shall be deemed to be properly given or made if by United States registered or certified mail, return receipt requested, postage prepaid, addressed as set forth below. Notices, demands and requests that may be given by Electronic Means may be sent to the telephone or fax numbers, as applicable, set forth below:

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| (1) As to the Authority:               | The address, phone number and fax number specified in the forepart of the Supplemental Trust Agreement. |
| (2) As to the Trustee:                 | The address, phone number and fax number specified in the forepart of the Supplemental Trust Agreement. |
| (3) As to the Tender Agent:            | The address, phone number and fax number specified in the Tender Agency Agreement.                      |
| (4) As to the<br>Remarketing Agent(s): | The address, phone number and fax number specified in the related Remarketing Agreement.                |

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| (5) As to the Credit Facility Issuer(s) and Liquidity Facility Issuer(s): | The address, phone number and fax number specified in the forepart of the Supplemental Trust Agreement or the related Credit Facility or Liquidity Facility, as the case may be. |
| (6) As to the Auction Agent:  | The address, phone number and fax number specified in the Auction Agreement.   |
| (7) As to the Broker-Dealer(s):   | The address, phone number and fax number specified in the related Broker-Dealer Agreement.   |
| (8) As to the Rating Agencies:  | The address, phone number and fax number specified in the forepart of the Supplemental Trust Agreement.  |

or to such other address as is provided by the entity.

**Section A-704. Notice By Trustee Relating to a Suspension Event.** Upon receipt of a written notice from the Liquidity Facility Issuer or the Authority that the obligation of the Liquidity Facility Issuer to purchase tendered Bonds thereunder will be suspended, the Trustee shall within one (1) Business Day give notice thereof to the Owners of the Bonds of such Series. If the Trustee receives written notice from the Liquidity Facility Issuer or the Authority, stating that the event which resulted in the Liquidity Facility Issuer or the Authority giving a notice of the suspension has been cured and that the Liquidity Facility Issuer has reinstated the Liquidity Facility, then the Trustee shall within one (1) Business Day give notice of such reinstatement to the Owners of the Bonds of such Series. Notwithstanding anything to the contrary in this Appendix A, such notice shall be given by Electronic Means capable of creating a written notice. Any notice given substantially as provided in this Section shall be conclusively presumed to have been duly given, whether or not actually received by each Owner. Failure by Trustee to give a notice as provided in this Section shall not constitute an Event of Default under the Trust Agreement.

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**EXHIBIT A**

**TO**

**Multi-Modal Obligations Appendix**

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**Auction Rate Mode Provisions**

## TABLE OF CONTENTS

### Exhibit Page

#### ARTICLE I

##### Definitions

Section 1.01.	<i>Definitions .....</i>	1
Section 1.02.	<i>Rules of Construction .....</i>	10

#### ARTICLE II

##### Auction Procedures

Section 2.01.	<i>Orders by Existing Owners and Potential Owners .....</i>	10
Section 2.02.	<i>Submission of Orders by Broker-Dealers to Auction Agent .....</i>	13
Section 2.03.	<i>Determination of Auction Period Rate .....</i>	15
Section 2.04.	<i>Allocation of Bonds of a Series .....</i>	16
Section 2.05.	<i>Notice of Auction Period Rate .....</i>	18
Section 2.06.	<i>Index .....</i>	19
Section 2.07.	<i>Miscellaneous Provisions Regarding Auctions .....</i>	20
Section 2.08.	<i>Changes in Auction Period or Auction Date .....</i>	21

#### ARTICLE III

##### Auction Agent

Section 3.01.	<i>Auction Agent .....</i>	22
Section 3.02.	<i>Qualifications of Auction Agent; Resignation; Removal .....</i>	22



## AUCTION RATE MODE PROVISIONS

### ARTICLE I

#### Definitions

Section 1.01. *Definitions.* In addition to the words and terms elsewhere defined, or whose defined meanings are incorporated by reference, in the Supplemental Trust Agreement Multi-Modal Obligations Appendix (hereinafter referred to as "Appendix A") to which this Exhibit A is appended, the following words and terms as used in this Exhibit A and elsewhere in Appendix A have the following meanings with respect to Bonds of a Series in an Auction Rate Mode unless the context or use indicates another or different meaning or intent:

**Agent Member** means a member of, or participant in, the Securities Depository who shall act on behalf of a Bidder.

**All Hold Rate** means, as of any Auction Date, (i) with respect to Bonds of a Series that are issued as Tax-Exempt Obligations with an Auction Period of seven days or less, 55% of the Index in effect on such Auction Date, (ii) with respect to Bonds of a Series that are issued as Tax Exempt Obligations with an Auction Period of greater than seven days, 65% of the Index in effect, and (iii) with respect to Bonds of a Series that are issued as Taxable Obligations, 90% of the Index in effect on such Auction Date.

**Auction** means each periodic implementation of the Auction Procedures.

**Auction Agent** means the auctioneer appointed in accordance with Section 3.01 or 3.02 of this Exhibit A.

**Auction Agreement** means an agreement between the Authority, the Auction Agent and the Trustee pursuant to which the Auction Agent agrees to follow the procedures specified in this Exhibit A, with respect to the Bonds of a Series in an Auction Rate Mode, as such agreement may from time to time be amended or supplemented.

**Auction Date** means during any period in which the Auction Procedures are not suspended in accordance with the provisions hereof:

- (a) if the Bonds of a Series are in a daily Auction Period, each Business Day;
- (b) if the Bonds of a Series are in a Special Auction Period, the last Business Day of the Special Auction Period; and
- (c) if the Bonds of a Series are in any other Auction Period, the Business Day next preceding each Interest Payment Date for such Bonds of a Series (whether or not an Auction shall be conducted on such date);

provided, however, that the last Auction Date with respect to the Bonds of any Series in an Auction Period other than a daily Auction Period or Special Auction Period shall be the earlier of (i) the Business Day next preceding the Interest Payment Date next preceding the Mode Change

Date for such Bonds of a Series, (ii) the Business Day next preceding the Interest Payment Date next preceding the Tax-Exempt Conversion Date for such Bonds of a Series and (iii) the Business Day next preceding the Interest Payment Date next preceding the Maturity Date for such Bonds; and provided, further, that if the Bonds of a Series are in a daily Auction Period, the last Auction Date shall be the earlier of (x) the Business Day next preceding the Mode Change Date for such Bonds, (y) the Business Day next preceding the Tax-Exempt Conversion Date and (z) the Business Day next preceding the Maturity Date for the Bonds of a Series.

The last Business Day of a Special Auction Period shall be the Auction Date for the Auction Period which begins on the next succeeding Business Day, if any. On the Business Day preceding the conversion from a daily Auction Period to another Auction Period, there shall be two Auctions, one for the last daily Auction Period and one for the first Auction Period following the conversion.

**Auction Period means:**

- (a) a Special Auction Period;
- (b) with respect to Bonds of a Series in a daily Auction Period, a period beginning on each Business Day and extending to but not including the next succeeding Business Day;
- (c) with respect to Bonds of a Series in a seven day Auction Period and with Auctions generally conducted on (i) Fridays, a period of generally seven days beginning on a Monday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Sunday) and ending on the Sunday thereafter (unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) Mondays, a period of generally seven days beginning on a Tuesday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Monday) and ending on the Monday thereafter (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (iii) Tuesdays, a period of generally seven days beginning on a Wednesday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Tuesday) and ending on the Tuesday thereafter (unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (iv) Wednesdays, a period of generally seven days beginning on a Thursday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Wednesday) and ending on the Wednesday thereafter (unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), and (v) Thursdays, a period of generally seven days beginning on a Friday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Thursday) and ending on the Thursday thereafter (unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day);
- (d) with respect to Bonds of a Series in a 28-day Auction Period and with Auctions generally conducted on (i) Fridays, a period of generally 28 days beginning on a Monday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Sunday) and ending on the fourth Sunday thereafter (unless such Sunday is not followed by a

Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) Mondays, a period of generally 28 days beginning on a Tuesday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Monday) and ending on the fourth Monday thereafter (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (iii) Tuesdays, a period of generally 28 days beginning on a Wednesday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Tuesday) and ending on the fourth Tuesday thereafter (unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (iv) Wednesdays, a period of generally 28 days beginning on a Thursday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Wednesday) and ending on the fourth Wednesday thereafter (unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), and (v) Thursdays, a period of generally 28 days beginning on a Friday (or the last day of the prior Auction Period if the prior Auction Period does not end on a Thursday) and ending on the fourth Thursday thereafter (unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day);

(e) with respect to Bonds of a Series in a 35-day Auction Period and with Auctions generally conducted on (i) Fridays, a period of generally 35 days beginning on a Monday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on Sunday) and ending on the fifth Sunday thereafter (unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) Mondays, a period of generally 35 days beginning on a Tuesday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on Monday) and ending on the fifth Monday thereafter (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (iii) Tuesdays, a period of generally 35 days beginning on a Wednesday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on Tuesday) and ending on the fifth Tuesday thereafter (unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (iv) Wednesdays, a period of generally 35 days beginning on a Thursday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on Wednesday) and ending on the fifth Wednesday thereafter (unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), and (v) Thursdays, a period of generally 35 days beginning on a Friday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on Thursday) and ending on the fifth Thursday thereafter (unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day);

(f) with respect to Bonds of a Series in a three-month Auction Period, a period of generally three months (or shorter period upon a conversion from another Auction Period) beginning on the day following the last day of the prior Auction Period and ending on the first day of the month that is the third calendar month following the beginning date of such Auction Period (unless such first day of the month is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day); and

(g) with respect to Bonds of a Series in a six-month Auction Period, a period of generally six months (or shorter period upon a conversion from another Auction Period) beginning on the day following the last day of the prior Auction Period and ending on the next succeeding April 30 or October 31;

provided, however, that

(a) if there is a conversion of Bonds of a Series with Auctions generally conducted on Fridays (i) from a daily Auction Period to a seven-day Auction Period, the next Auction Period shall begin on the date of the conversion (*i.e.* the Interest Payment Date for the prior Auction Period) and shall end on the next succeeding Sunday (unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) from a daily Auction Period to a 28-day Auction Period, the next Auction Period shall begin on the date of the conversion (*i.e.* the Interest Payment Date for the prior Auction Period) and shall end on the Sunday (unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 21 days but not more than 28 days from such date of conversion, and (iii) from a daily Auction Period to a 35-day Auction Period, the next Auction Period shall begin on the date of the conversion (*i.e.* the Interest Payment Date for the prior Auction Period) and shall end on Sunday (unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 28 days but no more than 35 days from such date of conversion;

(b) if there is a conversion of Bonds of a Series with Auctions generally conducted on Mondays (i) from a daily Auction Period to a seven-day Auction Period, the next Auction Period shall begin on the date of the conversion (*i.e.* the Interest Payment Date for the prior Auction Period) and shall end on the next succeeding Monday (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) from a daily Auction Period to a 28-day Auction Period, the next Auction Period shall begin on the date of the conversion (*i.e.* the Interest Payment Date for the prior Auction Period) and shall end on the Monday (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 21 days but not more than 28 days from such date of conversion, and (iii) from a daily Auction Period to a 35-day Auction Period, the next Auction Period shall begin on the date of the conversion (*i.e.* the Interest Payment Date for the prior Auction Period) and shall end on Monday (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 28 days but no more than 35 days from such date of conversion;

(c) if there is a conversion of Bonds of a Series with Auctions generally conducted on Tuesdays (i) from a daily Auction Period to a seven-day Auction Period, the next Auction Period shall begin on the date of the conversion (*i.e.* the Interest Payment Date for the prior Auction Period) and shall end on the next succeeding Tuesday (unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) from a daily Auction Period to a 28-day Auction Period, the next Auction Period shall begin on the date of the conversion (*i.e.* the Interest Payment Date for the prior Auction Period) and shall end on the Tuesday (unless such Tuesday is not followed by a Business Day, in which case

on the next succeeding day which is followed by a Business Day) which is more than 21 days but not more than 28 days from such date of conversion, and (iii) from a daily Auction Period to a 35-day Auction Period, the next Auction Period shall begin on the date of the conversion (*i.e.* the Interest Payment Date for the prior Auction Period) and shall end on Tuesday (unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 28 days but no more than 35 days from such date of conversion;

(d) if there is a conversion of Bonds of a Series with Auctions generally conducted on Wednesdays (i) from a daily Auction Period to a seven-day Auction Period, the next Auction Period shall begin on the date of the conversion (*i.e.* the Interest Payment Date for the prior Auction Period) and shall end on the next succeeding Wednesday (unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) from a daily Auction Period to a 28-day Auction Period, the next Auction Period shall begin on the date of the conversion (*i.e.* the Interest Payment Date for the prior Auction Period) and shall end on the Wednesday (unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 21 days but not more than 28 days from such date of conversion, and (iii) from a daily Auction Period to a 35-day Auction Period, the next Auction Period shall begin on the date of the conversion (*i.e.* the Interest Payment Date for the prior Auction Period) and shall end on Wednesday (unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 28 days but no more than 35 days from such date of conversion; and

(e) if there is a conversion of Bonds of a Series with Auctions generally conducted on Thursdays (i) from a daily Auction Period to a seven-day Auction Period, the next Auction Period shall begin on the date of the conversion (*i.e.* the Interest Payment Date for the prior Auction Period) and shall end on the next succeeding Thursday (unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) from a daily Auction Period to a 28-day Auction Period, the next Auction Period shall begin on the date of the conversion (*i.e.* the Interest Payment Date for the prior Auction Period) and shall end on the Thursday (unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 21 days but not more than 28 days from such date of conversion, and (iii) from a daily Auction Period to a 35-day Auction Period, the next Auction Period shall begin on the date of the conversion (*i.e.* the Interest Payment Date for the prior Auction Period) and shall end on Thursday (unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 28 days but no more than 35 days from such date of conversion;

provided further, however, that any Auction Period that is greater than 35 days may be extended as provided in paragraph (d) of Section 2.03 of this Exhibit A.

**Auction Period Rate** means with respect to Bonds of each Series, the rate of interest to be borne by the Bonds of such Series during each Auction Period determined in accordance with Section 2.03 of this Exhibit A; provided, however, in no event may the Auction Rate exceed the Maximum Auction Rate.

**Auction Procedures** means the procedures for conducting Auctions for Bonds of a Series in an Auction Rate Mode set forth in this Exhibit A.

**Auction Rate** means for each series of Bonds for each Auction Period, (i) if Sufficient Clearing Bids exist, the Winning Bid Rate, provided, however, if all of such Bonds of a Series are the subject of Submitted Hold Orders, the All Hold Rate with respect to such Bonds and (ii) if Sufficient Clearing Bids do not exist, the Maximum Auction Rate with respect to such Bonds.

**Available Bonds** means for each series of Bonds on each Auction Date, the aggregate principal amount of such Bonds that are not the subject of Submitted Hold Orders.

**Bid** has the meaning specified in subsection (a) of Section 2.01 of this Exhibit A.

**Bidder** means each Existing Owner and Potential Owner who places an Order.

**Broker-Dealer** means any entity that is permitted by law to perform the function required of a Broker-Dealer described in this Exhibit that is a member of, or a direct participant in, the Securities Depository, that has been selected by the Authority, and that is a party to a Broker-Dealer Agreement with the Auction Agent.

**Broker-Dealer Agreement** means an agreement among the Auction Agent, the Authority and a Broker-Dealer pursuant to which such Broker-Dealer agrees to follow the procedures described in this Exhibit A, as such agreement may from time to time be amended or supplemented.

**Default Rate** means, in respect of any Auction Period other than a daily Auction Period, fifteen percent (15%) per annum, or in the case of Bonds of a Series in a daily Auction Period, three hundred percent (300%) of the Index determined on the Auction Date which was the first day of such Auction Period, provided, however, the Default Rate shall not exceed the Maximum Rate.

**Existing Owner** means a Person who is listed as the beneficial owner of Bonds of a Series in the records of the Auction Agent.

**Fitch** means Fitch, Inc.

**Hold Order** has the meaning specified in subsection (a) of Section 2.01 of this Exhibit A.

**Index** shall have the meaning specified in Section 2.06 of this Exhibit A.

**Interest Payment Date** means:

(a) when used with respect to any Auction Period (including the initial Auction Period commencing on and including the Closing Date, the Mode Change Date or the Tax-Exempt Conversion Date, as the case may be, and expiring on and including the initial Auction Date specified in the forepart of the Supplemental Trust Agreement or determined and

certified by the Authority to the Trustee on or prior to the Mode Change Date or the Tax-Exempt Conversion Date (or, if such initial Auction Date is not followed by a Business Day, the next day which is followed by a Business Day)) other than a daily Auction Period or a Special Auction Period, the Business Day immediately following such Auction Period; and

(b) when used with respect to a daily Auction Period, the first Business Day of the month immediately succeeding such Auction Period; and

(c) when used with respect to a Special Auction Period of (i) more than seven but fewer than 92 days, the Business Day immediately following such Special Auction Period, or (ii) 92 or more days, (A) in the case of Bonds of a Series with Auctions generally conducted on Fridays, each thirteenth Monday after the first day of such Special Auction Period or the next Business Day if such Monday is not a Business Day and on the Business Day immediately following such Special Auction Period, (B) in the case of Bonds of a Series with Auctions generally conducted on Mondays, each thirteenth Tuesday after the first day of such Special Auction Period or the next Business Day if such Tuesday is not a Business Day and on the Business Day immediately following such Special Auction Period, (C) in the case of Bonds of a Series with Auctions generally conducted on Tuesdays, each thirteenth Wednesday after the first day of such Special Auction Period or the next Business Day if such Wednesday is not a Business Day and on the Business Day immediately following such Special Auction Period, (D) in the case of Bonds of a Series with Auctions conducted on Wednesdays, each thirteenth Thursday after the first day of such Special Auction Period or the next Business Day if such Thursday is not a Business Day and on the Business Day immediately following such Special Auction Period and (E) in the case of Bonds of a Series with Auctions generally conducted on Thursdays, each thirteenth Friday after the first day of such Special Auction Period or the next Business Day if such Friday is not a Business Day and on the Business Day immediately following such Special Auction Period.

**Maximum Auction Rate** means as of any Auction Date, fourteen percent (14%) per annum.

**Moody's** means Moody's Investors Service.

**Order** means a Hold Order, Bid or Sell Order.

**Potential Owner** means any Person, including any Existing Owner, who may be interested in acquiring a beneficial interest in the Bonds of a Series in addition to the Bonds currently owned by such Person, if any.

**Principal Office** means, with respect to the Auction Agent, the office thereof designated in the Auction Agreement as the office of the Auction Agent to which notices, requests or communications should be sent.

**Securities Depository** means The Depository Trust Company and its successors and assigns or any other securities depository selected by the Authority which agrees to follow the procedures required to be followed by such securities depository in connection with the Bonds of a Series.

**Sell Order** has the meaning specified in subsection (a) of Section 2.01 of this Exhibit A.

**Special Auction Period** means any period of more than seven but less than 1,092 days which is not another Auction Period and which begins on an Interest Payment Date and ends (i) in the case of Bonds of a Series with Auctions generally conducted on Fridays, on a Sunday unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day, (ii) in the case of Bonds of a Series with Auctions generally conducted on Mondays, on a Monday unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day, (iii) in the case of Bonds of a Series with Auctions generally conducted on Tuesdays, on a Tuesday unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day, (iv) in the case of Bonds of a Series with Auctions generally conducted on Wednesdays, on a Wednesday unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day, and (v) in the case of Bonds of a Series with Auctions generally conducted on Thursdays, on a Thursday unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day.

**S&P** means Standard & Poor's Ratings Group, a division of The McGraw-Hill Companies, Inc.

**Submission Deadline** means 1:00 p.m., New York City time, on each Auction Date for Bonds of a Series not in a daily Auction Period and 11:00 a.m., New York City time, on each Auction Date for Bonds of a Series in a daily Auction Period, or such other time on such date as shall be specified from time to time by the Auction Agent pursuant to the Auction Agreement as the time by which Broker-Dealers are required to submit Orders to the Auction Agent.

**Submission Processing Deadline** shall mean the earlier of (i) 40 minutes after the Submission Deadline and (ii) the time when the Auction Agent begins to disseminate the results of the Auction to the Broker-Dealers.

**Submitted Bid** has the meaning specified in subsection (b) of Section 2.03 of this Exhibit A.

**Submitted Hold Order** has the meaning specified in subsection (b) of Section 2.03 of this Exhibit A.

**Submitted Order** has the meaning specified in subsection (b) of Section 2.03 of this Exhibit A.

**Submitted Sell Order** has the meaning specified in subsection (b) of Section 2.03 of this Exhibit A.

**Sufficient Clearing Bids** means with respect to Bonds of a Series, an Auction for which the aggregate principal amount of Bonds of such Series that are the subject of Submitted Bids by Potential Owners specifying one or more rates not higher than the Maximum Auction Rate is not less than the aggregate principal amount of Bonds of such Series that are the subject of



Submitted Sell Orders and of Submitted Bids by Existing Owners specifying rates higher than the Maximum Auction Rate.

**United States Treasury Securities** means direct obligations issued by the United States government.

**Winning Bid Rate** means with respect to Bonds of a Series the lowest rate specified in any Submitted Bid for such Series which if selected by the Auction Agent as the Auction Period Rate would cause the aggregate principal amount of Bonds of such Series that are the subject of Submitted Bids specifying a rate not greater than such rate to be not less than the aggregate principal amount of Available Bonds of such series.

Section 1.02. *Rules of Construction.* (a) This Exhibit A constitutes an integral part of the Appendix A and, except to the extent provided in the next sentence, has the same force and effect as if set forth in Appendix A. In the event of any conflict between this Exhibit A and Appendix A, Appendix A shall control.

(b) References in this Exhibit A to Articles or Sections are to such Article or Section of this Exhibit A.

## **ARTICLE II**

### **Auction Procedures**

Section 2.01. *Orders by Existing Owners and Potential Owners.* (a) Prior to the Submission Deadline on each Auction Date:

(i) each Existing Owner may submit to a Broker-Dealer, in writing or by such other method as shall be reasonably acceptable to such Broker-Dealer, information as to:

(A) the principal amount of Bonds of a Series, if any, held by such Existing Owner which such Existing Owner irrevocably commits to continue to hold for the next succeeding Auction Period without regard to the rate determined by the Auction Procedures for such Auction Period,

(B) the principal amount of Bonds of a Series, if any, held by such Existing Owner which such Existing Owner irrevocably commits to continue to hold for the next succeeding Auction Period if the rate determined by the Auction Procedures for such Auction Period shall not be less than the rate per annum then specified by such Existing Owner (and which such Existing Owner irrevocably offers to sell on the next succeeding Interest Payment Date (or the same day in the case of a daily Auction Period) if the rate determined by the Auction Procedures for the next succeeding Auction Period shall be less than the rate per annum then specified by such Existing Owner), and/or

(C) the principal amount of Bonds of a Series, if any, held by such Existing Owner which such Existing Owner irrevocably offers to sell on the next succeeding Interest Payment Date (or on the same day in the case of a daily Auction Period) without

regard to the rate determined by the Auction Procedures for the next succeeding Auction Period; and

(ii) for the purpose of implementing the Auctions and thereby to achieve the lowest possible interest rate on the Bonds of a Series, the Broker-Dealers shall contact Potential Owners, including Persons that are Existing Owners, to determine the principal amount of Bonds of a Series, if any, which each such Potential Owner irrevocably offers to purchase if the rate determined by the Auction Procedures for the next succeeding Auction Period is not less than the rate per annum then specified by such Potential Owner.

For the purposes hereof, an Order containing the information referred to in clause (i)(A) above is herein referred to as a "Hold Order", an Order containing the information referred to in clause (i)(B) or (ii) above is herein referred to as a "Bid", and an Order containing the information referred to in clause (i)(C) above is herein referred to as a "Sell Order."

(b) (i) A Bid by an Existing Owner shall constitute an irrevocable offer to sell:

(A) the principal amount of Bonds of a Series specified in such Bid if the rate determined by the Auction Procedures on such Auction Date shall be less than the rate specified therein; or

(B) such principal amount or a lesser principal amount of Bonds of a Series to be determined as described in subsection (a)(v) of Section 2.04 hereof if the rate determined by the Auction Procedures on such Auction Date shall be equal to such specified rate; or

(C) a lesser principal amount of Bonds of a Series to be determined as described in subsection (b)(iv) of Section 2.04 hereof if such specified rate shall be higher than the Maximum Auction Rate and Sufficient Clearing Bids do not exist.

(ii) A Sell Order by an Existing Owner shall constitute an irrevocable offer to sell:

(A) the principal amount of Bonds of a Series specified in such Sell Order; or

(B) such principal amount or a lesser principal amount of Bonds of a Series as described in subsection (b)(iv) of Section 2.04 hereof if sufficient Clearing Bids do not exist.

(iii) A Bid by a Potential Owner shall constitute an irrevocable offer to purchase:

(A) the principal amount of Bonds of a Series specified in such Bid if the rate determined by the Auction Procedures on such Auction Date shall be higher than the rate specified therein; or

(B) such principal amount or a lesser principal amount of Bonds of a Series as described in subsection (a)(vi) of Section 2.04 hereof if the rate determined by the Auction Procedures on such Auction Date shall be equal to such specified rate.

(c) Anything herein to the contrary notwithstanding:

(i) for purposes of any Auction, any Order which specifies Bonds of a Series to be held, purchased or sold in a principal amount which is not equal to the Authorized Denomination for Bonds of such Series or an integral multiple thereof shall be rounded down to the nearest amount that is equal to the Authorized Denomination for Bonds of such Series, and the Auction Agent shall conduct the Auction Procedures as if such Order had been submitted in such lower amount;

(ii) for purposes of any Auction other than during a daily Auction Period, any portion of an Order of an Existing Owner which relates to a Bond of a Series which has been called for redemption on or prior to the Interest Payment Date next succeeding such Auction shall be invalid with respect to such portion and the Auction Agent shall conduct the Auction Procedures as if such portion of such Order had not been submitted;

(iii) for purposes of any Auction other than during a daily Auction Period, no portion of a Bond of a Series which has been called for redemption on or prior to the Interest Payment Date next succeeding such Auction shall be included in the calculation of Available Bonds for such Auction; and

(iv) the Auction Procedures shall be suspended with respect to the Bonds of a Series during the period commencing on the date of the Auction Agent's receipt of notice from the Trustee of the occurrence of a default of the Authority in the payment of principal, sinking fund installment, interest or premium on any Bond of such Series in the Auction Rate Mode after the same shall have become due, whether at maturity, upon call for redemption or on an Interest Payment Date (provided however that for purposes of this provision only payment by the Credit Facility Issuer shall be deemed to cure such default and no such suspension of the Auction Procedures shall occur) but shall resume two Business Days after the date on which the Auction Agent receives notice from the Trustee that such default has been waived or cured, with the next Auction to occur on the next regularly scheduled Auction Date occurring thereafter.

*Section 2.02. Submission of Orders by Broker-Dealers to Auction Agent.*

(a) Each Broker-Dealer shall submit to the Auction Agent in writing or by such other method as shall be reasonably acceptable to the Auction Agent, including such electronic communication acceptable to the parties, prior to the Submission Deadline on each Auction Date, all Orders obtained by such Broker-Dealer and, if requested, specifying with respect to each Order:

(i) the name of the Bidder placing such Order;

(ii) the aggregate principal amount of Bonds of each Series, if any, that are the subject of such Order;

- (iii) to the extent that such Bidder is an Existing Owner:
  - (A) the principal amount of Bonds of each Series, if any, subject to any Hold Order placed by such Existing Owner;
  - (B) the principal amount of Bonds of each Series, if any, subject to any Bid placed by such Existing Owner and the rate specified in such Bid; and
  - (C) the principal amount of Bonds of each Series, if any, subject to any Sell Order placed by such Existing Owner;
- (iv) to the extent such Bidder is a Potential Owner, the rate specified in such Bid.

(b) If any rate specified in any Bid contains more than three figures to the right of the decimal point, the Auction Agent shall round such rate up to the next highest one thousandth of one percent (0.001%).

(c) If an Order or Orders covering all of the Bonds of a particular Series held by an Existing Owner is not submitted to the Auction Agent prior to the Submission Deadline, the Auction Agent shall deem a Hold Order to have been submitted on behalf of such Existing Owner covering the principal amount of Bonds of such Series held by such Existing Owner and not subject to Orders submitted to the Auction Agent; provided, however, that if there is a conversion from one Auction Period to another Auction Period or an amendment or modification to the Trust Agreement in accordance with Section 2.07(b) of this Exhibit A and Orders have not been submitted to the Auction Agent prior to the Submission Deadline covering the aggregate principal amount of Bonds of the Series held by such Existing Owner, the Auction Agent shall deem a Sell Order to have been submitted on behalf of such Existing Owner covering the principal amount of Bonds of such Series held by such Existing Owner and not subject to Orders submitted to the Auction Agent.

(d) If one or more Orders covering in the aggregate more than the principal amount of Outstanding Bonds of a Series held by any Existing Owner are submitted to the Auction Agent, such Orders shall be considered valid as follows:

(i) all Hold Orders shall be considered Hold Orders, but only up to and including in the aggregate the principal amount of Bonds of such Series held by such Existing Owner;

(ii) (A) any Bid of an Existing Owner shall be considered valid as a Bid of an Existing Owner up to and including the excess of the principal amount of Bonds of such Series held by such Existing Owner over the principal amount of the Bonds of such Series subject to Hold Orders referred to in paragraph (i) above;

(B) subject to clause (A) above, all Bids of an Existing Owner with the same rate shall be aggregated and considered a single Bid of an Existing Owner up to and including the excess of the principal amount of Bonds of such Series held by such

Existing Owner over the principal amount of Bonds of such Series held by such Existing Owner subject to Hold Orders referred to in paragraph (i) above;

(C) subject to clause (A) above, if more than one Bid with different rates is submitted on behalf of such Existing Owner, such Bids shall be considered Bids of an Existing Owner in the ascending order of their respective rates up to the amount of the excess of the principal amount of Bonds of such Series held by such Existing Owner over the principal amount of Bonds of such Series held by such Existing Owner subject to Hold Orders referred to in paragraph (i) above; and

(D) the principal amount, if any, of such Bonds of such Series subject to Bids not considered to be Bids of an Existing Owner under this paragraph (ii) shall be treated as the subject of a Bid by a Potential Owner;

(iii) all Sell Orders shall be considered Sell Orders, but only up to and including a principal amount of Bonds of such Series equal to the excess of the principal amount of Bonds of such Series held by such Existing Owner over the sum of the principal amount of the Bonds considered to be subject to Hold Orders pursuant to paragraph (i) above and the principal amount of Bonds of such Series considered to be subject to Bids of such Existing Owner pursuant to paragraph (ii) above.

(e) If more than one Bid is submitted on behalf of any Potential Owner, each Bid submitted with the same rate shall be aggregated and considered a single Bid and each Bid submitted with a different rate shall be considered a separate Bid with the rate and the principal amount of Bonds of such Series specified therein.

(f) Neither the Authority, the Trustee nor the Auction Agent shall be responsible for the failure of any Broker-Dealer to submit an Order to the Auction Agent on behalf of any Existing Owner or Potential Owner.

(g) Broker-Dealers may, but shall not be obligated to, submit an order for its own account.

(h) Broker-Dealers may submit an Order, after the Submission Deadline and prior to the Submission Processing Deadline if the Order was (i) received by the Broker-Dealer from Existing Owners or Potential Owners prior to the Submission Deadline or (ii) initiated internally by the Broker-Dealer for its own account prior to the Submission Deadline. Each Order submitted to the Auction Agent after the Submission Deadline and prior to the Submission Processing Deadline shall constitute a representation by the Broker-Dealer that such Order was (i) received from an Existing Owner or Potential Owner prior to the Submission Deadline or (ii) initiated internally by the Broker-Dealer for its own account prior to the Submission Deadline.

Section 2.03. *Determination of Auction Period Rate.* (a) Not later than 9:30 a.m., New York City time, on each Auction Date for Bonds of each Series in an Auction Rate Mode, the Auction Agent shall advise the Broker-Dealers and the Trustee by telephone or other electronic communication acceptable to the parties of the All Hold Rate, the Maximum Auction Rate and the Index for the Bonds of such Series.

(b) Promptly after the Submission Deadline on each Auction Date for Bonds of each Series in an Auction Rate Mode, the Auction Agent shall assemble all Orders submitted or deemed submitted to it by the Broker-Dealers (each such Order as submitted or deemed submitted by a Broker-Dealer being hereinafter referred to as a "Submitted Hold Order," a "Submitted Bid" or a "Submitted Sell Order," as the case may be, and collectively as a "Submitted Order") and shall determine (i) the Available Bonds, (ii) whether there are Sufficient Clearing Bids, and (iii) the Auction Rate.

(c) Promptly after the Auction Agent has made the determinations pursuant to subsection (b) above, the Auction Agent shall advise the Authority, the Broker-Dealer and the Trustee by telephone (promptly confirmed in writing), telex or facsimile transmission or other electronic communication acceptable to the parties of the Auction Rate for the next succeeding Auction Period and the Trustee shall promptly notify the Securities Depository of such Auction Rate.

(d) In the event the Auction Agent fails to calculate or, for any reason, fails to timely provide the Auction Rate for any Auction Period, (i) if the preceding Auction Period was a period of 35 days or less, the new Auction Period shall be the same as the preceding Auction Period and the Auction Period Rate for the new Auction Period shall be the same as the Auction Period Rate for the preceding Auction Period, and (ii) if the preceding Auction Period was a period of greater than 35 days, the preceding Auction Period shall be extended to the seventh day following the day that would have been the last day of such Auction Period had it not been extended (or if such seventh day is not followed by a Business Day then to the next succeeding day which is followed by a Business Day) and the Auction Period Rate in effect for the preceding Auction Period will continue in effect for the Auction Period as so extended. In the event an Auction Period is extended as set forth in clause (ii) of the preceding sentence, an Auction shall be held on the last Business Day of the Auction Period as so extended to take effect for an Auction Period beginning on the Business Day immediately following the last day of the Auction Period as extended which Auction Period will end on the date it would otherwise have ended on had the prior Auction Period not been extended.

(e) In the event that the Auction Procedures are suspended pursuant to paragraph (iv) of subsection (c) of Section 2.01 of this Exhibit A with respect to any Bond of Series, the Auction Period Rate for the next succeeding Auction Period shall be the Default Rate.

(f) In the event that all of the conditions for a change in the Mode applicable to the Bonds of a Series from an Auction Mode to any other Mode pursuant to Section A-208 of Appendix A have not been met, in the event that all of the conditions for a Tax-Exempt Conversion applicable to the Bonds of a Series pursuant to Section A-209 of Appendix A have not been met or in the event of a failure to change the length of the current Auction Period due to the lack of Sufficient Clearing Bids at the Auction on the Auction Date for the first new Auction Period, the Auction Period Rate for the next Auction Period shall be the Maximum Auction Rate and the Auction Period shall be a seven-day Auction Period.

(g) If the Auction Period Rate for the Bonds of a Series is equal to the Maximum Auction Rate or the Default Rate for the longer of (i) two consecutive Auction Dates or (ii) ninety (90) days, the Credit Facility Issuer for the Bonds of such Series shall have the right to

direct the Authority to change the Mode applicable to the Bonds of such Series to the Fixed Rate Mode and upon such direction the Authority shall change such Mode to a Fixed Rate Mode in accordance with Section A-208 of Appendix A.

Section 2.04. *Allocation of Bonds of a Series.*

(a) In the event of Sufficient Clearing Bids for Bonds of a Series, subject to the further provisions of subsections (c) and (d) below, Submitted Orders for such Series shall be accepted or rejected as follows in the following order of priority:

(i) the Submitted Hold Order of each Existing Owner shall be accepted, thus requiring each such Existing Owner to continue to hold the Bonds of a Series that are the subject of such Submitted Hold Order;

(ii) the Submitted Sell Order of each Existing Owner shall be accepted and the Submitted Bid of each Existing Owner specifying any rate that is higher than the Winning Bid Rate shall be rejected, thus requiring each such Existing Owner to sell the Bonds of a Series that are the subject of such Submitted Sell Order or Submitted Bid;

(iii) the Submitted Bid of each Existing Owner specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring each such Existing Owner to continue to hold the Bonds of a Series that are the subject of such Submitted Bid;

(iv) the Submitted Bid of each Potential Owner specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring each such Potential Owner to purchase the Bonds of a Series that are the subject of such Submitted Bid;

(v) the Submitted Bid of each Existing Owner specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus requiring each such Existing Owner to continue to hold the Bonds of a Series that are the subject of such Submitted Bid, but only up to and including the principal amount of Bonds of a Series obtained by multiplying (A) the aggregate principal amount of Outstanding Bonds of a Series which are not the subject of Submitted Hold Orders described in paragraph (i) above or of Submitted Bids described in paragraphs (iii) or (iv) above by (B) a fraction the numerator of which shall be the principal amount of Outstanding Bonds of a Series held by such Existing Owner subject to such Submitted Bid and the denominator of which shall be the aggregate principal amount of Outstanding Bonds of a Series subject to such Submitted Bids made by all such Existing Owners that specified a rate equal to the Winning Bid Rate, and the remainder, if any, of such Submitted Bid shall be rejected, thus requiring each such Existing Owner to sell any excess amount of Bonds of a Series;

(vi) the Submitted Bid of each Potential Owner specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus requiring each such Potential Owner to purchase the Bonds of a Series that are the subject of such Submitted Bid, but only in an amount equal to the principal amount of Bonds of a Series obtained by multiplying (A) the aggregate principal amount of Outstanding Bonds of a Series which are not the subject of Submitted Hold Orders described in paragraph (i) above or of Submitted Bids described in paragraphs (iii), (iv) or (v) above by (B) a fraction the numerator of which shall be the principal amount of Outstanding Bonds of a Series subject to such Submitted Bid and the denominator of which shall be the sum

of the aggregate principal amount of Outstanding Bonds of a Series subject to such Submitted Bids made by all such Potential Owners that specified a rate equal to the Winning Bid Rate, and the remainder of such Submitted Bid shall be rejected; and

(vii) the Submitted Bid of each Potential Owner specifying any rate that is higher than the Winning Bid Rate shall be rejected.

(b) In the event there are not Sufficient Clearing Bids for Bonds of a Series, subject to the further provisions of subsections (c) and (d) below, Submitted Orders, for each Bonds of a Series shall be accepted or rejected as follows in the following order of priority:

(i) the Submitted Hold Order of each Existing Owner shall be accepted, thus requiring each such Existing Owner to continue to hold the Bonds of a Series that are the subject of such Submitted Hold Order;

(ii) the Submitted Bid of each Existing Owner specifying any rate that is not higher than the Maximum Auction Rate with respect to Bonds of a Series, shall be accepted, thus requiring each such Existing Owner to continue to hold the Bonds of a Series that are the subject of such Submitted Bid;

(iii) the Submitted Bid of each Potential Owner specifying any rate that is not higher than the Maximum Auction Rate with respect to Bonds of a Series, shall be accepted, thus requiring each such Potential Owner to purchase the Bonds of a Series that are the subject of such Submitted Bid;

(iv) the Submitted Sell Orders of each Existing Owner shall be accepted as Submitted Sell Orders and the Submitted Bids of each Existing Owner specifying any rate that is higher than the Maximum Auction Rate with respect to Bonds of a Series, shall be deemed to be and shall be accepted as Submitted Sell Orders, in both cases only up to and including the principal amount of Bonds of a Series obtained by multiplying (A) the aggregate principal amount of Bonds of a Series subject to Submitted Bids described in paragraph (iii) of this subsection (b) by (B) a fraction the numerator of which shall be the principal amount of Outstanding Bonds of a Series held by such Existing Owner subject to such Submitted Sell Order or such Submitted Bid deemed to be a Submitted Sell Order and the denominator of which shall be the principal amount of Outstanding Bonds of a Series subject to all such Submitted Sell Orders and such Submitted Bids deemed to be Submitted Sell Orders, and the remainder of each such Submitted Sell Order or Submitted Bid shall be deemed to be and shall be accepted as a Hold Order and each such Existing Owner shall be required to continue to hold such excess amount of Bonds of a Series; and

(v) the Submitted Bid of each Potential Owner specifying any rate that is higher than the Maximum Auction Rate with respect to the Bonds of a Series shall be rejected.

(c) If, as a result of the procedures described in subsection (a) or (b) above, any Existing Owner or Potential Owner would be required to purchase or sell an aggregate principal amount of Bonds of a Series which is not an integral multiple of the Authorized Denomination for Bonds of such Series on any Auction Date, the Auction Agent shall by lot, in such manner as it shall determine in its sole discretion, round up or down the principal amount of Bonds of a



Series to be purchased or sold by any Existing Owner or Potential Owner on such Auction Date so that the aggregate principal amount of Bonds of a Series purchased or sold by each Existing Owner or Potential Owner on such Auction Date shall be an integral multiple of the Authorized Denomination for Bonds of such Series, even if such allocation results in one or more of such Existing Owners or Potential Owners not purchasing or selling any Bonds of a Series on such Auction Date.

(d) If, as a result of the procedures described in subsection (a) above, any Potential Owner would be required to purchase a principal amount of Bonds of a Series that is less than the Authorized Denomination for Bonds of such Series on any Auction Date, the Auction Agent shall by lot, in such manner as it shall determine in its sole discretion, allocate such Bonds for purchase among Potential Owners so that the principal amount of Bonds of a Series purchased on such Auction Date by any Potential Owner shall be an integral multiple of the Authorized Denomination for Bonds of such Series, even if such allocation results in one or more of such Potential Owners not purchasing such Bonds on such Auction Date.

Section 2.05. *Notice of Auction Period Rate.* (a) On each Auction Date, the Auction Agent shall notify by 1:30 p.m. by telephone or other telecommunication device or other electronic communication acceptable to the parties or in writing each Broker-Dealer that participated in the Auction held on such Auction Date of the following with respect to Bonds of each Series for which an Auction was held on such Auction Date:

(i) the Auction Period Rate determined on such Auction Date for the succeeding Auction Period;

(ii) whether Sufficient Clearing Bids existed for the determination of the Winning Bid Rate;

(iii) if such Broker-Dealer submitted a Bid or a Sell Order on behalf of an Existing Owner, whether such Bid or Sell Order was accepted or rejected and the principal amount of Bonds of a Series, if any, to be sold by such Existing Owner;

(iv) if such Broker-Dealer submitted a Bid on behalf of a Potential Owner, whether such Bid was accepted or rejected and the principal amount of Bonds of a Series, if any, to be purchased by such Potential Owner;

(v) if the aggregate principal amount of the Bonds of a Series to be sold by all Existing Owners on whose behalf such Broker-Dealer submitted Bids or Sell Orders is different from the aggregate principal amount of Bonds of a Series to be purchased by all Potential Owners on whose behalf such Broker-Dealer submitted a Bid, the name or names of one or more Broker-Dealers (and the Agent Member, if any, of each such other Broker Dealer) and the principal amount of Bonds of a Series to be (A) purchased from one or more Existing Owners on whose behalf such other Broker-Dealers submitted Bids or Sell Orders or (B) sold to one or more Potential Owners on whose behalf such Broker-Dealer submitted Bids; and

(vi) the immediately succeeding Auction Date.

(b) On each Auction Date, with respect to Bonds of each Series for which an Auction was held on such Auction Date, each Broker-Dealer that submitted an Order on behalf of any Existing Owner or Potential Owner shall: (i) advise each Existing Owner and Potential Owner on whose behalf such Broker-Dealer submitted an Order as to (A) the Auction Period Rate determined on such Auction Date, (B) whether any Bid or Sell Order submitted on behalf of each such Owner was accepted or rejected and (C) the immediately succeeding Auction Date; (ii) instruct each Potential Owner on whose behalf such Broker-Dealer submitted a Bid that was accepted, in whole or in part, to instruct such Existing Owner's Agent Member to pay to such Broker-Dealer (or its Agent Member) through the Securities Depository the amount necessary to purchase the principal amount of such Bonds of a Series to be purchased pursuant to such Bid (including, with respect to such Bonds of a Series in a daily Auction Period, accrued interest if the purchase date is not an Interest Payment Date for such Bond) against receipt of such Bonds of a Series; and (iii) instruct each Existing Owner on whose behalf such Broker-Dealer submitted a Sell Order that was accepted or a Bid that was rejected, in whole or in part, to instruct such Existing Owner's Agent Member to deliver to such Broker-Dealer (or its Agent Member) through the Securities Depository the principal amount of such Bonds of a Series to be sold pursuant to such Bid or Sell Order against payment therefor.

Section 2.06. *Index.* (a) The Index on any Auction Date with respect to Bonds of a Series in any Auction Period of 35 days or less shall be the One Month LIBOR Rate on such date. The Index with respect to Bonds of Series in any Auction Period greater than 35 days shall be the yield on United States Treasury Securities having a maturity which most closely approximates the length of the Auction Period, made available from a financial information source acceptable to the Auction Agent. If either rate is unavailable, the Index for the Bonds of a Series shall be an index or rate agreed to by all Broker-Dealers and consented to by the Bond Insurer and the Authority.

"One Month LIBOR Rate" means, as of any date of determination, the offered rate for deposits in U.S. dollars for a one-month period which appears on the Telerate Page 3750 at approximately 11:00 a.m., London time, on such date, or if such date is not a date on which dealings in U.S. dollars are transacted in the London interbank market, then on the next preceding day on which such dealings were transacted in such market.

(b) If for any reason on any Auction Date the Index shall not be determined as hereinabove provided in this Section, the Index shall be the Index for the Auction Period ending on such Auction Date.

(c) The determination of the Index as provided herein shall be conclusive and binding upon the Authority, the Trustee, the Broker-Dealers, the Auction Agent and the Owners of the Bonds of a Series.

Section 2.07. *Miscellaneous Provisions Regarding Auctions.*

(a) In this Exhibit A, each reference to the purchase, sale or holding of "Bonds" shall refer to beneficial interests in such Bonds, unless the context clearly requires otherwise.

(b) During an Auction Rate Mode, with respect to the Bonds of a Series, the provisions of the Trust Agreement, including the Supplemental Trust Agreement, Appendix A, this Exhibit A and the definitions contained in this Exhibit A, including, without limitation, the definitions of Maximum Rate, Maximum Auction Rate, All Hold Rate, Index, Default Rate and the Auction Period Rate, may be modified or amended, with the consent of the Credit Facility Issuer for the Bonds of such Series, pursuant to the Trust Agreement by obtaining, when required by the Trust Agreement, the consent of the Owners of all Outstanding Bonds of such Series as follows; provided, however, that no such modification or amendment that adversely affect the rights, duties or obligations of the Auction Agent shall be made without the consent of the Auction Agent or that adversely affects the marketability of the Bonds shall be made without the consent of the Broker-Dealer. If on the first Auction Date occurring at least 20 days after the date on which the Trustee mailed notice of such proposed modification or amendment to the registered Owners of the Outstanding Bonds of a Series as required by the Trust Agreement, (i) the Auction Period Rate which is determined on such date is the Winning Bid Rate and (ii) there is delivered to the Authority and the Trustee a Favorable Opinion of Bond Counsel, the proposed modification or amendment shall be deemed to have been consented to by the owners of all affected Outstanding Bonds of such Series.

(c) If the Securities Depository notifies the Authority that it is unwilling or unable to continue as Owner of the Bonds of a Series or if at any time the Securities Depository shall no longer be registered or in good standing under the Securities Exchange Act of 1934, as amended, or other applicable statute or regulation and a successor to the Securities Depository is not appointed by the Authority within 90 days after the Authority receives notice or becomes aware of such condition, as the case may be, the Authority shall execute and the Trustee shall authenticate and deliver certificates representing the Bonds of such Series. Such Bonds shall be authorized in such names and authorized denominations as the Securities Depository, pursuant to instructions from the Agent Members or otherwise, shall instruct the Authority and the Trustee.

(d) During an Auction Rate Mode, so long as the ownership of the Bonds of a Series is maintained in book-entry form by the Securities Depository, an Existing Owner or a beneficial owner may sell, transfer or otherwise dispose of a Bond only pursuant to a Bid or Sell Order in accordance with the Auction Procedures or to or through a Broker-Dealer, provided that (i) in the case of all transfers other than pursuant to Auctions such Existing Owner or its Broker-Dealer or its Agent Member advises the Auction Agent of such transfer and (ii) a sale, transfer or other disposition of Bonds of a Series from a customer of a Broker-Dealer who is listed on the records of that Broker-Dealer as the holder of such Bonds to that Broker-Dealer or another customer of that Broker-Dealer shall not be deemed to be a sale, transfer or other disposition for purposes of this paragraph if such Broker-Dealer remains the Existing Owner of Bonds of a Series so sold, transferred or disposed of immediately after such sale, transfer or disposition.

Section 2.08. *Changes in Auction Period or Auction Date.*

(a) Changes in Auction Period. (i) During any Auction Rate Mode, the Authority may from time to time on any Interest Payment Date, change the length of the Auction Period with respect to all of the Bonds of any Series among daily, seven-days, 28-days, 35-days, three months, six months and a Special Auction Period in order to accommodate economic and financial factors that may affect or be relevant to the length of the Auction Period and the interest

rate borne by Bonds of such Series. The Authority shall initiate the change in the length of the Auction Period by giving written notice to the Credit Facility Issuer, the Auction Agent, the Broker-Dealers and the Securities Depository that the Auction Period shall change if the conditions described herein are satisfied and the proposed effective date of the change, at least 10 Business Days prior to the Auction Date for such Auction Period; provided, however, that in the case of a change from a Special Auction Period of 92 or more days, the date of such change shall be the Interest Payment Date immediately following the last day of such Special Auction Period.

(ii) Any such changed Auction Period shall be for a period of one day, seven-days, 28-days, 35-days, three months, six months or a Special Auction Period and shall be for all of the Bonds of a Series in an Auction Rate Mode.

(iii) The change in the length of the Auction Period for Bonds of any Series shall not be allowed unless Sufficient Clearing Bids existed at both the Auction before the date on which the notice of the proposed change was given as provided in this subsection (a) and the Auction immediately preceding the proposed change.

(iv) The change in length of the Auction Period for Bonds of any Series shall take effect only if (A) the Trustee and the Auction Agent receive, by 11:00 a.m., New York City time, on the Business Day before the Auction Date for the first such Auction Period, a certificate from the Authority and the Broker-Dealer consenting to the change in the length of the Auction Period specified in such certificate and (B) Sufficient Clearing Bids exist at the Auction on the Auction Date for such first Auction Period. For purposes of the Auction for such first Auction Period only, each Existing Owner shall be deemed to have submitted Sell Orders with respect to all of its Bonds of a Series for which there is to be a change in the length of the Auction Period except to the extent such Existing Owner submits an Order with respect to such Bonds. If the condition referred to in (A) above is not met, the Auction Rate for the next Auction Period shall be determined pursuant to the Auction Procedures and the Auction Period shall be the Auction Period determined without reference to the proposed change. If the condition referred to in (A) is met but the condition referred to in (B) above is not met, the Auction Rate for the next Auction Period shall be the Maximum Auction Rate and the Auction Period shall be a seven-day Auction Period.

(v) On the conversion date for Bonds of a Series from one Auction Period to another, any Bonds of such Series which are not the subject of a specific Hold Order or Bid shall be deemed to be subject to a Sell Order.

(b) Changes in Auction Date. During any Auction Rate Mode, the Auction Agent, with the written consent of the Authority and the Broker-Dealer, may specify an earlier Auction Date for Bonds of any Series (but in no event more than five Business Days earlier) than the Auction Date that would otherwise be determined in accordance with the definition of "Auction Date" in order to conform with then current market practice with respect to similar securities or to accommodate economic and financial factors that may affect or be relevant to the day of the week constituting an Auction Date and the interest rate borne on such Bonds. The Auction Agent shall provide notice of its determination to specify an earlier Auction Date for an Auction Period by means of a written notice delivered at least 45 days prior to the proposed changed

Auction Date to the Trustee, the Authority, the Credit Facility Issuer, the Broker-Dealers and the Securities Depository.

### **ARTICLE III**

#### **Auction Agent**

Section 3.01. *Auction Agent.* (a) The Auction Agent shall be appointed by the Trustee at the written direction of the Authority, to perform the functions specified herein. The Auction Agent shall designate its Principal Office and signify its acceptance of the duties and obligations imposed upon it hereunder by an Auction Agreement delivered to the Authority, the Trustee and each Broker-Dealer which shall set forth such procedural and other matters relating to the implementation of the Auction Procedures as shall be satisfactory to the Authority and the Trustee.

(b) Subject to any applicable governmental restrictions, the Auction Agent may be or become the owner of or trade in Bonds with the same rights as if such entity were not the Auction Agent.

Section 3.02. *Qualifications of Auction Agent; Resignation; Removal.* The Auction Agent shall be (a) a bank or trust company organized under the laws of the United States or any state or territory thereof having a combined capital stock, surplus and undivided profits of at least \$30,000,000, or (b) a member of National Association of Securities Dealers having a capitalization of at least \$30,000,000 and, in either case, authorized by law to perform all the duties imposed upon it by the Trust Agreement and a member of or a participant in, the Securities Depository. The Auction Agent may at any time resign and be discharged of the duties and obligations created by the Trust Agreement by giving at least ninety (90) days notice to the Authority, the Credit Facility Issuer, each Broker-Dealer and the Trustee. The Auction Agent may be removed at any time by the Authority by written notice, delivered to the Auction Agent, the Authority, the Credit Facility Issuer, each Broker-Dealer and the Trustee. Upon any such resignation or removal, the Trustee shall appoint a successor Auction Agent meeting the requirements of this Section. In the event of the resignation or removal of the Auction Agent, the Auction Agent shall pay over, assign and deliver any moneys and Bonds held by it in such capacity to its successor. The Auction Agent shall continue to perform its duties hereunder until its successor has been appointed by the Trustee. In the event that the Auction Agent has not been compensated for its services, the Auction Agent may resign by giving thirty (30) days notice to the Authority and the Trustee even if a successor Auction Agent has not been appointed.