

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION**

In re:)	
)	
JEFFERSON COUNTY, ALABAMA,)	Case No. 11-05736-TBB
a political subdivision of the State of)	
Alabama,)	Chapter 9
)	
Debtor.)	

PLAN SUPPLEMENT

Jefferson County, Alabama (the “County”) files this supplement to the *Chapter 9 Plan of Adjustment for Jefferson County, Alabama (Dated July 29, 2013)* [Docket No. 1911] (as it may be amended, supplemented, or modified from time to time by the County in accordance with the terms thereof and Bankruptcy Code section 942, the “Plan”).¹ This supplement and the exhibits attached hereto constitute the “Plan Supplement” as defined and contemplated by the Plan.

The following chart summarizes the documents that are attached as exhibits hereto and that constitute the parts of the Plan Supplement:

Exhibit Tab	Description of Document
<u>Exhibit 1</u>	Amended and Restated GO Warrant Indentures, including the form of the Replacement 2001-B GO Warrants
<u>Exhibit 2</u>	New Sewer Warrant Indenture, including the form of the New Sewer Warrants
<u>Exhibit 3</u>	Put Agreement
<u>Exhibit 4</u>	Initial Schedule of Assumed Agreements
<u>Exhibit 5</u>	School Warrant Second Supplemental Indenture

¹ Capitalized terms used but not otherwise defined herein have the meanings ascribed to those Defined Terms in the Plan.



Exhibit Tab	Description of Document
<u>Exhibit 6</u>	Tail Risk Payment Agreement – Assured
<u>Exhibit 7</u>	Tail Risk Payment Agreement – FGIC
<u>Exhibit 8</u>	Tail Risk Payment Agreement – Syncora

The County reserves the right to amend, supplement, or modify any of the foregoing documents (including all exhibits and attachments thereto and documents referred to in such documents), and to add additional documents to the Plan Supplement, from time to time prior to the Confirmation Hearing or the Effective Date to the extent consistent with the Plan.

Dated this the 30th day of September, 2013.

/s/ J. Patrick Darby

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Exhibit 1

**Amended and Restated GO Warrant Indentures,
including the form of the Replacement 2001-B GO Warrants**

TRUST INDENTURE
(Series 2013-[____])

between

JEFFERSON COUNTY, ALABAMA

and

WELLS FARGO BANK, NATIONAL ASSOCIATION, as trustee

dated as of December 1, 2013

Relating to the issuance of

\$_[_____]
JEFFERSON COUNTY, ALABAMA
General Obligation Warrants
Series 2013-[__]

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TRUST INDENTURE (this “Indenture”) between **JEFFERSON COUNTY, ALABAMA**, a political subdivision of the State of Alabama (herein called the “County”), and **WELLS FARGO BANK, NATIONAL ASSOCIATION**, a national banking association, as trustee (herein called the “Trustee”),

RECITALS

The County and The Bank of New York, as indenture trustee, entered into a Trust Indenture dated as of July 1, 2001 (the “Original Indenture”), pursuant to which the County issued its \$120,000,000 principal amount General Obligation Warrants, Series 2001-B (herein called the “Series 2001-B Warrants”). The Series 2001-B Warrants were issued for the purpose of refunding certain previously issued and outstanding general obligation warrants of the County. The Trustee succeeded The Bank of New York as indenture trustee under the Original Indenture.

The County and The Bank of New York, as indenture trustee, entered into a Standby Warrant Purchase Agreement dated as of July 1, 2001, as amended (herein called the “Standby Purchase Agreement”), with JPMorgan Chase Bank, N.A. (formerly known as Morgan Guaranty Trust Company of New York and herein called “JPMorgan”) and Bayerische Landesbank (formerly known as Bayerische Landesbank Girozentrale and herein called “BayernLB”), acting through its New York Branch. In the Standby Purchase Agreement, JPMorgan and BayernLB agreed to purchase any Series 2001-B Warrants not remarketed after having been tendered for purchase pursuant to the mandatory or optional tender provisions of the Original Indenture. As a result of the operation of the Standby Purchase Agreement and other open market purchases (by BayernLB), JPMorgan and BayernLB currently hold the entire aggregate principal amount of the outstanding Series 2001-B Warrants.

On November 9, 2011 (the “Petition Date”), the County filed a voluntary petition for adjustment of its debts under Chapter 9 of Title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Northern District of Alabama, Southern Division (the “Bankruptcy Court”). On May 13, 2013, the County, the Trustee, JPMorgan and BayernLB entered into a Plan Support Agreement (the “PSA”) which, among other things, described the treatment of the Series 2001-B Warrants that, together with certain other terms and conditions as set forth therein, would constitute an “acceptable plan” for the purposes of the PSA. On July 29, 2013, the County filed its Chapter 9 Plan of Adjustment for Jefferson County, Alabama (as amended, supplemented or modified, the “Plan of Adjustment”). The Plan of Adjustment is an “acceptable plan” as such term is used in the PSA. Consistent with their agreements under the PSA, JPMorgan and BayernLB timely voted to accept the Plan of Adjustment. The Bankruptcy Court confirmed the County’s Plan of Adjustment by **[Order]** dated [____], 2013. The Effective Date (as such term is defined in the Plan of Adjustment) is [____], 2013.

The Plan of Adjustment provides, *inter alia*, that JPMorgan and BayernLB will exchange all of their Series 2001-B Warrants for their respective portion of replacement warrants to be issued in two series under the Plan of Adjustment, governed by new trust indentures, and named General Obligation Warrants, Series 2013-A (the “Series 2013-A Warrants”) and General Obligation Warrants, Series 2013-B (the “Series 2013-B Warrants” and, together with the Series 2013-A Warrants, the “Series 2013 Warrants”).

The Series 2013 Warrants have been duly authorized by the County and will be issued and delivered in exchange for the Series 2001-B Warrants, all in accordance with the provisions of the Confirmed Plan of Adjustment (as hereinafter defined), this Indenture, and the Series 2013-[__] Indenture (as hereinafter defined). Upon the occurrence of the exchange of the Series 2001-B Warrants for the Series 2013 Warrants, all of the Series 2001-B Warrants will be cancelled by the Trustee, shall be deemed “Fully Paid” under the terms of the Original Indenture, and shall no longer constitute an indebtedness of

the County. The Original Indenture shall be superseded and replaced in its entirety by this Indenture and the Series 2013-[] Indenture. Section 1145 of the Bankruptcy Code applies to the exchange of the Series 2001-B Warrants for the Series 2013 Warrants pursuant to the Plan of Adjustment.

The County and the Trustee have entered into this Indenture to establish the terms and conditions pursuant to which the Series 2013-A Warrants will be secured, the rights of the Holders of the Series 2013-A Warrants, and the obligations of the Trustee with respect thereto. The County and the Trustee have entered into a separate trust indenture (the "Series 2013-B Indenture"), dated as of even date herewith, to establish the terms and conditions pursuant to which the Series 2013-B Warrants will be secured, the rights of the Holders of the Series 2013-B Warrants, and the obligations of the trustee for the Series 2013-B Warrants. *[Reverse for Series 2013-B Warrants.]*

All acts, conditions and things required to happen, exist and be performed precedent to and in the issuance of the Series 2013 Warrants and in the execution and delivery of this Indenture, have happened, exist and have been performed (i) so as to make the Series 2013 Warrants, when executed, authenticated and delivered, the legal, valid, binding, and enforceable obligations of the County, and (ii) so as to make this Indenture and the Series 2013-[] Indenture legal, valid, binding, and enforceable instruments.

The Trustee has heretofore accepted the trusts created by this Indenture and in evidence thereof has joined in the execution hereof.

NOW, THEREFORE, THIS INDENTURE

WITNESSETH:

For and in consideration of the premises and of the exchange of []'s Series 2001-B Warrants for the Series 2013-[] Warrants, and of the acceptance of the Series 2013-[] Warrants by the Holders thereof from time to time, and the acceptance by the Trustee of the trusts hereby created, and to declare the terms and conditions upon and subject to which the Series 2013-[] Warrants are, and are intended, to be issued, held, secured and enforced, and to secure the payment of the principal of and the interest on the Series 2013-[] Warrants, and to secure the performance and observance of all of the covenants and conditions therein and herein contained, the County has executed and delivered this Indenture for the equal and proportionate benefit and security, to the extent herein provided, of all present and future Holders of the Series 2013-[] Warrants, and for the security and the enforcement of the payment of the principal of and interest on the Series 2013-[] Warrants when payable.

ARTICLE I

**DEFINITIONS AND OTHER PROVISIONS
OF GENERAL APPLICATION**

SECTION 1.1 Definitions

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) The terms defined in this Article have the meanings assigned to them in this Article. Singular terms shall include the plural as well as the singular, and vice versa.

(2) All accounting terms not otherwise defined herein have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting

principles. All references herein to “generally accepted accounting principles” refer to such principles as they exist at the date of application thereof.

(3) All references in this instrument to designated “Articles”, “Sections” and other subdivisions are to the designated Articles, Sections and subdivisions of this instrument as originally executed.

(4) The terms “herein”, “hereof” and “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

(5) All references in this instrument to a separate instrument are to such separate instrument as the same may be amended or supplemented from time to time pursuant to the applicable provisions thereof.

(6) The term “person” shall include any individual, corporation, partnership, joint venture, association, trust, unincorporated organization and any government or any agency or political subdivision thereof.

“**Act of Bankruptcy of the County**” shall mean the filing of a petition in bankruptcy (or other commencement of a bankruptcy or similar proceeding) by the County under any bankruptcy, insolvency, reorganization, or similar law, now or hereafter in effect; provided that, this definition shall not be deemed to include the Bankruptcy Case.

“**Affiliate**” of any specified person shall mean any other person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified person. For purposes of this definition, “control”, when used with respect to any specified person, means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“**Authorized Denominations**” shall mean \$5,000 or any integral multiple thereof.

“**Authorized Officer**” shall mean the President of the County Commission, the County Manager, the Chief Financial Officer of the County, or any person or persons designated by the County by resolution to act on behalf of the County under this Indenture. The designation of such person or persons shall be evidenced by a written certificate containing the specimen signature of such person or persons and signed on behalf of the County by an officer of the County.

“**Bank**” means [_____], a holder of the Series 2001-B Warrants.

“**Bankruptcy Case**” shall mean *In re Jefferson County, Alabama*, Case No. 11-05736-TBB9, adjudicated in the Bankruptcy Court.

“**Bankruptcy Court**” shall mean the United States Bankruptcy Court for the Northern District of Alabama, Southern Division.

“**Book Entry System**” shall mean the electronic system maintained by DTC for the ownership, transfer, exchange and payment of debt obligations.

“**Business Day**” shall mean any day other than a Saturday, a Sunday, a day on which banking institutions are required or authorized to remain closed in New York, New York, or in any city where the

Trustee maintains its place of business for performance of its obligations under this Indenture, or a day on which the New York Stock Exchange is closed.

“**Confirmed Plan of Adjustment**” shall mean the County’s chapter 9 plan of adjustment, as confirmed by order of the Bankruptcy Court (Docket No. [____]) in the Bankruptcy Case.

“**Costs of Issuance**” shall mean the expenses incurred by the County in connection with the issuance of the Series 2013-[__] Warrants, including legal, consulting, accounting and Trustee fees.

“**Costs of Issuance Account**” shall mean the fund established pursuant to *Section 7.2*.

“**County**” shall mean Jefferson County, Alabama, a political subdivision of the State.

“**Debt Service**” shall mean the principal, premium (if any) and interest payable on the Series 2013-[__] Warrants.

“**Debt Service Fund**” shall mean the fund established pursuant to *Section 7.1*.

“**Defaulted Interest**” shall have the meaning stated in *Section 5.3(b)*.

“**DTC**” shall mean The Depository Trust Company.

“**Enabling Law**” shall mean Title 11, Chapter 28 (Section 11-28-1 *et seq.*) of the Code of Alabama 1975.

“**Event of Default**” under this Indenture shall have the meaning stated in *Section 11.1*. An Event of Default shall “exist” if an Event of Default shall have occurred and be continuing.

“**Favorable Tax Opinion**” shall mean an Opinion of Counsel acceptable to the Trustee and the County stating in effect that the proposed action, together with any other changes with respect to the Series 2013-[__] Warrants made or to be made in connection with such action, will not cause interest on the Series 2013-[__] Warrants to become Taxable.

“**Federal Securities**” shall mean direct obligations of, or obligations the full and timely payment of which is guaranteed by, the United States of America, including unit investment trusts and mutual funds that invest solely in such obligations.

“**Financing Participants**” shall mean the County, the Bank and the Trustee.

“**Fiscal Year**” shall mean the fiscal year of the County.

“**Fully Paid**”, when used with respect to Indenture Indebtedness, shall have the meaning stated in *Section 14.1(b)*.

“**Holder**”, when used with respect to any Series 2013-[__] Warrant, shall mean the person in whose name such Series 2013-[__] Warrant is registered in the Warrant Register.

“**Indenture Indebtedness**” shall mean all indebtedness of the County secured by this Indenture, including, without limitation, all Debt Service on the Series 2013-[__] Warrants.

“Independent”, when used with respect to any person, shall mean a person who (i) is in fact independent, (ii) does not have any direct financial interest or any material indirect financial interest in any Financing Participant or in any obligor with respect to the Series 2013-[] Warrants or in any Affiliate of any Financing Participant or of any such obligor, and (iii) is not connected with any Financing Participant or any such obligor as an officer, employee, promoter, underwriter, trustee, partner, director or person performing similar functions.

“Interest Payment Date”, when used with respect to any installment of interest on a Series 2013-[] Warrant, shall mean the date specified in *Section 4.1(h)* as the fixed date on which such installment of interest is due and payable.

“Internal Revenue Code” shall mean the Internal Revenue Code of 1986, as amended.

“Letter of Representations” shall have the meaning stated in *Section 5.8(a)*.

“Maturity”, when used with respect to any Series 2013-[] Warrant, shall mean the date specified in *Section 4.1(c)* on which principal of any Series 2013-[] Warrant is due and payable.

“Moody’s” shall mean Moody’s Investors Service, Inc.

“Office of the Trustee” shall mean the office of the Trustee for hand delivery of notices and other documents, as specified pursuant to *Section 15.1*.

“Opinion of Counsel” shall mean an opinion from an attorney or firm of attorneys with experience in the matters to be covered in the opinion. Except as otherwise expressly provided in this Indenture, the attorney or attorneys rendering such opinion may be counsel for one or more of the Financing Participants.

“outstanding”, when used with respect to Series 2013-[] Warrants, shall mean, as of the date of determination, all Series 2013-[] Warrants authenticated and delivered under this Indenture, except:

- (1) Series 2013-[] Warrants cancelled by the Trustee or delivered to the Trustee for cancellation,
- (2) Series 2013-[] Warrants for whose payment or redemption money in the necessary amount has been deposited with the Trustee in trust for the Holders of such Series 2013-[] Warrants or for which provision for payment has been made in accordance with *Section 14.2* hereof, provided that, if such Series 2013-[] Warrants are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made, and
- (3) Series 2013-[] Warrants in exchange for or in lieu of which other Series 2013-[] Warrants have been authenticated and delivered under this Indenture;

provided, however, that in determining whether the Holders of the requisite principal amount of Series 2013-[] Warrants outstanding have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Series 2013-[] Warrants owned by the County shall be disregarded and deemed not to be outstanding. Series 2013-[] Warrants owned by the County which have been pledged in good faith may be regarded as outstanding for such purposes if the pledgee establishes to the satisfaction of the Trustee the pledgee’s right so to act with respect to such Series 2013-[] Warrants.

“Post-Default Rate” shall mean (i) when used with respect to any Event of Default, the interest rate specified in *Section 4.1(e)* plus 1.00%, computed as provided in such Series 2013-[] Warrant, and (ii) when used with respect to all other payments due under this Indenture, a variable rate equal to the Trustee’s prime rate plus 1%, computed on the basis of a 365 or 366-day year, as the case may be, for actual days elapsed.

“Qualified Investments” means:

- (a) Federal Securities,
- (b) bonds, debentures, notes or other obligations issued or guaranteed by any federal agency if such obligations are (i) backed by the full faith and credit of the United States of America or (ii) rated by at least one Rating Agency in one of the three highest rating categories assigned by such Rating Agency,
- (c) money market funds rated by at least one Rating Agency in one of the three highest rating categories assigned by such Rating Agency,
- (d) certificates of deposit or other bank deposits that are described in one of the following clauses: (i) certificates of deposit or bank deposits issued by, or made with, a bank whose unsecured, long-term obligations are rated by at least one Rating Agency in one of the three highest rating categories assigned by such Rating Agency, or (ii) certificates of deposit or bank deposits secured at all times by collateral described in paragraphs (a) and (b) above that is held by the Trustee or by a third party custodian acceptable to the County and the Trustee with a perfected first security interest in the collateral,
- (e) certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by the Federal Deposit Insurance Corporation,
- (f) investment agreements, including guaranteed investment contracts, repurchase agreements and forward purchase agreements, provided that (i) any securities purchased or held pursuant to such agreement are otherwise Qualified Investments under this Indenture, (ii) the counterparty’s long-term debt obligations are rated by at least one Rating Agency in one of the three highest rating categories assigned by such Rating Agency, and (iii) the securities, if purchased, are owned by the County or the Trustee and are held by the Trustee or by a third party custodian acceptable to the County and the Trustee or, if held as collateral, are held by the Trustee or a third party custodian acceptable to the County and the Trustee with a perfected first security interest in such collateral,
- (g) commercial paper rated, at the time of purchase, not less than “Prime-1” by Moody’s or not less than “A-1” by S&P, and
- (h) bonds, warrants or notes issued by any state, county or municipality which are rated by at least one Rating Agency in one of the three highest rating categories assigned by such Rating Agency.

For purposes of this definition, rating categories are determined without regard to qualifiers, such as “+” or “1” (for example, ratings of “A-1”, “A-2”, “A ” and “A+” are considered part of the same rating category).

“Rating Agency” shall mean Moody’s, S&P and any other nationally recognized securities rating agency.

“**Regular Record Date**” shall mean the 15th day (whether or not a Business Day) of the month next preceding the relevant Interest Payment Date.

“**S&P**” shall mean Standard & Poor’s Financial Services LLC.

“**Series 2001-B Warrants**” shall mean the County’s General Obligation Warrants, Series 2001-B, issued pursuant to the Original Indenture.

“**Series 2013 Warrants**” shall mean, collectively, the Series 2013-A Warrants and the Series 2013-B Warrants.

“**Series 2013-A Indenture**” means this Trust Indenture as it may be amended and supplemented from time to time.

“**Series 2013-A Warrants**” shall mean the County’s General Obligation Warrants, Series 2013-A, issued [hereunder] [under the Series 2013-A Indenture].

“**Series 2013-B Indenture**” means that certain trust indenture dated as of December 1, 2013, pursuant to which the Series 2013-B Warrants are secured. [**Reverse for Series 2013-B Warrants**]

“**Series 2013-B Warrants**” shall mean the County’s General Obligation Warrants, Series 2013-B, issued [hereunder] [under the Series 2013-B Indenture].

“**Special Funds**” shall mean the Debt Service Fund and any other fund or account established pursuant to this Indenture, excluding the Costs of Issuance Account established pursuant to *Section 7.2*.

“**Special Record Date**” for the payment of any Defaulted Interest on the Series 2013-[__] Warrants means a date fixed by the Trustee pursuant to *Section 5.3(b)*.

“**State**” shall mean the State of Alabama.

“**Tax Certificate and Agreement**” means that certain Tax Certificate and Agreement entered into by the County in connection with the issuance of the Series 2013 Warrants.

“**Taxable**” shall mean that for purposes of federal income taxation interest on the Series 2013 Warrants is includible in the gross income of any Holder thereof for any reason. Interest on the Series 2013 Warrants shall not be deemed “Taxable” because interest is includible in any calculation of income for purposes of an alternative minimum tax, a foreign branch profits tax or any other type of taxation other than the regular tax imposed on gross income.

“**Trust Estate**” shall have the meaning attributed to that term in *Section 2.1*.

“**Trustee**” shall mean Wells Fargo Bank, National Association, in its capacity as trustee under the Indenture, and its successors as such trustee.

“**Warrant Exchange Agreement**” shall mean that certain Warrant Exchange Agreement between the County and the Bank dated as of December 1, 2013 entered into in connection with the issuance of the Series 2013-[__] Warrants.

“**Warrant Payment Date**” shall mean each date (including any date fixed for redemption of Series 2013-[__] Warrants) on which Debt Service is payable on the Series 2013-[__] Warrants.

“**Warrant Register**” shall mean the register or registers for the registration and transfer of Series 2013-[] Warrants maintained by the County pursuant to *Section 5.1(a)*.

“**Warrantholder**”, when used with respect to any Series 2013-[] Warrant, shall mean the person in whose name such Series 2013-[] Warrant is registered in the Warrant Register.

“**Wire Transfer**” shall mean payment by wire transfer to an account maintained at a bank located in the United States; provided, however, that any person entitled to receive any payment due under this Indenture by wire transfer must deliver adequate written instructions for such payment to the Trustee.

SECTION 1.2 Ownership of Series 2013-[] Warrants; Effect of Action by Warrantholders

(a) The ownership of Series 2013-[] Warrants shall be proved by the Warrant Register.

(b) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Series 2013-[] Warrant shall bind every future Holder of the same Series 2013-[] Warrant and the Holder of every Series 2013-[] Warrant issued upon the transfer thereof or in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the County in reliance thereon, whether or not notation of such action is made upon such Series 2013-[] Warrant.

SECTION 1.3 Effect of Headings and Table of Contents

The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 1.4 Date of Indenture

The date of this Indenture is intended as and for a date for the convenient identification of this Indenture and is not intended to indicate that this Indenture was executed and delivered on said date.

SECTION 1.5 Separability Clause

If any provision in this Indenture or in the Series 2013-[] Warrants shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 1.6 Governing Law

This Indenture shall be construed in accordance with and governed by the laws of the State.

SECTION 1.7 Designation of Time for Performance

Except as otherwise expressly provided herein, any reference in this Indenture to the time of day shall mean the time of day in Birmingham, Alabama.

SECTION 1.8 Counterparts

This Indenture may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

ARTICLE II

GRANTING CLAUSES

SECTION 2.1 Granting Clauses

To secure the payment of Debt Service on the Series 2013-[] Warrants and all other Indenture Indebtedness and the performance of the covenants herein and in the Series 2013-[] Warrants contained, and to declare the terms and conditions on which the Series 2013-[] Warrants are secured, and in consideration of the premises and of the exchange of []'s Series 2001-B Warrants for the Series 2013-[] Warrants pursuant to the Plan of Adjustment, and of the acceptance of the Series 2013-[] Warrants by the Holders thereof, the County by these presents does hereby assign, transfer and pledge to the Trustee all and singular the following described property:

I

Special Funds

Money and investments from time to time on deposit in, or forming a part of, the Special Funds, subject to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein.

II

Other Property

Any and all property of every kind or description which may, from time to time hereafter, by delivery or by writing of any kind, be subjected to the lien of this Indenture as additional security by the County or anyone on its part or with its consent; and the Trustee is hereby authorized to receive any and all such property as and for additional security for the obligations secured hereby and to hold and apply all such property subject to the terms hereof.

TO HAVE AND TO HOLD all said property (herein collectively called the "Trust Estate") unto the Trustee and its successors and assigns;

BUT IN TRUST, NEVERTHELESS, for the equal and proportionate benefit and security of the Holders from time to time of the Series 2013-[] Warrants (without any priority of any such Series 2013-[] Warrant over any other such Series 2013-[] Warrant) as herein provided.

ARTICLE III

SOURCE OF PAYMENT

SECTION 3.1 General Obligation

The indebtedness evidenced and ordered paid by the Series 2013 Warrants shall be a general obligation of the County for the payment of Debt Service on which the full faith and credit of the County are hereby irrevocably pledged, pro rata and without preference or priority of one Series 2013 Warrant over another.

ARTICLE IV

THE SERIES 2013-[] WARRANTS

SECTION 4.1 Specific Title and Terms

(a) **Title and Amount.** The Series 2013-[] Warrants shall be entitled “General Obligation Warrants, Series 2013-[]”. The aggregate principal amount of the Series 2013-[] Warrants which may be authenticated and delivered and outstanding is limited to \$[_____].

(b) **Form and Number.** The Series 2013-[] Warrants shall be issuable as registered warrants without coupons in Authorized Denominations. The Series 2013-[] Warrants shall be numbered separately from []-1 upward.

(c) **Maturity.** The Series 2013-[] Warrants shall mature on April 1, 2021.

(d) **Date.** The Series 2013-[] Warrants shall be dated as of their date of initial delivery.

(e) **Interest Rates.** The Series 2013-[] Warrants shall bear interest at the rate of []% per annum.

(f) **Computation of Interest Accrual.** The Series 2013-[] Warrants shall bear interest from their date, or the most recent date to which interest has been paid or duly provided for, at the applicable rate per annum set forth in this Article. Interest shall be computed on the basis of a 360-day year with 12 months of 30 days each.

(g) **Overdue Interest.** Interest shall be payable on overdue principal on the Series 2013-[] Warrants and (to the extent legally enforceable) on any overdue installment of interest on the Series 2013-[] Warrants at the Post-Default Rate.

(h) **Interest Payment Dates.** Interest shall be payable in arrears on April 1 and October 1 in each year (each such date being herein called an “Interest Payment Date”), beginning April 1, 2014, and at Maturity.

(i) **Method of Payment.** Payment of interest on the Series 2013-[] Warrants shall be made by check mailed on the Interest Payment Date or, at the request of any Holder of Series 2013-[] Warrants in an aggregate principal amount of not less than \$1,000,000 accompanied by adequate written instructions, by Wire Transfer. Payment of principal (and redemption premium, if applicable) on any such Series 2013-[] Warrant shall be made by check or, at the request of any Holder of Series 2013-[] Warrants in an aggregate principal amount of not less than \$1,000,000 accompanied by adequate written instructions, by Wire Transfer, but under either method only after such Series 2013-[] Warrant is presented at the Office of the Trustee.

SECTION 4.2 Form of Series 2013-[] Warrants

The Series 2013-[] Warrants and the certificate of authentication applicable thereto shall be substantially as set forth in *Exhibit A*, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture.

SECTION 4.3 Execution, Authentication, Delivery and Dating

(a) The Series 2013-[] Warrants shall be executed on behalf of the County by the President of its governing body under its official seal reproduced thereon and attested by the Minute Clerk of its governing body. The Series 2013-[] Warrants shall be acknowledged as an obligation of the County by the County Treasurer. The signature of any of these officers on the Series 2013-[] Warrants may be manual or, to the extent permitted by law, facsimile. Series 2013-[] Warrants bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the County shall bind the County, notwithstanding that such individuals or any of them shall have ceased to hold such offices prior to the authentication and delivery of such Series 2013-[] Warrants or shall not have held such offices at the date of such Series 2013-[] Warrants.

(b) At any time and from time to time after the execution and delivery of this Indenture, the County may deliver Series 2013-[] Warrants executed by the County to the Trustee for authentication and the Trustee shall authenticate and deliver such Series 2013-[] Warrants as provided in this Indenture and not otherwise.

(c) No Series 2013-[] Warrant shall be secured by, or be entitled to, any lien, right or benefit under, this Indenture or be valid or obligatory for any purpose, unless there appears on such Series 2013-[] Warrant a certificate of authentication substantially in the form provided for herein, executed by the Trustee by manual signature, and such certificate upon any Series 2013-[] Warrant shall be conclusive evidence, and the only evidence, that such Series 2013-[] Warrant has been duly authenticated and delivered hereunder.

SECTION 4.4 Authentication and Delivery of Series 2013-[] Warrants to the Bank

Upon the execution and delivery of this Indenture, Series 2013-[] Warrants in the aggregate principal amount authorized in *Section 4.1* shall be executed and authenticated as provided in *Section 4.3*. The Series 2013-[] Warrants shall thereupon be delivered by the Trustee to the Bank in exchange for the Bank's Series 2001-B Warrants. Pursuant to the Plan of Adjustment, the Series 2001-B Warrants surrendered by the Bank in exchange for the Series 2013-[] Warrants shall be cancelled by the Trustee, shall be deemed "Fully Paid" under the terms of the Original Indenture, and shall no longer constitute an indebtedness of the County. Upon such exchange pursuant to the Plan of Adjustment, the Original Indenture, the Standby Purchase Agreement and all documents related to the Series 2001-B Warrants shall be deemed cancelled and of no further force and effect.

ARTICLE V

REGISTRATION, EXCHANGE AND GENERAL PROVISIONS REGARDING THE SERIES 2013-[] WARRANTS

SECTION 5.1 Registration, Transfer and Exchange

(a) The County shall cause to be kept at the Office of the Trustee a register (herein sometimes referred to as the "Warrant Register") in which, subject to such reasonable regulations as it may prescribe, the County shall provide for the registration of the Series 2013-[] Warrants and registration of transfers of Series 2013-[] Warrants entitled to be registered or transferred as herein provided. The Trustee is hereby appointed as the County's agent for the purpose of registering Series 2013-[] Warrants and transfers of Series 2013-[] Warrants as herein provided.

(b) Upon surrender for transfer of any Series 2013-[] Warrant at the Office of the Trustee, the County shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Series 2013-[] Warrants of the same series, Maturity, and interest rate, of any Authorized Denominations and of a like aggregate principal amount.

(c) At the option of the Holder, Series 2013-[] Warrants may be exchanged for other Series 2013-[] Warrants of the same Maturity and interest rate, of any Authorized Denominations and of a like aggregate principal amount, upon surrender of the Series 2013-[] Warrants to be exchanged at the Office of the Trustee. Whenever any Series 2013-[] Warrants are so surrendered for exchange, the County shall execute, and the Trustee shall authenticate and deliver, the Series 2013-[] Warrants which the Warrantholder making the exchange is entitled to receive.

(d) All Series 2013-[] Warrants surrendered upon any exchange or transfer provided for in this Indenture shall be promptly cancelled by the Trustee.

(e) All Series 2013-[] Warrants issued upon any transfer or exchange of Series 2013-[] Warrants shall be the legal, valid, binding, and enforceable obligations of the County and entitled to the same security and benefits under this Indenture as the Series 2013-[] Warrants surrendered upon such transfer or exchange.

(f) Every Series 2013-[] Warrant presented or surrendered for transfer or exchange shall contain, or be accompanied by, all necessary endorsements for transfer or exchange.

(g) No service charge shall be made for any transfer or exchange of any Series 2013-[] Warrants, but the County may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of such Series 2013-[] Warrants.

(h) The Trustee shall not be required (i) to transfer or exchange any Series 2013-[] Warrant during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of any Series 2013-[] Warrants and ending at the close of business on the day of such mailing, or (ii) to transfer or exchange any Series 2013-[] Warrant so selected for redemption in whole or in part.

SECTION 5.2 Mutilated, Destroyed, Lost and Stolen Series 2013-[] Warrants

(a) If (i) any mutilated Series 2013-[] Warrant is surrendered to the Trustee, or the County and the Trustee receive evidence to their satisfaction of the destruction, loss or theft of any Series 2013-[] Warrant, and (ii) there is delivered to the County and the Trustee such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the County or the Trustee that such Series 2013-[] Warrant has been acquired by a bona fide purchaser, the County shall execute and upon its request the Trustee shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Series 2013-[] Warrant, a new Series 2013-[] Warrant of like tenor and principal amount, bearing a number not contemporaneously outstanding.

(b) Upon the issuance of any new Series 2013-[] Warrant under this section, the County may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses connected therewith.

(c) Every new Series 2013-[] Warrant issued pursuant to this section in lieu of any mutilated, destroyed, lost or stolen Series 2013-[] Warrant shall constitute an original additional

contractual obligation of the County, whether or not the mutilated, destroyed, lost or stolen Series 2013-[] Warrant shall be at any time enforceable by anyone, and shall be entitled to all the security and benefits of this Indenture equally and ratably with all other outstanding Series 2013-[] Warrants.

(d) The provisions of this section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Series 2013-[] Warrants.

SECTION 5.3 Payment of Interest on Series 2013-[] Warrants; Interest Rights Preserved

(a) Interest on any Series 2013-[] Warrant which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the person in whose name that Series 2013-[] Warrant is registered at the close of business on the Regular Record Date for such Interest Payment Date.

(b) Any interest on any Series 2013-[] Warrant which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the Holder on the relevant Regular Record Date solely by virtue of such Holder having been such Holder; and such Defaulted Interest shall be paid by the County to the persons in whose names such Series 2013-[] Warrants are registered at the close of business on a special record date (herein called a "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner. The County shall notify the Trustee of the amount of Defaulted Interest proposed to be paid on each Series 2013-[] Warrant and the date of the proposed payment (which date shall be such as will enable the Trustee to comply with the next sentence hereof), and at the same time the County shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this subsection provided and not to be deemed part of the Trust Estate. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the County of such Special Record Date and, in the name and at the expense of the County, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of a Series 2013-[] Warrant at his address as it appears in the Warrant Register not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the persons in whose names the Series 2013-[] Warrants are registered on such Special Record Date.

(c) Subject to the foregoing provisions of this section, each Series 2013-[] Warrant delivered under this Indenture upon transfer of or in exchange for or in lieu of any other Series 2013-[] Warrant shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Series 2013-[] Warrant and each such Series 2013-[] Warrant shall bear interest from such date that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

SECTION 5.4 Persons Deemed Owners

The County and the Trustee may treat the person in whose name any Series 2013-[] Warrant is registered as the owner of such Series 2013-[] Warrant for the purpose of receiving payment of Debt Service on such Series 2013-[] Warrant (subject to *Section 5.3*) and for all other purposes whatsoever,

whether or not such Series 2013-[] Warrant is overdue, and, to the extent permitted by law, the County and the Trustee shall not be affected by notice to the contrary.

SECTION 5.5 Trustee

The Debt Service on the Series 2013-[] Warrants shall, except as otherwise provided herein, be payable at the Office of the Trustee.

SECTION 5.6 Payments Due on Non-Business Days; Notice of Receipt of Funds

If any payment on the Series 2013-[] Warrants is due on a day which is not a Business Day, such payment may be made on the first succeeding day which is a Business Day with the same effect as if made on the day such payment was due.

SECTION 5.7 Cancellation

All Series 2013-[] Warrants surrendered for payment, redemption, transfer or exchange shall be promptly cancelled by the Trustee. No Series 2013-[] Warrant shall be authenticated in lieu of or in exchange for any Series 2013-[] Warrant cancelled as provided in this section, except as expressly provided by this Indenture.

SECTION 5.8 Book Entry System for Series 2013-[] Warrants

(a) The registration and payment of the Series 2013-[] Warrants shall be made pursuant to the Book Entry System (the "Book Entry System") administered by DTC in accordance with the Letter of Representations delivered to the Trustee (the "Letter of Representations") until such Book Entry System is terminated pursuant to *Section 5.8(c)*.

(b) While Series 2013-[] Warrants are in the Book Entry System the following provisions shall apply for purposes of this Indenture and shall supersede any contrary provisions of this Indenture:

(1) Notwithstanding the fact that DTC may hold a single physical certificate for each stated maturity for purposes of the Book Entry System, the term "Series 2013-[] Warrant" shall mean each separate Security (as such term is defined in the Letter of Representations) issued pursuant to the Book Entry System, and the term "Holder" shall mean the person identified on the records of DTC as the owner of the related Security.

(2) The terms and limitations of this Indenture with respect to each separate Series 2013-[] Warrant shall be applicable to each separate Security registered under the Book Entry System.

(3) All notices under this Indenture to Holders of Series 2013-[] Warrants shall be delivered to DTC for distribution by DTC in accordance with the provisions of the Letter of Representations.

(4) All payments of Debt Service on the Series 2013-[] Warrants shall be made by the Trustee to DTC and shall be made by DTC to the Participants (as such term is defined in the Letter of Representations) as provided in the Letter of Representations. All such payments shall be valid and effective fully to satisfy and discharge the County's (as such term is defined in the Letter of Representations) obligations with respect to such payments.

(c) If the County and the Trustee concur that it would be in the best interests of the Holders of the Series 2013-[] Warrants for the Book Entry System to be discontinued (in whole or in part), such Book Entry System shall be discontinued (in whole or in part) in accordance with the provisions of the Letter of Representations.

(d) If the Book Entry System is discontinued, except as otherwise provided in this *Section 5.8* with respect to Wire Transfer rights, payment of interest on the Series 2013-[] Warrants that is due on any Interest Payment Date shall be made by check or draft mailed by the Trustee to the persons entitled thereto at their addresses appearing in the Warrant Register. Such payments of interest shall be deemed timely made if so mailed on the Interest Payment Date (or, if such Interest Payment Date is not a Business Day, on the Business Day next following such Interest Payment Date). Payment of the principal of (and redemption premium, if any, on) the Series 2013-[] Warrants and payment of accrued interest on the Series 2013-[] Warrants due upon redemption on any date other than an Interest Payment Date shall be made only upon surrender thereof at the Office of the Trustee.

(e) If the Book-Entry System is discontinued, upon the written request of any Holder of Series 2013-[] Warrants in an aggregate principal amount of not less than \$1,000,000, the Trustee will make payment of the Debt Service due on such Series 2013-[] Warrants by Wire Transfer; provided that:

(1) such request contains adequate instructions for the method of payment, and

(2) payment of the principal of (and redemption premium, if any, on) such Series 2013-[] Warrants and payment of the accrued interest on such Series 2013-[] Warrants due upon redemption on any date other than an Interest Payment Date shall be made only upon surrender of such Series 2013-[] Warrants to the Trustee.

ARTICLE VI

REDEMPTION OF SERIES 2013-[] WARRANTS

SECTION 6.1 When Series 2013-[] Warrants Are Subject to Redemption

The Series 2013-[] Warrants shall be subject to redemption prior to Maturity as follows:

(a) **Optional Redemption.** The Series 2013-[] Warrants may be redeemed at the option of the County, on the dates and for the redemption prices (expressed as a percentage of the principal amount redeemed) equal to the applicable redemption price set forth below, plus accrued interest thereon to the date of redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
[], 2018 through [], 2019	102%
[], 2019 through [], 2020	101%
[], 2020 and thereafter	100%

(b) [CHOOSE ONE] **[Scheduled Mandatory Redemption of Series 2013-A Warrants.** The Series 2013-A Warrants shall be redeemed, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest thereon to the redemption date, on April 1 in years and principal amounts (after credit as provided below) as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2014	\$ 5,590,000	2018	\$ 6,735,000
2015	5,905,000	2019	7,025,000
2016	6,170,000	2020	7,340,000
2017	6,445,000		

\$7,665,000 of the Series 2013-A Warrants
will be retired at Maturity

Not less than 20 or more than 60 days prior to each such scheduled mandatory redemption date, the Trustee shall proceed to select for redemption, as provided in **Section 6.3** hereof, Series 2013-A Warrants or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such Series 2013-A Warrants or portions thereof for redemption on such scheduled mandatory redemption date; provided, however, that the County may, upon direction delivered to the Trustee not less than 60 days prior to such scheduled mandatory redemption date, direct that any or all of the following amounts be credited against the principal amount of Series 2013-A Warrants scheduled for redemption on such date: (i) the principal amount of Series 2013-A Warrants delivered by the County to the Trustee for cancellation and not previously claimed as a credit; and (ii) the principal amount of Series 2013-A Warrants previously redeemed (other than Series 2013-A Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit.

Series 2013-A Warrants shall be redeemed in accordance with the mandatory redemption provisions of the Series 2013-A Warrants without any direction from or consent by the County.]

[OR] **[Scheduled Mandatory Redemption of Series 2013-B Warrants.** The Series 2013-B Warrants shall be redeemed, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest thereon to the redemption date, on April 1 in years and principal amounts (after credit as provided below) as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2014	\$ 5,510,000	2018	\$ 6,635,000
2015	5,825,000	2019	6,930,000
2016	6,080,000	2020	7,235,000
2017	6,350,000		

\$7,560,000 of the Series 2013-B Warrants
will be retired at Maturity

Not less than 20 or more than 60 days prior to each such scheduled mandatory redemption date, the Trustee shall proceed to select for redemption, as provided in **Section 6.3** hereof, Series 2013-B Warrants or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such Series 2013-B Warrants or portions thereof for redemption on such scheduled mandatory redemption date; provided, however, that the County may, upon direction delivered to the Trustee not less than 60 days prior to such scheduled

mandatory redemption date, direct that any or all of the following amounts be credited against the principal amount of Series 2013-B Warrants scheduled for redemption on such date: (i) the principal amount of Series 2013-B Warrants delivered by the County to the Trustee for cancellation and not previously claimed as a credit; and (ii) the principal amount of Series 2013-B Warrants previously redeemed (other than Series 2013-B Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit.

Series 2013-B Warrants shall be redeemed in accordance with the mandatory redemption provisions of the Series 2013-B Warrants without any direction from or consent by the County.]

SECTION 6.2 Election to Redeem; Notice to Trustee

The election of the County to exercise any right of optional redemption shall be evidenced by notice to the Trustee from an Authorized Officer. The notice of election to redeem must be received by the Trustee at least 60 days prior to the date fixed for redemption (unless a shorter notice is acceptable to the Trustee) and shall specify (i) the principal amount of Series 2013-[] Warrants to be redeemed (if less than all Series 2013-[] Warrants outstanding may be redeemed pursuant to such option) and (ii) the redemption date, subject to the provisions of this Indenture with respect to the permitted period for such redemption.

SECTION 6.3 Selection by Trustee of Series 2013-[] Warrants to be Redeemed

(a) If less than all Series 2013-[] Warrants outstanding are to be redeemed, the particular Series 2013-[] Warrants to be redeemed shall be selected by the Trustee by lot or by such other method as the Trustee shall deem fair and appropriate.

(b) The Trustee shall promptly notify the County of the Series 2013-[] Warrants selected for redemption and, in the case of any Series 2013-[] Warrants selected for partial redemption, the principal amount thereof to be redeemed.

(c) For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Series 2013-[] Warrants shall relate, in the case of any Series 2013-[] Warrants redeemed or to be redeemed only in part, to the portion of the principal amount of such Series 2013-[] Warrants which have been or are to be redeemed.

SECTION 6.4 Notice of Redemption

(a) Unless waived by the Holders of all Series 2013-[] Warrants then outstanding to be redeemed, notice of redemption shall be given by registered or certified mail, mailed not less than 30 nor more than 60 days prior to the redemption date, to each Holder of Series 2013-[] Warrants to be redeemed, at his address appearing in the Warrant Register.

(b) All notices of redemption shall state:

(1) the redemption date,

(2) the redemption price,

(3) the principal amount of Series 2013-[] Warrants to be redeemed, and, if less than all outstanding Series 2013-[] Warrants are to be redeemed, the identification (and, in the

case of partial redemption, the respective principal amounts) of the Series 2013-[] Warrants to be redeemed,

(4) that on the redemption date the redemption price of each of the Series 2013-[] Warrants to be redeemed will become due and payable and that the interest thereon shall cease to accrue from and after said date, and

(5) the place or places where the Series 2013-[] Warrants to be redeemed are to be surrendered for payment of the redemption price.

(c) Notice of redemption of Series 2013-[] Warrants to be redeemed at the option of the County shall be given by the Trustee in the name and at the expense of the County. Notice of redemption of Series 2013-[] Warrants in accordance with the mandatory redemption provisions of the Series 2013-[] Warrants shall be given by the Trustee in the name and at the expense of the County.

SECTION 6.5 Deposit of Redemption Price

On the Business Day prior to the applicable redemption date, an amount of money sufficient to pay the redemption price of all the Series 2013-[] Warrants which are to be redeemed on that date shall be deposited with the Trustee. Such money shall be held in trust for the benefit of the persons entitled to such redemption price and shall not be deemed to be part of the Trust Estate.

SECTION 6.6 Series 2013-[] Warrants Payable on Redemption Date

(a) Notice of redemption (if required) having been given as aforesaid, the Series 2013-[] Warrants to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified and from and after such date (unless the County shall default in the payment of the redemption price) such Series 2013-[] Warrants shall cease to bear interest. Upon surrender of any such Series 2013-[] Warrant for redemption in accordance with said notice, such Series 2013-[] Warrant shall be paid by the County at the redemption price. Installments of interest due on or prior to the redemption date shall be payable to the Holders of the Series 2013-[] Warrants registered as such on the relevant record dates according to the terms of such Series 2013-[] Warrants and the provisions of *Section 5.3*.

(b) If any Series 2013-[] Warrant called for redemption shall not be paid upon surrender thereof for redemption, the principal (and premium, if any) shall, until paid, bear interest from the redemption date at the Post-Default Rate.

SECTION 6.7 Series 2013-[] Warrants Redeemed in Part

Unless otherwise provided herein, any Series 2013-[] Warrant which is to be redeemed only in part shall be surrendered at the Office of the Trustee with all necessary endorsements for transfer, and the County shall execute and the Trustee shall authenticate and deliver to the Holder of such Series 2013-[] Warrant, without service charge, a new Series 2013-[] Warrant or Series 2013-[] Warrants of the same series, Maturity and interest rate and of any Authorized Denomination or Denominations as requested by such Holder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Series 2013-[] Warrant surrendered.

SECTION 6.8 Purchase or Tender for Cancellation

The County may, at its sole option, purchase any Series 2013 [] Warrants made available to it by whatever means, or solicit or make tender offer(s) for the purchase of any Series 2013 [] Warrants, whether directly or through securities dealers. The County may exercise this option with respect to all or less than all of a particular maturity of Series 2013 [] Warrants and whether or not Series 2013 [] Warrants which the County may seek to acquire are subject to optional redemption. Any Series 2013 [] Warrants so purchased may be delivered by the County to the Trustee for cancellation (including, without limitation, in connection with the provisions of *Section 6.1(b)*), and upon such delivery and cancellation, shall no longer be outstanding. The County may exercise the option granted in this section through whatever means are legally available to the County.

ARTICLE VII

SPECIAL FUNDS

SECTION 7.1 Debt Service Fund

(a) There is hereby established a special trust fund which shall be designated the “Jefferson County General Obligation Warrants Series 2013-[] Debt Service Fund” (the “Debt Service Fund”). The Trustee shall be the depository, custodian and disbursing agent for the Debt Service Fund.

(b) The County shall make deposits to the Debt Service Fund at times and in amounts as follows:

(1) on or before the Business Day prior to each Interest Payment Date, an amount equal to the interest on the Series 2013-[] Warrants that is due and payable on such date;

(2) on or before the Business Day prior to April 1, 2021, an amount equal to the principal amount of Series 2013-[] Warrants maturing on such date; and

(3) on or before the Business Day prior to each date fixed for the redemption of Series 2013-[] Warrants, an amount equal to the redemption price of Series 2013-[] Warrants to be redeemed on such date.

(c) The County shall receive a credit against the deposits required by *Section 7.1(b)* as follows:

(1) Investment income and profits from investments made in the Debt Service Fund shall be credited against such deposits as directed by the County; and

(2) Any other money held by the Trustee and available under the terms of this Indenture for the payment of Debt Service on the Series 2013-[] Warrants shall be credited against such deposits as directed by the County. Such directions must be consistent with any mandatory provision of this Indenture with respect to the required use of such money.

(d) The County acknowledges that the deposits required by *Section 7.1(b)* are intended to provide funds sufficient for the payment of Debt Service when due on all Series 2013-[] Warrants. Nonetheless, if the balance in the Debt Service Fund on any Warrant Payment Date is not sufficient to pay all Debt Service due on such date, the County shall immediately deposit in such fund an amount equal to the deficiency.

(e) On each Warrant Payment Date, money on deposit in the Debt Service Fund shall be applied by the Trustee for the payment of Debt Service on the Series 2013-[__] Warrants becoming due on such Warrant Payment Date. The balance of such money on deposit, if any, shall be retained in the Debt Service Fund.

SECTION 7.2 Costs of Issuance Account

There is hereby established a special account to be designated the “Jefferson County General Obligation Warrants Series 2013-[__] Costs of Issuance Account.” The Costs of Issuance Account shall be held by the Trustee. On the date of issuance and delivery of the Series 2013-[__] Warrants to the [__], the County shall transfer to the Trustee for deposit in the Costs of Issuance Account funds in an amount equal to the anticipated Costs of Issuance as determined by the County. The Trustee shall disburse moneys in the Costs of Issuance Account to the persons entitled thereto as directed in writing by an Authorized Officer. Any funds remaining in the Costs of Issuance Account 90 days after the date of initial issuance and delivery of the Series 2013-[__] Warrants shall be returned to the County.

SECTION 7.3 Money for Series 2013-[__] Warrant Payments to be Held in Trust; Repayment of Unclaimed Money

(a) If money is on deposit in the Debt Service Fund on any Warrant Payment Date sufficient to pay Debt Service on the Series 2013-[__] Warrants due and payable on such date, but the Holder of any Series 2013-[__] Warrant that matures on such date or that is subject to redemption on such date fails to surrender such Series 2013-[__] Warrant to the Trustee for payment of Debt Service due and payable on such date, the Trustee shall segregate and hold in trust for the benefit of the person entitled thereto money sufficient to pay the Debt Service due and payable on such Series 2013-[__] Warrant on such date. Money so segregated and held in trust shall not be a part of the Trust Estate and shall not be invested, but shall constitute a separate trust fund for the benefit of the persons entitled to such Debt Service.

(b) Any money held in trust by the Trustee for the payment of Debt Service on any Series 2013-[__] Warrant pursuant to *Section 7.3(a)* and remaining unclaimed for three years after such Debt Service has become due and payable shall be paid to the County upon written request of an Authorized Officer; and the Holder of such Series 2013-[__] Warrant shall thereafter, as an unsecured creditor, look only to the County for payment thereof, and all liability of the Trustee with respect to such trust money shall thereupon cease; provided, however, that the Trustee, before making any such payment to the County, shall at the expense of the County cause to be published once, in a newspaper of general circulation in the County, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication, any unclaimed balance of such money then remaining will be paid to the County.

ARTICLE VIII

INVESTMENT OF SPECIAL FUNDS

SECTION 8.1 Investment of Special Funds

(a) Subject to the provisions of *Section 10.1*, any money held as part of a Special Fund shall be invested or reinvested in Qualified Investments by the custodian of such fund in accordance with the instructions of the County (which instructions shall be evidenced by written certificates signed by an Authorized Officer and delivered from time to time to the Trustee); provided, however, that money in the Debt Service Fund shall be invested only in Federal Securities with a maturity not later than the earlier of

(i) 30 days after the date of such investment, or (ii) the date such money will be needed for the payment of Debt Service on the Series 2013-[] Warrants. Any investment made with money on deposit in a Special Fund shall be held by or under control of the fund custodian and shall be deemed at all times a part of the Special Fund where such money was on deposit, and the interest and profits realized from such investment shall be credited to such fund and any loss resulting from such investment shall be charged to such fund.

(b) Any investment of money held as part of a Special Fund may be made by the fund custodian through its own bond department, investment department or other commercial banking department providing investment services. Any certificate of deposit issued by, or other interest-bearing deposit with, the fund custodian shall be deemed an investment.

(c) The Trustee shall not be responsible or liable for any losses suffered in connection with any investment of funds made by it at the instruction of the County.

SECTION 8.2 Application of Funds After Series 2013-[] Warrants Fully Paid

After all Series 2013-[] Warrants have been Fully Paid, any money or investments remaining in the Special Funds shall be paid to the County.

ARTICLE IX

CONDITIONS, REPRESENTATIONS AND COVENANTS

SECTION 9.1 Conditions Precedent to Issuance

On or before the date that the Series 2013 Warrants are issued by the County, the Trustee shall have received each of the following, in form and substance reasonably acceptable to the County and the Bank:

(a) A copy of the resolution of the County authorizing the issuance of the Series 2013 Warrants and the execution and delivery of the documents, agreements and certificates necessary in connection therewith.

(b) An original executed counterpart of the Series 2013-A Indenture and the Series 2013-B Indenture.

(c) Original executed Series 2013 Warrants.

(d) An Official Statement covering the Series 2013 Warrants.

(e) An original executed counterpart of the Warrant Exchange Agreement (Series 2013-[]).

(f) A true, complete, original executed counterpart of a continuing disclosure agreement covering the Series 2013-[] Warrants.

(g) A certificate signed by an Authorized Officer of the County stating that (i) the representations and warranties of the County contained in *Section 9.2* are correct on and as of the date that the Series 2013-[] Warrants are issued, (ii) the Confirmed Plan of Adjustment is in full force and effect and not subject to any stay, and (iii) all material conditions precedent to the effective date of the

Confirmed Plan of Adjustment have occurred, will occur simultaneously with the effective date of the Confirmed Plan of Adjustment, or have been waived. Said certificate shall also contain specimen signatures of Authorized Officers of the County.

(h) A certificate signed by the County's Tax Assessor reporting the total assessed value of all taxable property in the County subject to taxation by it, including all real, personal and mixed property (excluding motor vehicles), as assessed for County taxation for the tax year ended September 30, 2013, for which taxes become due and payable on October 1, 2013.

(i) A certificate signed by the Director of the County's Revenue Department reporting the total assessed value of all motor vehicles located in the County and subject to taxation by the County, as assessed for County taxation for the period ended September 30, 2013.

(j) A certificate signed by the County Manager reporting all of the outstanding indebtedness (i.e., general obligation debt and limited obligation debt payable from taxes) of the County at the time the Series 2013 Warrants are issued.

(k) Evidence of compliance with Alabama Acts 2009-757 and 2010-519.

(l) The Tax Certificate and Agreement covering the Series 2013 Warrants signed by an Authorized Officer of the County.

(m) A true, complete copy of Form 8038-G relating to the Series 2013 Warrants.

(n) A certificate signed by an authorized officer of the Trustee certifying that (i) the County has delivered all documents required to be delivered to it in compliance with this *Section 9.1*, (ii) execution and delivery of this Indenture and the Warrant Exchange Agreement are within the corporate powers of the Trustee and have been duly authorized by all necessary corporate action, and (iii) the persons listed in said certificate have been duly authorized to and have full corporate power to deliver this Indenture and the Warrant Exchange Agreement on behalf of the Trustee, (iv) the names and true signatures of the respective officers thereof authorized to sign this Indenture.

(o) An opinion of nationally recognized bond counsel addressed to the Holders of the Series 2013-[] Warrants.

(p) A true and correct copy of the DTC Blanket Letter of Representations.

(q) Written confirmation of the CUSIP numbers assigned to the Series 2013 Warrants.

(r) A Closing Memorandum covering the actions to be taken by the parties to this Indenture on the date of issuance of the Series 2013 Warrants.

SECTION 9.2 Representations and Warranties of the County

The County represents and warrants as follows:

(a) The County is a political subdivision of the State. The County has all requisite power and authority to conduct its business as currently conducted, to own its assets and to enter into and satisfy its obligations under this Indenture.

(b) The County is duly authorized to conduct its operations under the applicable laws, regulations and rulings of the State.

(c) The execution and delivery by the County of this Indenture and the performance of its obligations hereunder will not violate any existing law, rule, regulation, order, writ, judgment, injunction, decree or award binding on the County, or result in a breach of any of the terms of, or constitute a default under or result in the creation or imposition of any lien on, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the County is a party or by which it or any of its property is bound or any of the rules or regulations applicable to it or its property or any decree or order of any court or other governmental body.

(d) The execution, delivery and performance by the County of this Indenture and the Series 2013 Warrants is within its power and authority under the provisions of the Constitution and laws of the State and has been duly authorized by all necessary action and will not contravene any authorizing resolution of the County.

(e) This Indenture constitutes a legal, valid and binding obligation and is enforceable against the County in accordance with its terms, except as enforcement thereof may be limited by (i) bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights and (ii) general principles of equity, including the exercise of judicial discretion in appropriate cases.

(f) The County currently maintains insurance of such type and in such amounts or in excess of such amounts as are customarily carried by, and insures against such risks as are customarily insured against by, governmental entities of like type, size and character to the County located in the State.

(g) The balance sheets of the County as of September 30, 2012, the related statements of revenues and expenses and changes in financial position for the fiscal year then ended and the auditors' reports with respect thereto are complete and correct and fairly represent the financial condition, changes in financial position and results of operations of the County at such dates and for such periods, and were prepared in accordance with generally accepted accounting principles.

(h) The terms of this Indenture regarding the calculation and payment of interest and fees do not violate any applicable usury laws.

(i) The County is not an "investment company" or a company "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended.

SECTION 9.3 General Covenants of the County

The County covenants and agrees with the Holders of the Series 2013-[] Warrants as follows:

(a) The County will not create or permit the creation of any pledge, lien, charge or encumbrance of any kind on the Trust Estate or any part thereof other than the lien of this Indenture.

(b) The County will duly and punctually pay, or cause to be paid, the Debt Service on the Series 2013-[] Warrants as and when the same shall become due and will duly and punctually deposit, or cause to be deposited, in the Special Funds the amounts required to be deposited therein, all in accordance with the terms and conditions of the Series 2013-[] Warrants and this Indenture.

(c) The County will not extend or consent to the extension of the time for payment of Debt Service on the Series 2013-[] Warrants, unless such extension is consented to by the Holder of the Series 2013-[] Warrant affected.

(d) Pursuant to Section 215 of the Alabama Constitution, as amended by Amendment No. 208, and Sections 11-3-11(a)(2), 11-14-11, and 11-14-16 of the Alabama Code (collectively, "Section 215"), the County may levy and collect a 5.1 mill special ad valorem tax (the "Special Tax"), not to exceed one-fourth of one percent per annum, for the purpose of paying any debt or liability against the County due and payable during the year and created for the erection, repairing, furnishing, or maintenance of public buildings, bridges, or roads, and any remaining proceeds of the Special Tax in excess of amounts payable on bonds, warrants, or other securities issued by the County for such limited purposes may be spent for general County purposes. Section 215 provides that the County may use proceeds of the Special Tax for general County purposes only after all amounts due and payable in any given fiscal year on bonds, warrants, or other securities issued by the County for the erection, repairing, furnishing, or maintenance of public buildings, bridges, or roads (collectively, "Special Tax Obligations") are paid in full, and such proceeds shall be applied first to Special Tax Obligations. The Special Tax is separate and distinct from the County's 5.6 mill general ad valorem tax, the proceeds of which are used for general County purposes and to support the operation of the County's basic governmental functions, including management, personnel, accounting, taxation, purchasing, data processing, law enforcement, the judiciary, and land utilization.

(e) The Series 2013-[] Warrants constitute a debt or liability against the County created for the erection, repairing, furnishing, or maintenance of public buildings, bridges, or roads within the scope and meaning of Section 215. As such, all amounts payable on account of or in connection with the Series 2013-[] Warrants in any given fiscal year shall be paid by the County from the proceeds of the Special Tax prior to the County using any such proceeds in such fiscal year for general County purposes, including but not limited to current governmental expenses or any expenditures related to the County's sewer system.

(f) The County shall keep proper books of record and account in which full, true and correct entries will be made of all dealings or transactions of or in relation to the business and affairs of the County on a consolidated or combined basis in accordance with generally accepted accounting principles consistently applied.

(g) The County shall not dissolve nor shall it sell, lease, assign, transfer or otherwise dispose of all or substantially all of its assets.

(h) The County will at all times maintain insurance with respect to its operations and properties against such risks, in such amounts, with such companies and with such deductibles as is customary for governmental entities of like size, location and character located in the State.

(i) The County will comply with its obligations under the Warrant Exchange Agreement on the terms and conditions stated therein.

SECTION 9.4 Advances by the Trustee

If the County shall fail to perform any of its covenants in this Indenture, the Trustee may in its sole discretion, but shall not be required, at any time and from time to time, after notice to the County if no Event of Default exists, make advances to effect performance of any such covenant on behalf of the County. Any money so advanced by the Trustee, together with interest at the Post-Default Rate, shall be repaid upon demand and such advances shall be secured under this Indenture prior to the Series 2013-[]

Warrants. Before taking any action pursuant to this *Section 9.4*, the Trustee may require satisfactory security or an indemnity bond for all expenses which it may incur and to protect it against any related liability.

ARTICLE X

COVENANTS REGARDING TAX-EXEMPT STATUS

SECTION 10.1 Compliance with Tax Certificate and Agreement

The County will comply with the covenants and agreements on its part contained in the Tax Certificate and Agreement, including, without limitation, not taking any action or failing to take any action, if such action or failure to act would cause interest on the Series 2013-[] Warrants to be Taxable.

SECTION 10.2 Arbitrage with Respect to Investment of Special Funds

The County will not cause or permit any investment to be made of any money on deposit in the Special Funds that would cause any Series 2013-[] Warrant to be an “arbitrage bond” within the meaning of Section 148 (or successor provision) of the Internal Revenue Code.

ARTICLE XI

EVENTS OF DEFAULT AND REMEDIES

SECTION 11.1 Events of Default

Any one or more of the following shall constitute an event of default (an “Event of Default”) under this Indenture (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) failure to pay when due (A) the interest on any Series 2013-[] Warrant, or (B) the principal of (or premium, if any) on any Series 2013-[] Warrant, whether at its stated Maturity, by declaration of acceleration or call for redemption or otherwise; or

(2) the occurrence of an Act of Bankruptcy of the County; or

(3) default in the performance, or breach, of any covenant or warranty of the County in this Indenture (other than a covenant or warranty a default in the performance or breach of which is elsewhere in this section specifically dealt with), and continuation of such default or breach for a period of 30 days after the date on which notice thereof shall have been given to the County by the Trustee or to the County and the Trustee by the Holder(s) of at least [25]% in principal amount of the outstanding Series 2013-[] Warrants, unless, in the case of a default or breach that cannot be cured by the payment of money, the County initiates efforts to correct such default or breach within 30 days from the receipt of such notice and diligently pursues such action until the default or breach is corrected.

SECTION 11.2 Remedies on Default

(a) If an Event of Default described in *Section 11.1* exists, the Trustee may, and shall if directed to do so by the Holders of not less than 25% in principal amount of the Series 2013-[]

Warrants outstanding, declare the principal of all the Series 2013-[] Warrants and the interest accrued thereon to be due and payable immediately, by notice to the County, and upon any such declaration such Debt Service shall become immediately due and payable.

(b) At any time after such a declaration of acceleration has been made pursuant to **Section 11.2(a)**, the Holders of a majority in principal amount of the outstanding Series 2013-[] Warrants may, by notice to the County and the Trustee, rescind and annul such declaration and its consequences if and only if

(1) the County has deposited with the Trustee a sum sufficient to pay

(A) all overdue installments of interest on all Series 2013-[] Warrants,

(B) the principal of (and premium, if any, on) any Series 2013-[] Warrants which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates prescribed therefor in such Series 2013-[] Warrants, including interest at the Post-Default Rate,

(C) to the extent that payment of such interest is lawful, interest upon overdue installments of interest at the rate or rates prescribed therefor in the Series 2013-[] Warrants, and

(D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and

(2) all Events of Default, other than the non-payment of the principal of Series 2013-[] Warrants which have become due solely by such declaration of acceleration, have been cured or have been waived as provided in **Section 11.11**.

No such rescission and annulment shall affect any subsequent default or impair any right consequent thereon.

(c) Upon the occurrence and during the continuance of an Event of Default, interest on the Warrants shall accrue at the Post-Default Rate. Prior to a declaration of acceleration pursuant to **Section 11.2(a)** and for so long as an Event of Default continues, interest accruing at the Post-Default Rate shall be payable in arrears on the next Interest Payment Date. No less than 15 calendar days prior to each Interest Payment Date, the Trustee shall notify the County of the period of time to which the Post-Default Rate is applicable. No less than 10 calendar days prior to each Interest Payment Date, the County shall provide the Trustee with a calculation of interest payable at the Post-Default Rate on such Interest Payment Date, which calculation shall be confirmed by the Trustee within 5 calendar days of receipt thereof.

SECTION 11.3 Application of Money Collected

(a) Any money collected by the Trustee shall be applied solely for the purpose or purposes for which such money from such source is to be applied pursuant to this Indenture.

(b) Any money collected by the Trustee pursuant to this Article and any other sums then held by the Trustee as part of the Trust Estate shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or premium, if any)

or interest, upon presentation of the Series 2013-[] Warrants and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

(1) **First:** To the payment of all unpaid amounts due the Trustee under this Indenture;

(2) **Second:** To the payment of the whole amount then due and unpaid upon the outstanding Series 2013-[] Warrants for principal (and premium, if any) and interest, in respect of which or for the benefit of which such money has been collected, with interest (to the extent that such interest has been collected by the Trustee or a sum sufficient therefor has been so collected and payment thereof is legally enforceable at the respective rate or rates prescribed therefor in the Series 2013-[] Warrants) on overdue principal (and premium, if any) and on overdue installments of interest; and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon such Series 2013-[] Warrants, then to the payment of such principal (and premium, if any) and interest, without any preference or priority, ratably according to the aggregate amount so due; and

(3) **Third:** To the payment of the remainder, if any, to the County or to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

SECTION 11.4 Trustee May Enforce Claims Without Possession of Series 2013-[] Warrants

All rights of action and claims under this Indenture or the Series 2013-[] Warrants may be prosecuted and enforced by the Trustee without the possession of any of the Series 2013-[] Warrants or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust. Any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Series 2013-[] Warrants in respect of which such judgment has been recovered.

SECTION 11.5 Limitation on Suits

No Holder of any Series 2013-[] Warrant shall have any right to institute any proceeding, judicial or otherwise, under or with respect to this Indenture, or for the appointment of a receiver or trustee or for any other remedy hereunder, unless:

(1) such Holder has previously given notice to the Trustee of a continuing Event of Default;

(2) the Holders of not less than 25% in principal amount of the outstanding Series 2013-[] Warrants shall have made request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;

(4) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(5) no direction inconsistent with such request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the outstanding Series 2013-[] Warrants;

it being understood and intended that no one or more Holders of Series 2013-[] Warrants shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the lien of this Indenture or the rights of any other Holders of Series 2013-[] Warrants, or to obtain or to seek to obtain priority or preference over any other Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all outstanding Series 2013-[] Warrants.

SECTION 11.6 Unconditional Right of Warrantholders to Receive Principal, Premium and Interest

Notwithstanding any other provisions in this Indenture, the Holder of any Series 2013-[] Warrant shall have the right, which is absolute and unconditional, to receive payment of the principal of (and premium, if any) and interest on such Series 2013-[] Warrant on the Maturity date expressed in such Series 2013-[] Warrant (or, in the case of redemption, on the redemption date) and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Holder.

SECTION 11.7 Restoration of Positions

If the Trustee or any Warrantholder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason or has been determined adversely to the Trustee or to such Warrantholder, then and in every such case the County, the Trustee and the Warrantholders shall, subject to any determination in such proceeding, be restored to their former positions hereunder, and thereafter all rights and remedies of the Trustee and the Warrantholders shall continue as though no such proceeding had been instituted.

SECTION 11.8 Rights and Remedies Cumulative

No right or remedy herein conferred upon or reserved to the Trustee or to the Warrantholders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

SECTION 11.9 Delay or Omission Not Waiver

No delay or omission of the Trustee or of any Holder of any Series 2013-[] Warrant to exercise any right or remedy accruing upon an Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Warrantholders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Warrantholders, as the case may be.

SECTION 11.10 Control by Warrantholders

The Holders of a majority in principal amount of the outstanding Series 2013-[] Warrants shall have the right, during the continuation of an Event of Default,

(1) to require the Trustee to proceed to enforce this Indenture, either by judicial proceedings for the enforcement of the payment of the Series 2013-[__] Warrants or otherwise, and

(2) to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee hereunder; provided that

(A) such direction shall not be in conflict with any rule of law or this Indenture;

(B) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction; and

(C) the Trustee shall not determine that the action so directed would be unjustly prejudicial to the Holders not taking part in such direction.

SECTION 11.11 Waiver of Past Defaults

(a) Subject to the succeeding provisions of this *Section 11.11(a)*, the Holders of not less than a majority in principal amount of the outstanding Series 2013-[__] Warrants may, by notice to the Trustee and the County, on behalf of the Holders of all the Series 2013-[__] Warrants waive any past default hereunder and its consequences, except a default:

(1) in the payment of the principal of (or premium, if any) or interest on any Series 2013-[__] Warrant, or

(2) in respect of a covenant or provision hereof which under *Article XIII* cannot be modified or amended without the consent of the Holder of each outstanding Series 2013-[__] Warrant affected, or

(3) arising as a result of a failure to comply with *Section 9.3(i)* which may be waived by the Holders of not less than a majority in principal amount of the outstanding Series 2013-[__] Warrants, provided that such majority shall include, for so long as the Warrant Exchange Agreement is in effect, the Bank.

(b) Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

SECTION 11.12 Remedies Subject to Applicable Law

All rights, remedies and powers provided by this Article may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that they will not render this Indenture invalid, unenforceable or not entitled to be recorded, registered or filed under the provisions of any applicable law.

ARTICLE XII

THE TRUSTEE

SECTION 12.1 Certain Duties and Responsibilities of Trustee

- (a) Except during the continuation of an Event of Default,
- (1) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and
 - (2) in the absence of gross negligence or willful misconduct on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.
- (b) If an Event of Default exists, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.
- (c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own gross negligence or willful misconduct, except that
- (1) this subsection shall not be construed to limit the effect of subsection (a) of this section;
 - (2) the Trustee shall not be liable for any error of judgment made in good faith, unless it shall be proved that the Trustee was grossly negligent in ascertaining the pertinent facts;
 - (3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of a majority in principal amount of the outstanding Series 2013-[__] Warrants relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture; and
 - (4) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.
- (d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this section.

SECTION 12.2 Notice of Defaults

Within 90 days after obtaining knowledge of the occurrence of any material default under this Indenture, the Trustee shall transmit by mail to all Warrantholders, as their names and addresses appear in the Warrant Register, notice of such default hereunder known to the Trustee, unless such default shall have been cured or waived; provided, however, that, except in the case of a default in the payment of Debt Service on any Series 2013-[__] Warrant, the Trustee shall be protected in withholding such notice if and so long as the Trustee in good faith determines that the withholding of such notice is in the interests of the Warrantholders. The Trustee shall not be deemed to have notice or knowledge of any default except a payment default, unless notified by the County or the Holders of not less than 10% in principal amount of the outstanding Series 2013-[__] Warrants. For the purpose of this section, the term “default” means any event which is, or after notice or lapse of time or both would become, an Event of Default.

SECTION 12.3 Certain Rights of Trustee

Except as otherwise provided in *Section 12.1*:

(1) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, coupon or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties;

(2) any request or direction of the County mentioned herein shall be sufficiently evidenced by a certificate or order executed by an Authorized Officer;

(3) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of gross negligence or willful misconduct on its part, rely upon a certificate executed by an Authorized Officer;

(4) the Trustee may consult with counsel and any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by the Trustee hereunder in good faith and in reasonable reliance thereon;

(5) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Warrantholders pursuant to this Indenture, unless such Warrantholders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction; provided that nothing contained in this paragraph shall be construed to require such security or indemnity for the performance by the Trustee of its obligations under *Section 7.1*;

(6) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, coupon or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books and records of the County, personally or by agent or attorney, during regular business hours after reasonable notice;

(7) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder; and

(8) The Trustee shall follow the instructions of the County with respect to investments of the Special Funds as provided in *Section 8.1*, but the Trustee shall not be responsible for (i) determining that any such investment complies with the arbitrage limitations imposed by Section 148 of the Internal Revenue Code, or (ii) calculating the amount of, or making payment of, any rebate due to the United States under Section 148(f) of the Internal Revenue Code.

SECTION 12.4 Not Responsible for Recitals

The recitals contained herein and in the Series 2013-[] Warrants, except the certificate of authentication on the Series 2013-[] Warrants, shall be taken as the statements of the County, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof, or as to the title of the County thereto or as to the security afforded thereby or hereby, or as to the validity or sufficiency of this Indenture or of the Series 2013-[] Warrants.

SECTION 12.5 May Hold Series 2013-[] Warrants

The Trustee in its individual or any other capacity may become the owner or pledgee of Series 2013-[] Warrants and may otherwise deal with the County with the same rights it would have if it were not Trustee.

SECTION 12.6 Money Held in Trust

Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent expressly provided in this Indenture or required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise provided in *Article XIII*.

SECTION 12.7 Compensation and Reimbursement

(a) The County agrees

(1) to pay to the Trustee from time to time reasonable compensation for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust); and

(2) except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel) upon receipt of itemized invoices therefor, except any such expense, disbursement or advance that is attributable to the Trustee's gross negligence or willful misconduct.

(b) As security for the performance of the obligations of the County under this section the Trustee shall be secured under this Indenture by a lien prior to the Series 2013-[] Warrants, and for the

payment of such compensation, expenses, reimbursements and indemnity the Trustee shall have the right to use and apply any money held by it as a part of the Trust Estate.

SECTION 12.8 Corporate Trustee Required; Eligibility

There shall at all times be a Trustee hereunder which shall (i) be a commercial bank or trust company organized and doing business under the laws of the United States of America or of any state, (ii) be authorized under such laws to exercise corporate trust powers, (iii) have a combined capital and surplus of at least \$50,000,000, and (iv) be subject to supervision or examination by federal or state authority.

SECTION 12.9 Resignation and Removal; Appointment of Successor

(a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under *Section 12.10*.

(b) The Trustee may resign at any time by giving notice thereof to the County. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(c) The Trustee may be removed:

(1) at any time by the Holders of a majority in principal amount of the outstanding Series 2013-[] Warrants by notice delivered to the Trustee and the County, or

(2) by the County, if no Event of Default exists, on 30 days' notice delivered to the Trustee.

(d) If at any time:

(1) the Trustee shall cease to be eligible under *Section 12.8* and shall fail to resign after request therefor by the County or by any Warrantholder who has been a bona fide Holder of a Series 2013-[] Warrant for at least six months; or

(2) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (i) the County by a resolution of its governing body may remove the Trustee, or (ii) any Warrantholder who has been a bona fide Holder of a Series 2013-[] Warrant for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(e) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, a successor Trustee shall be appointed by the County (if no Event of Default exists). In case all or substantially all of the Trust Estate shall be in the possession of a receiver or trustee lawfully appointed, such receiver or trustee may similarly appoint a successor to fill such vacancy until a new Trustee shall be so appointed by the Warrantholders. If, within six months after

such resignation, removal or incapability or the occurrence of such vacancy, a successor Trustee shall be appointed by the Holders of a majority in principal amount of the outstanding Series 2013-[] Warrants, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Trustee and supersede the successor Trustee appointed by the County or by such receiver or trustee. If no successor Trustee shall have been so appointed by the County or the Warrantheolders and accepted appointment in the manner hereinafter provided, any Warrantheolder who has been a bona fide Holder of a Series 2013-[] Warrant for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee.

(f) The County shall give notice of each resignation and each removal of the Trustee and each appointment of a successor Trustee by mailing notice of such event by first-class mail, postage prepaid, to the Holders of Series 2013-[] Warrants as their names and addresses appear in the Warrant Register. Each notice shall include the name of the successor Trustee and the address of the Office of the Trustee.

SECTION 12.10 Acceptance of Appointment by Successors

(a) Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to the County and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the estates, properties, rights, powers, trusts and duties of the retiring Trustee; but, on request of the County or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument conveying and transferring to such successor Trustee upon the trusts herein expressed all the estates, properties, rights, powers and trusts of the retiring Trustee, and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder, subject nevertheless to its lien, if any, provided for in *Section 12.7*. Upon request of any such successor Trustee, the County shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such estates, properties, rights, powers and trusts.

(b) No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article, to the extent operative.

SECTION 12.11 Merger, Conversion, Consolidation or Succession to Business

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder; provided that such corporation shall be otherwise qualified and eligible under this Article, to the extent operative, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Series 2013-[] Warrant(s) shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Series 2013-[] Warrant(s) so authenticated with the same effect as if such successor Trustee had itself authenticated such Series 2013-[] Warrant(s).

ARTICLE XIII

SUPPLEMENTAL INDENTURES

SECTION 13.1 Supplemental Indentures Without Consent of Warrantholders

Without the consent of the Holders of any Series 2013-[__] Warrants, the County and the Trustee may from time to time enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any of the following purposes:

(1) to correct or amplify the description of any property at any time subject to the lien of this Indenture, or better to assure, convey and confirm unto the Trustee any property subject or required to be subjected to the lien of this Indenture, or to subject to the lien of this Indenture additional property; or

(2) to add to the conditions, limitations and restrictions on the authorized amount, terms or purposes of issue of Series 2013-[__] Warrants; or

(3) to add to the covenants of the County for the benefit of the Holders of Series 2013-[__] Warrants and to make the occurrence, or the occurrence and continuation, of a default in any of such additional covenants an Event of Default permitting the enforcement of all or any of the several remedies provided in this Indenture; *provided*, however, that, with respect to any such covenant, such supplemental indenture may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such default or may limit the remedies available to the Trustee upon such default; or

(4) to surrender any right or power herein conferred upon the County; or

(5) to cure any ambiguity, to correct or supplement any provision herein which may be inconsistent with any other provision herein or to make any other provisions, with respect to matters or questions arising under this Indenture, which shall not be inconsistent with the provisions of this Indenture; provided that such action shall not adversely affect the interests of the Holders of the Series 2013-[__] Warrants; or

(6) to secure or maintain ratings from a Rating Agency; provided that (i) the changes necessary to obtain or secure such ratings do not, in the opinion of the Trustee, adversely affect the interests of the Holders of the Series 2013-[__] Warrants and (ii) each Rating Agency that maintains a rating with respect to the Series 2013-[__] Warrants confirms in writing that such changes will not cause such Rating Agency to withdraw or reduce its rating.

SECTION 13.2 Supplemental Indentures With Consent of Warrantholders

With the consent of the Holders of not less than a majority in principal amount of the Series 2013-[__] Warrants then outstanding affected by such supplemental indenture, the County and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the Holders of the Series 2013-[__] Warrants under this Indenture; provided, however, that no such supplemental indenture shall, without the consent of the Holder of each outstanding Series 2013-[__] Warrant affected thereby,

(1) change the stated Maturity of the principal of, or any installment of interest on, any Series 2013-[] Warrant, or reduce the principal amount thereof or the interest thereon or any premium payable upon the redemption thereof, or change any place of payment where, or the coin or currency in which, any Series 2013-[] Warrant, or the interest thereon, is payable, or impair the right to institute suit for the enforcement of any such payment on or after the stated Maturity thereof (or, in the case of redemption, on or after the redemption date); or

(2) reduce the percentage in principal amount of the outstanding Series 2013-[] Warrants, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver provided for in this Indenture of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences; or

(3) modify or alter the provisions of the proviso to the definition of the term “outstanding”; or

(4) modify any of the provisions of this section or *Section 11.11*, except to increase any percentage provided thereby or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Series 2013-[] Warrant affected thereby; or

(5) permit the creation of any lien ranking prior to or on a parity with the lien of this Indenture with respect to any of the Trust Estate or terminate the lien of this Indenture on any property at any time subject hereto or deprive the Holder of any Series 2013-[] Warrant of the security afforded by the lien of this Indenture.

SECTION 13.3 Discretion of Trustee

The Trustee may in its discretion determine whether or not any Series 2013-[] Warrants would be adversely affected by any supplemental indenture and any such determination shall be conclusive upon the Holders of all Series 2013-[] Warrants, whether theretofore or thereafter authenticated and delivered hereunder. The Trustee shall not be liable for any such determination made in good faith and may conclusively rely on an Opinion of Counsel in making such determination.

SECTION 13.4 Execution of Supplemental Indentures

In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and, subject to *Section 12.1*, shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee’s own rights, duties or immunities under this Indenture, or otherwise.

SECTION 13.5 Effect of Supplemental Indentures

Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Series 2013-[] Warrants theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

SECTION 13.6 Reference in Series 2013-[] Warrants to Supplemental Indentures

Series 2013-[] Warrants authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and if required by the Trustee shall, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the County shall so determine, new Series 2013-[] Warrants so modified as to conform, in the opinion of the Trustee and the governing body of the County, to any such supplemental indenture may be prepared and executed by the County and authenticated and delivered by the Trustee in exchange for the then outstanding Series 2013-[] Warrants.

SECTION 13.7 Amendments Not to Affect Tax Exemption

Notwithstanding any provision hereof to the contrary, no amendment may be made to this Indenture unless the Trustee receives a Favorable Tax Opinion and no Supplemental Indenture may be executed unless the Trustee receives a Favorable Tax Opinion.

ARTICLE XIV

DEFEASANCE OF SERIES 2013-[] WARRANTS

SECTION 14.1 Payment of Indebtedness; Satisfaction and Discharge of Indenture

(a) Whenever all Indenture Indebtedness has been Fully Paid, then (i) this Indenture and the lien, rights and interests created hereby shall cease, terminate and become null and void (except as to any surviving rights of transfer or exchange of Series 2013-[] Warrants herein or therein provided for), and (ii) the Trustee shall, upon the request of the County, execute and deliver a termination statement and such instruments of satisfaction and discharge as may be necessary and pay, assign, transfer and deliver to the County, or upon the order of the County, all cash and securities then held by it hereunder as a part of the Trust Estate.

(b) A Series 2013-[] Warrant shall be deemed "Fully Paid" if:

(1) such Series 2013-[] Warrant has been cancelled by the Trustee or delivered to the Trustee for cancellation; or

(2) such Series 2013-[] Warrant shall have matured or been called for redemption and, on such Maturity date or redemption date, money for the payment of Debt Service on such Series 2013-[] Warrant is held by the Trustee in trust for the benefit of the person entitled thereto; or

(3) such Series 2013-[] Warrant is alleged to have been destroyed, lost or stolen and has been replaced as provided in this Indenture; or

(4) a trust for the payment of such Series 2013-[] Warrant has been established in accordance with this Indenture.

(c) Indenture Indebtedness other than Debt Service on the Series 2013-[] Warrants shall be deemed "Fully Paid" whenever the County has paid, or made provisions satisfactory to the Trustee for payment of, all such Indenture Indebtedness other than Debt Service on the Series 2013-[] Warrants.

SECTION 14.2 Trust for Payment of Debt Service

(a) The County may provide for the payment of any Series 2013-[__] Warrant by establishing a trust for such purpose with the Trustee and depositing therein cash and/or Federal Securities which (assuming the due and punctual payment of the principal of and interest on such Federal Securities, but without reinvestment) will provide funds sufficient to pay the Debt Service on such Series 2013-[__] Warrant as the same becomes due and payable until the Maturity or redemption of such Series 2013-[__] Warrant; provided, however, that:

(1) such Federal Securities must not be subject to redemption prior to their respective maturities at the option of the issuer of such securities;

(2) if such Series 2013-[__] Warrant is to be redeemed prior to its Maturity, either (i) the Trustee shall receive evidence that notice of such redemption has been given in accordance with the provisions of this Indenture and such Series 2013-[__] Warrant or (ii) the County shall confer on the Trustee irrevocable authority for the giving of such notice on behalf of the County;

(3) prior to the establishment of such trust the Trustee must receive (i) an Opinion of Counsel acceptable to the Trustee and each Rating Agency that maintains a rating with respect to the Series 2013-[__] Warrants stating in effect that, upon the occurrence of an Act of Bankruptcy of the County, money and investments in such trust will not be recoverable from the Trustee or Warrantheolders under provisions of the federal Bankruptcy Code relating to voidable preferences and (ii) a Favorable Tax Opinion; and

(4) prior to the establishment of such trust the Trustee must receive a report by an Independent certified public accountant stating in effect that the principal and interest payments on the Federal Securities in such trust, without reinvestment, together with the cash initially deposited therein, will be sufficient to make the required payments from such trust.

The County shall give each Rating Agency that maintains a rating with respect to the Series 2013-[__] Warrants 10 days' notice of its intent to establish such a trust and shall deliver to each such Rating Agency a copy of the opinions and report required by subsections (a)(3) and (4) of this section.

(b) Cash and/or Federal Securities deposited with the Trustee pursuant to this section shall not be a part of the Trust Estate but shall constitute a separate, irrevocable trust fund for the benefit of the Holders of the Series 2013-[__] Warrants to be paid from such fund.

ARTICLE XV

MISCELLANEOUS

SECTION 15.1 Notices

Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with, the County or the Trustee, must (except as otherwise expressly provided in this Indenture) be in writing and be delivered by one of the following methods: (i) by personal delivery at the hand delivery address specified below, (ii) by first-class, registered or certified mail, postage prepaid, addressed as specified below, or (iii) if facsimile transmission facilities for such party are identified below or pursuant to a separate notice from such party, sent by facsimile transmission to the number specified below or in such notice. The

hand delivery address, mailing address and (if applicable) facsimile transmission number for receipt of notice or other documents by such parties are as follows:

If to the County:

By hand or by mail: Jefferson County
Jefferson County Courthouse
716 North 21st Street, Suite 251
Birmingham, Alabama 35203
Attention: County Manager

By facsimile: (205) 731-2879

If to the Trustee:

By hand or by mail: Wells Fargo Bank, National Association
123 S. Broad Street, Suite 1500
Philadelphia, PA 19109
Attention: Mary Dallatore, Corporate Trust
Services

By facsimile: (877) 775-7570

Any of such parties may change the address or number for receiving any such notice or other document by giving notice of the change to the other parties named in this section.

The above-listed address for the Trustee shall constitute the "Office of the Trustee" for all purposes under this Indenture.

Any notice or other document shall be deemed delivered when actually received by the party to whom directed at the address or number specified pursuant to this section, or, if sent by mail, three days after such notice or document is deposited in the United States mail, addressed as provided above.

SECTION 15.2 Notices to Warranholders; Waiver

(a) Where this Indenture provides for the giving of notice to Warranholders of any event, such notice must (unless otherwise herein expressly provided) be in writing and mailed, first-class postage prepaid, to each Holder of such Series 2013-[] Warrants, at the address of such Holder as it appears in the Warrant Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice.

(b) In any case where notice to Warranholders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Warranholder shall affect the sufficiency of such notice with respect to other Warranholders. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Warranholders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 15.3 Notices to Rating Agencies

The Trustee shall promptly furnish to each Rating Agency that maintains a rating with respect to the Series 2013-[] Warrants notice of (i) any change of the Trustee, (ii) any change or amendment of this Indenture, (iii) the redemption by the County of all Series 2013-[] Warrants outstanding hereunder prior to maturity, (iv) any acceleration of the maturity of the Series 2013-[] Warrants pursuant to *Section 11.2*, or (v) receipt of notice of the County's intent to establish a trust for the payment of the Series 2013-[] Warrants in accordance with *Section 14.2* of this Indenture. The Rating Agencies maintaining ratings on the Series 2013-[] Warrants on the date of initial delivery of the Series 2013-[] Warrants and the address for notices to such Rating Agencies are as follows:

[to be added]

SECTION 15.4 Successors and Assigns

All covenants and agreements in this Indenture by the County shall bind its successors and assigns, whether so expressed or not.

SECTION 15.5 Benefits of Indenture

Nothing in this Indenture or in the Series 2013-[] Warrants, express or implied, shall give to any person, other than the parties hereto and their successors hereunder, and the Holders of the outstanding Series 2013-[] Warrants, any benefit or any legal or equitable right, remedy or claim under this Indenture.

IN WITNESS WHEREOF, the County and the Trustee have caused this instrument to be duly executed, and their respective corporate seals to be hereunto affixed and attested, and have caused this instrument to be dated as of December 1, 2013.

JEFFERSON COUNTY, ALABAMA

By _____
President of the County Commission

ATTEST:

Minute Clerk of the County Commission

[S E A L]

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

By _____
Its _____

ATTEST:

Its _____

[S E A L]

STATE OF ALABAMA)
 :
JEFFERSON COUNTY)

I, the undersigned authority, a Notary Public in and for said County, in said State, do hereby certify that _____, whose name as President of the County Commission of JEFFERSON COUNTY, ALABAMA, a political subdivision of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said political subdivision.

GIVEN under my hand this the ____ day of _____, 2013.

Notary Public

[NOTARIAL SEAL]

My Commission Expires:_____

STATE OF _____)
 :
_____ COUNTY)

I, the undersigned authority, a Notary Public in and for said County, in said State, do hereby certify that _____, whose name as _____ of WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said banking corporation.

GIVEN under my hand this the ____ day of _____, 2013.

Notary Public

[NOTARIAL SEAL]

My Commission Expires:_____

EXHIBIT A

Form of Series 2013-[__] Warrant

No. R-1

JEFFERSON COUNTY, ALABAMA

**GENERAL OBLIGATION WARRANT,
SERIES 2013-[__]**

Date of Initial Delivery: December [____]. 2013

Maturity Date: April 1, 2021

Interest Rate:

CUSIP:

JEFFERSON COUNTY, ALABAMA, a political subdivision of the State of Alabama (the “County”), for value received, hereby acknowledges itself indebted to and orders and directs the County Treasurer of the County to pay to

CEDE & CO.,

or registered assigns, upon presentation and surrender hereof, the principal sum of

_____ **DOLLARS**

on the Maturity Date specified above and to pay interest hereon from the date of initial delivery of this warrant, or the most recent date to which interest has been paid or duly provided for, until the principal hereof shall become due and payable at the rate specified above.

Interest on this warrant shall be payable in arrears on April 1 and October 1 of each year, beginning April 1, 2014 (each such date being herein called an “Interest Payment Date”). The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Series 2013-[__] Indenture hereinafter referred to, be paid to the person in whose name this warrant is registered at the close of business on the Regular Record Date for such interest, which shall be the 15th day (whether or not a Business Day) of the month next preceding the relevant Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered Holder of such Regular Record Date, and shall be paid to the person in whose name this warrant 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, notice of such Special Record Date being given to Holders of the Series 2013-[__] Warrants not less than 10 days prior to such Special Record Date.

Interest shall be payable on overdue principal of this warrant and (to the extent legally enforceable) on any overdue installment of interest on this warrant at the Post-Default Rate (as defined in the Indenture hereinafter referred to). If any Interest Payment Date is not a Business Day, the interest due on such date shall be payable on the next succeeding Business Day with the same effect as if payment

was made on such Interest Payment Date. The Indenture also provides for interest payable at the Post-Default Rate upon the occurrence and during the continuance of an Event of Default not related to payment.

This warrant is one of a duly authorized issue of warrants of the County, aggregating [\$_____] in principal amount, designated “General Obligation Warrants, Series 2013-[_]” (the “Series 2013-[_] Warrants”) and issued under and pursuant to a Trust Indenture dated as of December 1, 2013 (the “Indenture”), between the County and Wells Fargo Bank, National Association, as trustee (the “Trustee”). The Indenture and the Series 2013-[_] Warrants have been duly authorized by a resolution of the governing body of the County and are entered into and issued, respectively, pursuant to authorization contained in Sections 11-28-1, *et seq.*, Code of Alabama 1975. Capitalized terms not otherwise defined herein shall have the meanings assigned in the Indenture.

The Series 2013-[_] Warrants have been issued for the purposes of refunding certain outstanding County obligations. The indebtedness evidenced by the Series 2013-[_] Warrants is a general obligation of the County for the payment of principal of and interest on which the full faith and credit of the County have been irrevocably pledged. Reference is hereby made to the Indenture for a more complete description of the rights of the owners of the Series 2013-[_] Warrants and of the Trustee. Each owner of this warrant, by the acceptance hereof, shall be deemed to assent to the provisions of the Indenture.

Redemption

In the manner and with the effect provided in the Indenture, the Series 2013-[_] Warrants will be subject to redemption prior to maturity as follows:

(a) **Optional Redemption.** The Series 2013-[_] Warrants may be redeemed at the option of the County, on the dates and for the redemption prices (expressed as a percentage of the principal amount redeemed) equal to the applicable redemption price set forth below, plus accrued interest thereon to the date of redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
[_____] , 2018 through [_____] , 2019	102%
[_____] , 2019 through [_____] , 2020	101%
[_____] , 2020 and thereafter	100%

(b) [CHOOSE ONE] **[Scheduled Mandatory Redemption of Series 2013-A Warrants.** The Series 2013-A Warrants shall be redeemed, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest thereon to the redemption date, on April 1 in years and principal amounts (after credit as provided below) as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2014	\$ 5,590,000	2018	\$ 6,735,000
2015	5,905,000	2019	7,025,000
2016	6,170,000	2020	7,340,000
2017	6,445,000		

\$7,665,000 of the Series 2013-A Warrants
will be retired at Maturity

Not less than 20 or more than 60 days prior to each such scheduled mandatory redemption date, the Trustee shall proceed to select for redemption, as provided in **Section 6.3** hereof, Series 2013-A Warrants or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such Series 2013-A Warrants or portions thereof for redemption on such scheduled mandatory redemption date; provided, however, that the County may, upon direction delivered to the Trustee not less than 60 days prior to such scheduled mandatory redemption date, direct that any or all of the following amounts be credited against the principal amount of Series 2013-A Warrants scheduled for redemption on such date: (i) the principal amount of Series 2013-A Warrants delivered by the County to the Trustee for cancellation and not previously claimed as a credit; and (ii) the principal amount of Series 2013-A Warrants previously redeemed (other than Series 2013-A Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit.

Series 2013-A Warrants shall be redeemed in accordance with the mandatory redemption provisions of the Series 2013-A Warrants without any direction from or consent by the County.]

[OR] **[Scheduled Mandatory Redemption of Series 2013-B Warrants.** The Series 2013-B Warrants shall be redeemed, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest thereon to the redemption date, on April 1 in years and principal amounts (after credit as provided below) as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2014	\$ 5,510,000	2018	\$ 6,635,000
2015	5,825,000	2019	6,930,000
2016	6,080,000	2020	7,235,000
2017	6,350,000		

\$7,560,000 of the Series 2013-B Warrants
will be retired at Maturity

Not less than 20 or more than 60 days prior to each such scheduled mandatory redemption date, the Trustee shall proceed to select for redemption, as provided in **Section 6.3** hereof, Series 2013-B Warrants or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such Series 2013-B Warrants or portions thereof for redemption on such scheduled mandatory redemption date; provided, however, that the County may, upon direction delivered to the Trustee not less than 60 days prior to such scheduled

mandatory redemption date, direct that any or all of the following amounts be credited against the principal amount of Series 2013-B Warrants scheduled for redemption on such date: (i) the principal amount of Series 2013-B Warrants delivered by the County to the Trustee for cancellation and not previously claimed as a credit; and (ii) the principal amount of Series 2013-B Warrants previously redeemed (other than Series 2013-B Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit.

Series 2013-B Warrants shall be redeemed in accordance with the mandatory redemption provisions of the Series 2013-B Warrants without any direction from or consent by the County.]

If less than all Series 2013-[] Warrants are to be redeemed, the particular Series 2013-[] Warrants to be redeemed shall be selected by the Trustee from the outstanding Series 2013-[] Warrants then eligible for redemption by lot or by such other method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions (in Authorized Denominations) of the principal of Series 2013-[] Warrants of a denomination larger than the smallest Authorized Denomination.

Upon any partial redemption of any Series 2013-[] Warrant, the same shall, except as otherwise permitted by the Indenture, be surrendered in exchange for one or more new Series 2013-[] Warrants of the same maturity and interest rate and in authorized form for the unredeemed portion of principal. Series 2013-[] Warrants (or portions thereof as aforesaid) for whose redemption and payment provision is made in accordance with the Indenture shall thereupon cease to be entitled to the lien of the Indenture and shall cease to bear interest from and after the date fixed for redemption.

Any redemption shall be made upon at least 30 days' notice in the manner and upon the terms and conditions provided in the Indenture.

The Indenture permits the amendment of the Series 2013-[] Warrants and the Indenture, and waivers of past defaults under such instruments and the consequences of such defaults, in certain circumstances without consent of Warrantholders and in other circumstances with the consent of all Warrantholders or a specified percentage of Warrantholders. Any such consent or waiver by the Holder of this warrant shall be conclusive and binding upon such Holder and upon all future Holders of this warrant and of any warrant issued in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this warrant.

The Holder of this warrant shall have no right to enforce the provisions of the Indenture, or to institute any action to enforce the covenants therein, or to take any action with respect to any default thereunder, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

Registration, transfer and exchange of this warrant is governed by the Indenture and the Book Entry System administered by DTC.

The County and the Trustee may treat the person in whose name this warrant is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this warrant is overdue, and neither the County nor the Trustee shall be affected by notice to the contrary.

No covenant or agreement contained in this warrant or the Indenture shall be deemed to be a covenant or agreement of any officer, agent or employee of the County, and neither any member of the

governing body of the County nor any officer executing this warrant shall be liable personally on this warrant or be subject to any personal liability or accountability by reason of the issuance of this warrant.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and issuance of this warrant do exist, have happened and have been performed in due time, form and manner as required by law.

Unless the certificate of authentication hereon has been executed by the Trustee by manual signature, this warrant shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

[Balance of page intentionally left blank.]

IN WITNESS WHEREOF, the County has caused this warrant to be duly executed under its official seal.

JEFFERSON COUNTY, ALABAMA

By: _____
President of the County Commission

ATTEST:

Minute Clerk of the County Commission

[S E A L]

Registration Certificate

I hereby certify that this warrant has been duly registered by me as a claim against Jefferson County, Alabama, payable solely from the sources herein described.

Date of Registration: _____

Treasurer of Jefferson County, Alabama

CERTIFICATE OF AUTHENTICATION

This is one of the Series 2013-[__] Warrants referred to in the within-mentioned Indenture.

Date of authentication: _____.

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

By: _____
Authorized Signatory

ASSIGNMENT

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto _____ this warrant and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer this warrant on the books of the within named County at the office of the within named Trustee, with full power of substitution in the premises.

Dated: _____.

NOTE: The name signed to this assignment must correspond with the name of the payee written on the face of the within warrant in all respects, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

(Bank or Trust Company)

By: _____
(Authorized Officer)

Exhibit 2

**New Sewer Warrant Indenture,
including the form of the New Sewer Warrants**

TRUST INDENTURE

Dated [December 1, 2013]

Between

JEFFERSON COUNTY, ALABAMA

and

[FULL NAME OF TRUSTEE]

Relating to the issuance of

**[\$Amount] Senior Lien Sewer Revenue
Current Interest Warrants, Series 2013-A**

**[\$Amount] Subordinate Lien Sewer Revenue
Capital Appreciation Warrants, Series 2013-B**

**[\$Amount] Subordinate Lien Sewer Revenue
Convertible Capital Appreciation Warrants, Series 2013-C**

and

**[\$Amount] Subordinate Lien Sewer Revenue
Current Interest Warrants, Series 2013-D**

by

Jefferson County, Alabama

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TRUST INDENTURE

THIS TRUST INDENTURE dated [December 1, 2013] is entered into by **JEFFERSON COUNTY, ALABAMA**, a political subdivision of the State of Alabama (the “Issuer”), and [FULL NAME OF TRUSTEE], a _____ (the “Trustee”).

Recitals

The Issuer has duly authorized the issuance of its (i) [\$Amount] aggregate principal amount of Senior Lien Sewer Revenue Current Interest Warrants, Series 2013-A (the “Series 2013-A Warrants”), (ii) [\$Amount] aggregate principal amount of Subordinate Lien Sewer Revenue Capital Appreciation Warrants, Series 2013-B (the “Series 2013-B Warrants”), (iii) [\$Amount] aggregate principal amount of Subordinate Lien Sewer Revenue Convertible Capital Appreciation Warrants, Series 2013-C (the “Series 2013-C Warrants”), and (iv) [\$Amount] aggregate principal amount of Subordinate Lien Sewer Revenue Current Interest Warrants, Series 2013-D (the “Series 2013-D Warrants”), and, together with the Series 2013-A Warrants, the Series 2013-B Warrants, and the Series 2013-C Warrants, the “Warrants”) pursuant to this Indenture.

The Issuer owns and operates a sanitary sewer system (the “System”) serving customers in Jefferson County, Alabama and portions of two adjacent counties. On November 9, 2011, the Issuer filed a petition for relief under Chapter 9 of Title 11 of the United States Code, thereby commencing Bankruptcy Case No. 11-05736-TBB9 (the “Bankruptcy Case”) before the United States Bankruptcy Court for the Northern District of Alabama, Southern Division (the “Bankruptcy Court”). The Bankruptcy Court has confirmed the Issuer’s plan of adjustment (the “Confirmed Plan of Adjustment”), a material component of which is the restructuring of the Issuer’s financial obligations with respect to its System through the issuance of the Warrants pursuant to this Indenture.

Pursuant to the Confirmed Plan of Adjustment, the Warrants are being issued for the purpose of refunding all series of the Issuer’s warrants currently outstanding under that certain Trust Indenture dated as of February 1, 1997, as supplemented and amended (the “Refunded Warrants Indenture”), between the Issuer and The Bank of New York Mellon Trust Company, N.A., in its capacity as successor trustee (the “Refunded Warrants Trustee”) and to satisfy certain other obligations of the Issuer arising in connection with the Refunded Warrants Indenture. The Issuer’s warrants to be refunded with proceeds of the sale of the Warrants are as follows: (1) Sewer Revenue Warrants, Series 1997-A, (2) Sewer Revenue Capital Improvement Warrants, Series 2001-A, (3) Sewer Revenue Capital Improvement Warrants, Series 2002-A, (4) Sewer Revenue Warrants, Series 2002-C, (5) Sewer Revenue Warrant, Series 2003-A, (6) Sewer Revenue Warrants, Series 2003-B, and (7) Sewer Revenue Warrants, 2003-C (collectively, the “Refunded Warrants”).

Pursuant to the Confirmed Plan of Adjustment, the Refunded Warrants will not be paid in full, and the proceeds of the Warrants will be paid to the Refunded Warrants Trustee for distribution to the holders of the Refunded Warrants or will be distributed by or on behalf of the County to pay insurers of the Refunded Warrants, all in amounts specified in the Confirmed Plan of Adjustment. On the Effective Date, as such term is defined in the Confirmed Plan of Adjustment, the Refunded Warrants and the Refunded Warrants Indenture will be cancelled, and the Issuer will be released from all further obligations with respect thereto.

The Warrants are limited obligations of the Issuer payable solely out of the Trust Estate established under this Indenture, which includes the System Revenues described herein.

This Indenture pledges the gross revenues from the System (the “System Revenues”) for the benefit of the Holders of all debt obligations secured by this Indenture (all debt obligations secured by this Indenture, including the Warrants, being referred to collectively as “Secured Obligations”). The System Revenues and the General Indenture Funds are part of the General Trust Estate established under this Indenture. Secured Obligations are issuable in two classes: (i) Senior Lien Obligations, which have a first priority lien with respect to right of payment from the General Trust Estate established under the Indenture; and (ii) Subordinate Lien Obligations, which have a second priority lien with respect to right of payment from the General Trust Estate. The Series 2013-A Warrants (also referred to in this Indenture as the “Series 2013 Senior Lien Obligations”) are being issued as Senior Lien Obligations. The Series 2013-B Warrants, the Series 2013-C Warrants and Series 2013-D Warrants (also referred to

collectively in this Indenture as the “Series 2013 Subordinate Lien Obligations”) are being issued as Subordinate Lien Obligations. This Indenture permits the issuance of additional Senior Lien Obligations secured on a parity of lien with the Series 2013 Senior Lien Obligations with respect to the General Trust Estate, and this Indenture permits the issuance of additional Subordinate Lien Obligations secured on a parity of lien with the Series 2013 Subordinate Lien Obligations with respect to the General Trust Estate.

Payment of the Series 2013 Senior Lien Obligations is further secured by the Series 2013 Senior Lien Trust Estate, which includes the Series 2013 Senior Lien Indenture Funds described herein, and which are held by the Trustee for the sole benefit of Holders of the Series 2013 Senior Lien Obligations. Payment of the Series 2013 Subordinate Lien Obligations is further secured by the Series 2013 Subordinate Lien Trust Estate, which includes the Series 2013 Subordinate Lien Indenture Funds described herein, and which are held by the Trustee for the sole benefit of the Holders of the Series 2013 Subordinate Lien Obligations.

The Confirmed Plan of Adjustment and related confirmation order provide a binding judicial determination that the Warrants, this Indenture, the Rate Resolution, and the covenants made by the County for the benefit of the holders of the Warrants (including the revenue and rate covenants in this Indenture) will constitute legal, valid, binding and enforceable obligations of the County. The Confirmed Plan of Adjustment and related confirmation order further provide that the Commission shall adopt and maintain a sewer rate structure in accordance with the Rate Resolution and as necessary for the County to satisfy its obligations arising under the Warrants and this Indenture, including increases in sewer rates to the extent necessary to allow the timely satisfaction of the County’s obligations under this Indenture.

All things have been done which are necessary to make the Warrants, when executed by the Issuer and authenticated and delivered by the Trustee hereunder, the valid obligations of the Issuer, and to constitute this Indenture a valid trust indenture for the security of the Secured Obligations, in accordance with the terms of this Indenture.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

It is hereby covenanted and declared that all the Warrants are to be authenticated and delivered and the property subject to this Indenture is to be held and applied by the Trustee, subject to the covenants, conditions and trusts hereinafter set forth, and the Issuer does hereby covenant and agree to and with the Trustee, for the equal and proportionate benefit (except as otherwise expressly provided herein) of all Warrants as follows:

ARTICLE 1

**Definitions and Other Provisions
of General Application**

SECTION 1.1 Definitions

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meaning indicated:

“**Accreted Value**” means, on any date of calculation or determination with respect to any Capital Appreciation Obligations or Convertible Capital Appreciation Obligations, the sum of the Initial Principal Amount of such warrants plus the amount of interest accreted on such warrants to and including such date.

“**Act**” means Act No. 716 adopted at the 1900-01 Session of the Alabama Legislature, pursuant to which the Issuer has been authorized to levy an ad valorem tax for the benefit of the System.

“**Act of Bankruptcy**” means the filing of a petition in bankruptcy (or the other commencement of a bankruptcy or similar proceeding) by the Issuer after the effective date of this Indenture under any applicable bankruptcy, insolvency, reorganization, or similar law, now or hereafter in effect.

“Additional Secured Obligation Reserve Funds Requirement” means, with respect to Secured Obligations issued after the date of issuance of the Warrants, the amount required to be on deposit in any Secured Obligation Reserve Fund established pursuant to a Supplemental Indenture.

“Adjusted Operating Expenses” means all reasonable and necessary expenses of operating and maintaining the System other than (i) Debt Service Requirements, (ii) Capital Improvements, (iii) depreciation, (iv) amortization, and (v) other non-cash expenses.

“Affiliate” of any specified person means any other person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified person. For purposes of this definition, “control” when used with respect to any specified person means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Amendment 73” means Amendment 73 to the Constitution of the State.

“Authorized Denominations” means (i) with respect to the Series 2013-A Warrants or the Series 2013-D Warrants, a principal amount equal to \$5,000 or any integral multiple thereof, (ii) with respect to the Series 2013-B Warrants, a principal amount or Accreted Value due at maturity equal to \$5,000 or any integral multiple thereof, and (iii) with respect to the Series 2013-C Warrants, a principal amount or Accreted Value due at the Current Interest Conversion Date equal to \$5,000 or any integral multiple thereof, and from and after the Current Interest Conversion Date, equal to \$5,000 or any integral multiple thereof.

“Authorized Issuer Representative” means the President of the Commission, the County Manager, the Chief Financial Officer of the Issuer, or any other officer or agent of the Issuer authorized by resolution of the Commission to act as “Authorized Issuer Representative” for purposes of the Secured Obligation Documents.

“Balloon Debt” means Current Interest Obligations 50% or more of the original principal amount of which matures during any 12-month period. For purposes of this definition, the principal amount of Secured Obligations required to be redeemed prior to maturity shall be deemed payable on the mandatory redemption date rather than at maturity. For the avoidance of doubt, this definition shall not apply to Capital Appreciation Obligations or to Convertible Capital Appreciation Obligations prior to the Current Interest Commencement Date applicable thereto.

“Bankruptcy Case” means *In re Jefferson County, Alabama*, Case No. 11-05736-TBB9 adjudicated in the Bankruptcy Court.

“Bankruptcy Court” means the United States Bankruptcy Court for the Northern District of Alabama, Southern Division, in which the Bankruptcy Case is pending.

“Book Entry System” means the electronic system maintained by DTC for the ownership, transfer, exchange and payment of debt obligations.

“Business Day” means any day other than a Saturday, a Sunday, or a day on which the Trustee is authorized to be closed under general law or regulation applicable in the place where the Trustee performs its business with respect to the Indenture.

“Callable Warrants” means Warrants that are subject to redemption at the option of the Issuer.

“Capital Appreciation Obligations” means warrants or other debt obligations that do not pay interest on a current basis to the Holders thereof, but rather accrete in value over time as provided in the Indenture or Supplemental Indenture pursuant to which such obligations are issued.

“Capital Improvement Fund” means the fund established pursuant to *Section 9.8*.

“**Capital Improvements**” means improvements or additions to the System that are chargeable to the Issuer’s capital account (or could be chargeable if so elected by the Issuer) under generally accepted accounting principles.

“**Commission**” means the Jefferson County Commission, the governing body of the Issuer.

“**Compounding Date**” means, with respect to a Capital Appreciation Warrant or a Convertible Capital Appreciation Warrant, the periodic date on which the Accreted Value on such Warrant is to be compounded. The Compounding Dates applicable to the Series 2013-B Warrants are specified in *Section 5.2(d)*, and the Compounding Dates applicable to the Series 2013-C Warrants are specified in *Section 5.3(d)*. The Compounding Date applicable to any other Secured Obligations shall be set forth in a Supplemental Indenture pursuant to which such Secured Obligations are issued.

“**Confirmed Plan of Adjustment**” means the Issuer’s chapter 9 plan of adjustment, as confirmed by order of the Bankruptcy Court (Docket No. [____]) in the Bankruptcy Case.

“**Consent Decree**” means the order entered by the United States District Court for the Northern District of Alabama in the consolidated cases styled *Kipp v. Jefferson County, Alabama* (Civil Action No. 93-G-2492-S) and *United States v. Jefferson County, Alabama* (Civil Action No. 94-G-2947-S) requiring the Issuer to undertake remedial actions with respect to the System.

“**Continuing Disclosure Agreement**” means the Continuing Disclosure Agreement entered into by the Issuer in connection with the issuance of the Warrants.

“**Convertible Capital Appreciation Obligations**” means warrants or other debt obligations that, for an initial period of time, do not pay interest on a current basis to the Holders thereof, but rather accrete in value until the Current Interest Commencement Date applicable to such obligations, and from such date, provide for interest to be paid to the Holders thereof at least annually, or more frequently, all as provided in the Indenture or Supplemental Indenture pursuant to which such obligations are issued.

“**Costs of Issuance**” means the expenses incurred in connection with the issuance of the Warrants, including legal, consulting, accounting and underwriting fees and expenses (including the Put Premium as defined in the Confirmed Plan of Adjustment).

“**Costs of Issuance Fund**” means the fund established pursuant to *Section 9.9*.

“**Credit Enhancement**” means a facility provided by a third party that provides a guaranty or other assurance for the payment of Debt Service on Secured Obligations or the purchase price of Secured Obligations tendered for purchase pursuant to optional or mandatory tender provisions applicable to such Secured Obligations, or both, including bond insurance, a letter of credit, or a standby bond purchase agreement.

“**Current Interest Commencement Date**” means the date upon which (A) the Accreted Value of Convertible Capital Appreciation Obligations is converted to principal for the purpose of calculating future interest and (B) Convertible Capital Appreciation Obligations cease accreting interest and begin to accrue current interest. The Current Interest Commencement Date applicable to the Series 2013-C Warrants is specified in *Section 5.3(d)*.

“**Current Interest Obligations**” means warrants or other debt obligations which provide for interest to be paid to the Holders thereof at least annually as provided in the Indenture or Supplemental Indenture pursuant to which such warrants are issued.

“**Debt Service**” means the principal, redemption premium (if any), and interest, whether accrued or accreted, payable on Secured Obligations.

“**Debt Service Requirements**” for any Fiscal Year means the scheduled Debt Service payments on Secured Obligations due and payable on April 1 during such Fiscal Year and on the October 1 immediately

succeeding such Fiscal Year (Debt Service payable on October 1 during the Fiscal Year for which such computation is made being excluded from this calculation); provided, however, that:

(1) The principal amount of Secured Obligations subject to scheduled mandatory redemption in any Fiscal Year shall be deemed to be payable in such Fiscal Year rather than the Fiscal Year of the stated maturity of such Secured Obligations.

(2) With respect to Secured Obligations bearing interest at a variable rate, the amount of interest payable during any period for which the actual rate cannot be determined shall be projected using the Index Rate.

(3) If Secured Obligations have been Defeased, all principal and interest due on such Secured Obligations after the effective date of such Defeasance shall be excluded from Debt Service Requirements.

(4) Interest payments on Secured Obligations shall be reduced by the amount of any subsidy or credit payments to which the Issuer is entitled under any Federal assistance program (such as the program for Build America Bonds under the American Recovery and Reinvestment Act of 2009 or similar program).

(5) Unscheduled principal payments (including principal payments resulting from the optional redemption of Secured Obligations or the purchase and retirement of Secured Obligations) shall be excluded from Debt Service Requirements.

(6) The repurchase obligation with respect to Secured Obligations subject to optional or mandatory tender for purchase shall be disregarded on any date of determination if the repurchase obligation of the Issuer is secured by Credit Enhancement on such date.

(7) With respect to Secured Obligations constituting Balloon Debt, debt service payable on such Secured Obligations shall be projected assuming (i) that the principal balance of such Secured Obligations on the date of determination is refinanced on the date of determination over a term equal to 30 years less the number of whole years that have elapsed since such Secured Obligations were issued, (ii) that such principal balance will bear interest at the Index Rate, and (iii) that debt service on such Secured Obligations after the date of determination will be payable in approximately equal annual installments sufficient to pay both principal and interest.

“**Defaulted Interest**” means any interest on any Warrant which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date.

“**Defeased**” or “**Defeasance**”, when used with respect to Indenture Indebtedness, shall have the meaning assigned in *Section 14.1*.

“**DTC**” means The Depository Trust Company and its successors and assigns.

“**Enabling Law**” means Section 11-28-1 *et seq.* of the Code of Alabama 1975.

“**Favorable Tax Opinion**” means an Opinion of Counsel stating in effect that the proposed action, together with any other changes with respect to Secured Obligations made or to be made in connection with such action, will not cause interest on the Secured Obligations to become includible in gross income of the Holders for purposes of federal income taxation.

“**Federal Securities**” means noncallable, nonprepayable, direct obligations of, or obligations the full and timely payment of which is guaranteed by, the United States of America.

“**Financing Participants**” means the Issuer and the Trustee.

“**Fiscal Year**” means the fiscal year of the Issuer, as established from time to time by requisite action of the Commission.

“**Fitch**” means Fitch Ratings, Inc.

“**General Indenture Funds**” has the meaning assigned in *Section 3.1(a)*.

“**General Trust Estate**” has the meaning assigned in *Section 3.1(a)*.

“**Holder**” or “**Warrantholder**” means:

(1) When used with respect to any Warrant, means (i) if the Book Entry System is not in effect, the person in whose name such Warrant is registered on the Warrant Register maintained by the Trustee and (ii) if the Book Entry System is in effect, the beneficial owner of such Warrant on the records maintained pursuant to the Book Entry System.

(2) When used with respect to any Secured Obligation other than Warrants, the owner of such Secured Obligation under the terms of the instrument authorizing the issuance of such Secured Obligation.

“**Indenture**” means this instrument as originally executed or as it may from time to time be supplemented, modified or amended by one or more indentures or other instruments supplemental hereto entered into pursuant to the applicable provisions hereof, including Supplemental Indentures executed with respect to additional Secured Obligations as provided in *Article 8*.

“**Indenture Default**” shall have the meaning assigned in *Section 11.1*. An Indenture Default shall “exist” if an Indenture Default shall have occurred and be continuing.

“**Indenture Funds**” means any fund or account established pursuant to this Indenture.

“**Indenture Indebtedness**” means all indebtedness of the Issuer at the time secured by this Indenture, including (a) Secured Obligations, and (b) all reasonable fees, charges and disbursements of the Trustee for services performed and disbursements made under this Indenture.

“**Independent Certified Public Accountant**” means a person or firm who (i) has a favorable reputation for skill and experience in governmental accounting, (ii) shall be appointed by the Issuer and shall be reasonably acceptable to the Trustee, (iii) does not have any direct financial interest or any material indirect financial interest in the Issuer or any Affiliate of the Issuer, (iv) does not serve as a member of the governing body of the Issuer or any Affiliate of the Issuer, and (v) is not employed by the Issuer or any Affiliate of the Issuer; provided that an Independent Certified Public Accountant may be the same person or firm which prepares the Issuer’s audited financial statements.

“**Independent Consultant**” means a person or firm who (i) has a favorable reputation for skill and experience in the operations and financial affairs of sewer systems, (ii) shall be appointed by the Issuer and shall be reasonably acceptable to the Trustee, (iii) does not have any direct financial interest or any material indirect financial interest in the Issuer or any Affiliate of the Issuer, (iv) does not serve as a member of the governing body of the Issuer or any Affiliate of the Issuer, and (v) is not employed by the Issuer or any Affiliate of the Issuer.

“**Index Rate**” shall mean the “Bond Buyer Revenue Bond Index” rate for 30-year tax-exempt revenue bonds, as published by *The Bond Buyer* on any date selected by the Issuer that is within 30 days prior to the date of such determination; provided, however, that if *The Bond Buyer* (or a successor publication) ceases to publish such index, the Index Rate shall be a comparable index selected by the Issuer and reasonably acceptable to the Trustee.

“**Initial Principal Amount**” means the principal amount of Capital Appreciation Obligations or Convertible Capital Appreciation Obligations (prior to the applicable Current Interest Commencement Date), from which interest accretes. The Initial Principal Amount of the Series 2013-B Warrants is specified in *Section 5.2(b)*,

and the Initial Principal Amount of the Series 2013-C Warrants is specified in *Section 5.3(b)*. The Initial Principal Amount applicable to any other Secured Obligations shall be set forth in a Supplemental Indenture pursuant to which such Secured Obligations are issued.

“**Interest Payment Date**” means (i) when used with respect to any installment of interest on a Warrant, means the date specified in this Indenture as the date on which such installment of interest is due and payable, and (ii) when used with respect to any installment of interest on any other Secured Obligation, the date specified in the related Supplemental Indenture as the date on which any installment of interest on such other Secured Obligation is due and payable.

“**Internal Revenue Code**” means the Internal Revenue Code of 1986, as amended.

“**Issuer**” means Jefferson County, Alabama, a political subdivision of the State.

“**Maturity Date**” means (i) when used with respect to any Warrant, the date specified herein and in such Warrant as the date on which principal of such Warrant (or Accreted Value) is due and payable and (ii) when used with respect to any other Secured Obligation, the date specified in the related Supplemental Indenture as the date on which the principal of such Secured Obligation is due and payable.

“**Minute Clerk**” means the employee of the County designated by the Commission as the custodian of the official records of the proceedings of the Commission.

“**Moody’s**” means Moody’s Investors Service, Inc.

“**Net Income Available for Senior Lien Debt Service**” means the excess of revenues, income and gains from the System over expenses and losses from the System (including Operating Expenses to the extent in excess of Sewer Tax Proceeds) for the Fiscal Year in question, calculated in accordance with generally accepted accounting principles as used in preparing the most recent audited financial statements of the Issuer; provided, however, that for purposes of computing Net Income Available for Senior Lien Debt Service the following items shall be excluded from this computation: (a) Debt Service paid on all Secured Obligations and all Unsecured Obligations, (b) expenditures for Capital Improvements, (c) depreciation and amortization, (d) unrealized gains or losses on investments, (e) other non-cash expenses, and (f) customer deposits.

“**Net Income Available for Subordinate Lien Debt Service**” means the excess of revenues, income and gains from the System over (i) expenses and losses from the System (including Operating Expenses to the extent in excess of Sewer Tax Proceeds) and (ii) Debt Service Requirements on Senior Lien Obligations for the Fiscal Year in question, calculated in accordance with generally accepted accounting principles as used in preparing the most recent audited financial statements of the Issuer; provided, however, that for purposes of computing Net Income Available for Subordinate Lien Debt Service, the following items shall be excluded from this computation: (a) Debt Service paid on all Subordinate Lien Obligations and all Unsecured Obligations, (b) expenditures for Capital Improvements, (c) depreciation and amortization, (d) unrealized gains or losses on investments, (e) other non-cash expenses, and (f) customer deposits.

“**Obligor Warrants**” means Warrants registered in the name of (or in the name of a nominee for) the Issuer, or any Affiliate of the Issuer. The Trustee may assume that no Warrants are Obligor Warrants unless it has actual notice to the contrary.

“**Office of the Trustee**” means the office of the Trustee for hand delivery of notices, as specified pursuant to *Section 15.1*.

“**Operating Account**” means an account established by the Issuer in accordance with the provisions of *Section 9.5*.

“**Operating Expenses**” means all reasonable and necessary expenses of operating and maintaining the System.

“Opinion of Counsel” means an opinion from an attorney or firm of attorneys with experience in the matters to be covered in the opinion. Except as otherwise expressly provided in this Indenture, the attorney or attorneys rendering such opinion may be counsel for one or more of the Financing Participants, including counsel in the full-time employment of a Financing Participant.

“Outstanding”, when used with respect to Secured Obligations means, as of the date of determination, all Secured Obligations authenticated and delivered under this Indenture, except:

- (a) Secured Obligations cancelled by the Trustee or delivered to the Trustee for cancellation;
- (b) Secured Obligations for whose payment or redemption money in the necessary amount has been deposited with the Trustee in trust for the Holders of such Secured Obligations, provided that, if such Secured Obligations are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made; and
- (c) Secured Obligations in exchange for or in lieu of which other Secured Obligations have been authenticated and delivered under this Indenture;

provided, however, that in determining whether the Holders of the requisite principal amount of Secured Obligations Outstanding have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Secured Obligations owned by the Issuer shall be disregarded and deemed not to be Outstanding. Obligor Warrants which have been pledged in good faith may be regarded as Outstanding for such purposes if the pledgee establishes to the satisfaction of the Trustee the pledgee’s right so to act with respect to such Warrants and that if such pledgee was the Holder such Warrants would not be considered Obligor Warrants.

“Post-Default Rate” means (a) when used with respect to any payment of Debt Service on any Warrant, the interest rate applicable to such Warrant on the date such Debt Service became due, and (b) when used with respect to all other payments due under this Indenture, a variable rate equal to the “Prime Rate” as published in *The Wall Street Journal* plus 2.0% (200 basis points), in each case computed on the basis of a 365 or 366-day year, as the case may be, for actual days elapsed; provided that the Post-Default Rate shall never exceed the maximum rate of interest allowed by law.

“Qualified Investments” means:

- (a) Obligations of the United States; obligations of the State; or obligations of any county or municipal corporation of the State;
- (b) Direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States;
- (c) Obligations of any of the following federal agencies, which obligations represent the full faith and credit of the United States:
 - (1) Farmers Home Administration.
 - (2) General Services Administration.
 - (3) U. S. Maritime Administration.
 - (4) Small Business Administration.
 - (5) Government National Mortgage Association (GNMA).
 - (6) U. S. Department of Housing and Urban Development (HUD).
 - (7) Federal Housing Administration (FHA);

(d) U. S. dollar denominated deposit accounts and certificates of deposit with banks or savings associations which are qualified public depositories under Chapter 14A of Title 41 of the Code of Alabama 1975;

(e) Pre-refunded public obligations, defined as follows: Any bonds or other obligations of any state of the United States or of any agency, instrumentality or local governmental unit of any such state (i) which are not callable at the option of the obligor prior to maturity or as to which irrevocable notice has been given by the obligor to call on the date specified in the notice, and (ii) which are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or obligations described in subdivision (b) above, which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (iii) which fund is sufficient, as verified by an Independent Certified Public Accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in subclause (i) of this paragraph, as appropriate, and (iv) which are rated, based on the escrow, in the highest rating category of S&P and Moody's, or any successors thereto; or

(f) Interests, however evidenced, in any common trust fund or other collective investment fund maintained by any national or state chartered bank, trust company or savings association having trust powers, or securities of or other interests in any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, as from time to time amended, so long as all of the following requirements are met at the time of purchase and during the term of investment: (i) At least 65% of the portfolio of such common trust fund, collective investment fund or investment company or investment trust must consist of investments authorized in subdivisions (b), (c), (d), or (e) above, and (ii) the remainder of the portfolio (if any, but not more than 35%) may consist only of the following investments: (x) obligations issued or guaranteed by the following agencies: Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), including FNMA, and FHLMC participation certificates, Federal Land Banks, Central Bank for Cooperatives, Federal Intermediate Credit Banks, Student Loan Marketing Association, and Federal Home Loan Banks, (y) mortgage related securities (as that term is defined in Section 3(a) (41) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a) (41)), or (z) repurchase agreements fully collateralized by obligations, securities or investments otherwise authorized under subdivisions 5(i)-(ii), so long as the common trust fund, collective investment fund, investment company or investment trust takes possession and delivery of the collateral for any repurchase agreement either directly or through an authorized custodian. The fact that any financial institution making such investment on behalf of the Issuer, or any affiliate of such financial institution, is providing services to the investment company or investment trust as an investment advisor, sponsor, distributor, custodian, transfer agent, registrar, or otherwise, and is receiving reasonable remuneration for such services, shall not preclude such institution from making the investment in the securities of such investment company or investment trust; provided, however, that with respect to any account for which fees are charged for such services, the said financial institution shall disclose (by prospectus, account statement or otherwise) to the Issuer or to any third party directing investments the basis (expressed as a percentage of asset value or otherwise) upon which the fee is calculated.

2013. “**Rate Resolution**” means Resolution No. _____ duly adopted by the Commission on September 23,

agency. “**Rating Agency**” means Moody’s, S&P, Fitch and any other nationally recognized securities rating

series of Secured Obligations pursuant to Section 148(f) of the Internal Revenue Code.

“Refunded Warrants” means the Issuer’s (1) Sewer Revenue Warrants, Series 1997-A, (2) Sewer Revenue Capital Improvement Warrants, Series 2001-A, (3) Sewer Revenue Capital Improvement Warrants, Series 2002-A, (4) Sewer Revenue Warrants, Series 2002-C, (5) Sewer Revenue Warrant, Series 2003-A, (6) Sewer Revenue Warrants, Series 2003-B, and (7) Sewer Revenue Warrants, 2003-C.

“Refunded Warrants Trustee” means The Bank of New York Mellon Trust Company, N.A., Birmingham, Alabama.

“Regular Record Date” means the 15th day (whether or not a Business Day) of the month preceding each Interest Payment Date.

“Required Coverage Ratios” means the following ratios:

(1) *Senior Debt Ratio.* Net Income Available for Senior Lien Debt Service for the Fiscal Year in question must be not less than 125% of Debt Service Requirements on Senior Lien Obligations payable during such Fiscal Year.

(2) *Subordinate Debt Ratio.* Net Income Available for Subordinate Lien Debt Service for the Fiscal Year in question must be not less than 110% of Debt Service Requirements on Subordinate Lien Obligations payable during such Fiscal Year.

The Issuer must satisfy both ratios in order to be in compliance with the Required Coverage Ratios.

“Required Operating Reserve”, when used with respect to any Fiscal Year, means an amount equal to 1/4 of the total Adjusted Operating Expenses projected by the Issuer’s operating budget for the System for such Fiscal Year prepared pursuant to *Section 10.8(f)*.

“Required Transfer or Deposit” means any payment or deposit provided for in *Sections 9.2(a)(1)* through (5).

“Reserve Fund Requirement” means the sum of the Series 2013 Senior Lien Reserve Fund Requirement, the Series 2013 Subordinate Lien Reserve Fund Requirement and any Additional Secured Obligation Reserve Fund Requirement.

“Revenue Fund” means the fund established pursuant to *Section 9.1*.

“S&P” means Standard & Poor’s Financial Services, LLC.

“Secured Obligation Debt Service Funds” means the Series 2013 Senior Lien Debt Service Fund, the Series 2013 Subordinate Lien Debt Service Fund and any fund established pursuant to a Supplemental Indenture in accordance with the provisions of *Section 8.2(a)(1)(F)* for the payment of Debt Service on Secured Obligations.

“Secured Obligation Documents” means this Indenture (including all Supplemental Indentures) and the Secured Obligations.

“Secured Obligation Reserve Funds” means the Series 2013 Senior Lien Reserve Fund, the Series 2013 Subordinate Lien Reserve Fund and any other fund established pursuant to a Supplemental Indenture in accordance with the provisions of *Section 8.2(a)(1)(G)* to secure payment of Secured Obligations.

“Secured Obligations” means Senior Lien Obligations and Subordinate Lien Obligations.

“Senior Lien Debt Service Fund” means the Series 2013 Senior Lien Debt Service Fund and any other fund established pursuant to a Supplemental Indenture in accordance with the provisions of *Section 8.2(a)(1)(F)* for the payment of Debt Service on Senior Lien Obligations.

“Senior Lien Obligations” means warrants or other debt obligations that are payable pursuant to the priority established by *Section 9.2(a)(1)* whether issued under this Indenture or pursuant to a Supplemental Indenture.

“Senior Lien Reserve Fund” means the Series 2013 Senior Lien Reserve Fund and any other fund established pursuant to a Supplemental Indenture in accordance with the provisions of *Section 8.2(a)(1)(G)* to secure payment of Senior Lien Obligations.

“Series 2013 Senior Lien Debt Service Fund” means the fund established pursuant to *Section 9.3*.

“Series 2013 Senior Lien Indenture Funds” has the meaning assigned in *Section 3.1(b)*.

“Series 2013 Senior Lien Obligations” means the Series 2013-A Warrants.

“Series 2013 Senior Lien Reserve Fund” means the fund established pursuant to *Section 9.6*.

“Series 2013 Senior Lien Reserve Fund Requirement”, as determined on the date of initial delivery of the Series 2013 Senior Lien Obligations, pursuant to *Section 9.6*, means the lesser of (a) 125% of the average annual Debt Service Requirements on the Series 2013 Senior Lien Obligations Outstanding, (b) maximum annual Debt Service Requirements on the Series 2013 Senior Lien Obligations Outstanding, or (c) 10% of the principal amount of the Series 2013 Senior Lien Obligations Outstanding. On the date of initial delivery of the Series 2013 Senior Lien Obligations, the Series 2013 Senior Lien Reserve Fund Requirement will be \$_____.

“Series 2013 Senior Lien Trust Estate” has the meaning assigned in *Section 3.1(b)*.

“Series 2013 Subordinate Lien Debt Service Fund” means the fund established pursuant to *Section 9.4*.

“Series 2013 Subordinate Lien Indenture Funds” has the meaning assigned in *Section 3.1(c)*.

“Series 2013 Subordinate Lien Obligations” means the Series 2013-B Warrants, the Series 2013-C Warrants, and the Series 2013-D Warrants.

“Series 2013 Subordinate Lien Reserve Fund” means the fund established pursuant to *Section 9.7*.

“Series 2013 Subordinate Lien Reserve Fund Requirement” as determined on the date of initial delivery of the Series 2013 Subordinate Lien Obligations, pursuant to *Section 9.7*, means the lesser of (a) 125% of the average annual Debt Service Requirements on the Series 2013 Subordinate Lien Obligations Outstanding, (b) maximum annual Debt Service Requirements on the Series 2013 Senior Lien Obligations Outstanding, or (c) 10% of the principal amount of the Series 2013 Subordinate Lien Obligations Outstanding as of the date of original issuance. On the date of initial delivery of the Series 2013 Subordinate Lien Obligations, the Series 2013 Subordinate Lien Reserve Fund Requirement will be \$_____.

“Series 2013 Subordinate Lien Trust Estate” has the meaning assigned in *Section 3.1(c)*.

“Series 2013-A Warrants” means the Issuer’s [\$Amount] Senior Lien Sewer Revenue Current Interest Warrants, Series 2013-A, issued pursuant to this Indenture. The Series 2013-A Warrants are being issued as Senior Lien Obligations. The Series 2013-A Warrants are being issued as Current Interest Obligations.

“Series 2013-B Warrants” means the Issuer’s [\$Amount] Subordinate Lien Sewer Revenue Capital Appreciation Warrants, Series 2013-B, issued pursuant to this Indenture. The Series 2013-B Warrants are being issued as Subordinate Lien Obligations. The Series 2013-B Warrants are being issued as Capital Appreciation Obligations.

“Series 2013-C Warrants” means the Issuer’s [\$Amount] Subordinate Lien Sewer Revenue Convertible Capital Appreciation Warrants, Series 2013-C, issued pursuant to this Indenture. The Series 2013-C Warrants are

being issued as Subordinate Lien Obligations. The Series 2013-C Warrants are being issued as Convertible Capital Appreciation Obligations.

“**Series 2013-D Warrants**” means the Issuer’s [\$Amount] Subordinate Lien Sewer Revenue Current Interest Warrants, Series 2013-D, issued pursuant to this Indenture. The Series 2013-D Warrants are being issued as Subordinate Lien Obligations. The Series 2013-D Warrants are being issued as Current Interest Obligations.

“**Sewer Tax Proceeds**” means the proceeds from the ad valorem tax levied by the Issuer pursuant to authority granted by the Act.

“**Special Record Date**” for the payment of any Defaulted Interest on the Warrants means a date fixed by the Trustee pursuant to *Section 4.1(b)(8)* or *Section 4.2(l)*.

“**State**” means the State of Alabama.

“**Subordinate Lien Debt Service Fund**” means the Series 2013 Subordinate Lien Debt Service Fund and any other fund established pursuant to a Supplemental Indenture in accordance with the provisions of *Section 8.2(a)(1)(F)* for the payment of Debt Service on Subordinate Lien Obligations.

“**Subordinate Lien Obligations**” means warrants or other debt obligations that are payable pursuant to the priority established by *Section 9.2(a)(3)* whether issued pursuant to this Indenture or pursuant to a Supplemental Indenture.

“**Subordinate Lien Reserve Fund**” means the Series 2013 Subordinate Lien Reserve Fund and any other fund established pursuant to a Supplemental Indenture in accordance with the provisions of *Section 8.2(a)(1)(G)* to secure payment of Subordinate Lien Obligations.

“**Supplemental Indenture**” means a supplement to this Indenture authorizing the issuance of Secured Obligations that meets the requirements of *Article 8*.

“**System**” means the sanitary sewer system owned and operated by the Issuer.

“**System Revenues**” means all revenues collected from the operation of the System.

“**Tax Certificate and Agreement**” means (a) that certain Tax Certificate and Agreement entered into by the Issuer contemporaneously with the issuance of the Warrants and (b) any similar agreement entered into by the Issuer contemporaneously with the issuance of additional Secured Obligations.

“**Tenor**”, when used to describe the distinguishing characteristics of a Warrant or group of Warrants, means the series designation, Maturity Date, interest rate and CUSIP number of such Warrant or group of Warrants. Warrants of the same Tenor have the same series designation, Maturity Date, interest rate and CUSIP number.

“**Term Warrants**” means Warrants subject to scheduled mandatory redemption in accordance with the provisions of *Section 7.1(b)* or *Section 7.1(f)*.

“**Treasury Rate**” means as of any redemption date of any Warrant, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to such redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from such redemption date to the maturity date of such Warrant; provided, however, that if the period from such redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

“**Trust Estate**” means the General Trust Estate, the Series 2013 Senior Lien Trust Estate and the Series 2013 Subordinate Lien Trust Estate, and for any particular series of Secured Obligations, the funds designated pursuant to *Section 8.2(a)(1)(H)*.

“**Trustee**” means [Full Name of Trustee], a _____, until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter “Trustee” means such successor.

“**Unsecured Obligations**” means any (a) debt, (b) contract entered into with respect to interest rate exchange agreements with respect to debt or (c) other contractual obligations of the Issuer (other than Operating Expenses) that are undertaken for the benefit of the System and are either (i) payable from System Revenues but are not secured by a pledge of the System Revenues or (ii) payable from System Revenues but are secured by a pledge of the System Revenues that is subject and subordinate to the lien of this Indenture.

“**Warrant Payment Date**” means each date on which Debt Service is payable on Warrants, including any date fixed for redemption of Warrants.

“**Warrant Register**” means the register or registers for the registration and transfer of Warrants maintained by the Issuer at the Office of the Trustee pursuant to *Sections 4.1(b)(5)* and *4.2(c)*.

“**Warrants**” means, collectively, the Series 2013-A Warrants, the Series 2013-B Warrants, the Series 2013-C Warrants and the Series 2013-D Warrants issued pursuant to this Indenture.

SECTION 1.2 General Rules of Construction

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

- (a) Defined terms in the singular shall include the plural as well as the singular, and vice versa.
- (b) The definitions in the recitals to this instrument are for convenience only and shall not affect the construction of this instrument.
- (c) All accounting terms not otherwise defined herein have the meaning assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles. All references herein to “generally accepted accounting principles” refer to such principles as they exist as of the date of application thereof.
- (d) All references in this instrument to designated “Articles”, “Sections” and other subdivisions are to the designated Articles, Sections and subdivisions of this instrument as originally executed.
- (e) The terms “herein”, “hereof” and “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.
- (f) All references in this instrument to a separate instrument are to such separate instrument as the same may be amended or supplemented from time to time pursuant to the applicable provisions thereof.
- (g) The term “person” shall include any individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization and any government or any agency or political subdivision thereof.
- (h) The term “including” means “including without limitation” and “including, but not limited to”.

SECTION 1.3 Effect of Action by Holders of Secured Obligations

Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Secured Obligation shall bind every future Holder of the same Secured Obligation and the Holder of every Secured Obligation issued upon the transfer thereof or in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Issuer in reliance thereon, whether or not notation of such action is made upon such Secured Obligation.

SECTION 1.4 Effect of Headings and Table of Contents

The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 1.5 Date of Indenture

The date of this Indenture is intended as and for a date for the convenient identification of this Indenture and is not intended to indicate that this Indenture was executed and delivered on said date.

SECTION 1.6 Separability Clause

If any provision in this Indenture or in the Secured Obligations shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 1.7 Governing Law

This Indenture shall be construed in accordance with and governed by the laws of the State. The provisions of this Indenture, all covenants contained herein, and all actions to be taken hereunder shall be subject to the laws of the State.

SECTION 1.8 Counterparts

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 1.9 Designation of Time for Performance

Except as otherwise expressly provided herein, any reference in this Indenture to the time of day means (i) if the Book Entry System is in effect, the time of day in the city where DTC maintains its place of business for the performance of its obligations under the Book Entry System or (ii) if the Book Entry System is no longer in effect, the time of day in the city where the Trustee maintains its place of business for the performance of its obligations under this Indenture.

ARTICLE 2

Source of Payment

SECTION 2.1 Limited Source of Payment of Secured Obligations

The Secured Obligations and any other payment obligations under this Indenture are limited obligations of the Issuer payable solely out of the Trust Estate. The Secured Obligations and any other payment obligations under this Indenture shall not constitute or give rise to a general indebtedness or liability of, and shall not constitute a charge against the general credit or taxing powers of, the Issuer. The State shall have no liability whatsoever to make any payment under this Indenture.

SECTION 2.2 Officials, Officers and Employees of the Issuer Exempt from Individual Liability

No recourse under or upon any covenant or agreement of this Indenture, or of any Secured Obligations, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future public official, officer or employee of the Issuer, or of any successor, either directly or through the Issuer, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that this Indenture and the Secured Obligations issued hereunder are solely the limited obligations of the Issuer, and that no personal or pecuniary liability whatsoever shall attach to, or is or shall be incurred by, any public official, officer or employee of the Issuer or any successor, or any of them, because of the issuance of the Secured Obligations, or under or by reason of the covenants or agreements contained in this Indenture or in any Secured Obligations or implied therefrom. The provisions of this *Section 2.2* are not intended to preclude the enforcement of remedies provided for in *Article XI* against the Trust Estate secured by this Indenture.

ARTICLE 3

Security for Payment

SECTION 3.1 Pledge and Assignment

(a) **General Trust Estate for Benefit of all Secured Obligations.** To secure the payment of Debt Service on the Secured Obligations and the performance of the covenants contained in this Indenture that are for the benefit of all Secured Obligations, and in consideration of the premises and of the purchase of the Secured Obligations by the Holders thereof, the Issuer hereby pledges and assigns to the Trustee, and grants to the Trustee a security interest in, the following property:

(1) **System Revenues.** All right, title and interest of the Issuer in and to the System Revenues and all rights to receive the same.

(2) **General Indenture Funds.** Money and investments from time to time on deposit in, or forming a part of, the following Indenture Funds: the Revenue Fund, the Operating Account, the Costs of Issuance Fund and the Capital Improvement Fund (collectively, the “General Indenture Funds”).

(3) **Other Property.** Any and all property of every kind or description which may, from time to time hereafter, by delivery or by writing of any kind, be specifically subjected to the lien of this Indenture as additional security for the Secured Obligations by the Issuer or anyone on its part or with its consent, or which pursuant to any of the provisions hereof may come into the possession or control of the Trustee or a receiver appointed pursuant to this Indenture. The Trustee is hereby authorized to receive any and all such property as and for additional security for the obligations secured hereby and to hold and apply all such property subject to the terms hereof.

To Have and to Hold all such property, rights and privileges (collectively referred to as the “General Trust Estate”) unto the Trustee and its successors and assigns.

But in Trust Nevertheless, for the benefit and security of the Holders from time to time of all Secured Obligations without any priority of any such Senior Lien Obligation over any other Senior Lien Obligation, and (subject to the priority of Senior Lien Obligations over Subordinate Lien Obligations) without any priority of any Subordinate Lien Obligation over any other Subordinate Lien Obligation.

Provided, However, that (i) Holders of Senior Lien Obligations have a first priority lien with respect to right of payment from the General Trust Estate, (ii) Holders of Subordinate Lien Obligations have a second priority lien with respect to right of payment from the General Trust Estate, (iii) money and investments in the General Indenture Funds may be applied for the purposes and on the terms and conditions set forth in this Indenture, and (iv) the lien of the General Trust Estate in favor of Secured Obligations is subject to the provisions of *Section 12.7(b)*.

(b) **Trust Estate for Benefit of the Series 2013 Senior Lien Obligations.** To secure the payment of Debt Service on the Series 2013 Senior Lien Obligations and the performance of the covenants contained in this Indenture that are for the benefit of the Series 2013 Senior Lien Obligations, and in consideration of the premises and of the purchase of the Series 2013 Senior Lien Obligations by the Holders thereof, the Issuer hereby pledges and assigns to the Trustee, and grants to the Trustee a security interest in, the Series 2013 Senior Lien Debt Service Fund and the Series 2013 Senior Lien Reserve Fund (the Series 2013 Senior Lien Debt Service Fund and the Series 2013 Senior Lien Reserve Fund being sometimes collectively referred to herein as the “Series 2013 Senior Lien Indenture Funds”).

To Have and to Hold all such property, rights and privileges (collectively referred to as the “Series 2013 Senior Lien Trust Estate”) unto the Trustee and its successors and assigns.

But in Trust Nevertheless, for the equal and proportionate benefit and security of the Holders from time to time of the Series 2013 Senior Lien Obligations (without any priority of any such Series 2013 Senior Lien Obligation over any other Series 2013 Senior Lien Obligation).

Provided, However, that money and investments in the Series 2013 Senior Lien Indenture Funds may be applied for the purposes and on the terms and conditions set forth in this Indenture.

(c) **Trust Estate for Benefit of the Series 2013 Subordinate Lien Obligations.** To secure the payment of Debt Service on the Series 2013 Subordinate Lien Obligations and the performance of the covenants contained in this Indenture that are for the benefit of the Series 2013 Subordinate Lien Obligations, and in consideration of the premises and of the purchase of the Series 2013 Subordinate Lien Obligations by the Holders thereof, the Issuer hereby pledges and assigns to the Trustee, and grants to the Trustee a security interest in, the Series 2013 Subordinate Lien Debt Service Fund and the Series 2013 Subordinate Lien Reserve Fund (the Series 2013 Subordinate Lien Debt Service Fund and the Series 2013 Subordinate Lien Reserve Fund being sometimes collectively referred to herein as the “Series 2013 Subordinate Lien Indenture Funds”).

To Have and to Hold all such property, rights and privileges (collectively referred to as the “Series 2013 Subordinate Lien Trust Estate”) unto the Trustee and its successors and assigns.

But in Trust Nevertheless, for the equal and proportionate benefit and security of the Holders from time to time of the Series 2013 Subordinate Lien Obligations (without any priority of any such Series 2013 Subordinate Lien Obligation over any other Series 2013 Subordinate Lien Obligation).

Provided, However, that money and investments in the Series 2013 Subordinate Lien Indenture Funds may be applied for the purposes and on the terms and conditions set forth in this Indenture.

(d) **Sewer Tax Proceeds.** For the avoidance of doubt, Sewer Tax Proceeds shall not be part of, subject to the lien of, or in any way pledged to the Trust Estate.

ARTICLE 4

Registration, Transfer, Exchange and Payment of the Warrants

SECTION 4.1 The Book Entry System

(a) The ownership, transfer, exchange and payment of Warrants shall be governed by the Book Entry System administered by DTC until the Book Entry System is terminated pursuant to **Section 4.1(c)**.

(b) Except as otherwise expressly provided in this Indenture, while Warrants are in the Book Entry System the following provisions shall apply:

(1) In order to facilitate the Book Entry System, a physical certificate or physical certificates for the Warrants shall be executed and authenticated, registered in the name of DTC or its nominee, and

delivered to DTC for safekeeping (including safekeeping by the Trustee pursuant to the "FAST" system or other procedures of the Book Entry System).

(2) The term "Warrant" means each separate security credited to a beneficial owner (or entitlement holder) pursuant to the Book Entry System, and the term "Holder" means the person identified pursuant to the Book Entry System as the beneficial owner of the related security.

(3) The terms and limitations of this Indenture with respect to each separate Warrant shall be applicable to each separate security credited to a beneficial owner under the Book Entry System.

(4) All payments of Debt Service on the Warrants shall be made by the Trustee through the Book Entry System, and payments by such method shall be valid and effective fully to satisfy and discharge the Issuer's obligations with respect to such payments.

(5) Subject to such reasonable regulations as it may prescribe, the Issuer shall provide for the registration of Warrants in the Warrant Register in accordance with the Book Entry System.

(6) Transfers and exchanges of Warrants shall be reflected on the records of DTC in accordance with the Book Entry System.

(7) No service charge shall be made for any transfer or exchange of Warrants, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Warrants.

(8) Any Defaulted Interest shall forthwith cease to be payable to the Holder on the relevant Regular Record Date solely by virtue of such Holder having been such Holder; and such Defaulted Interest shall be paid by the Issuer to the persons in whose names such Warrants are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Issuer shall notify the Trustee of the amount of Defaulted Interest proposed to be paid on each Warrant and the date of the proposed payment (which date shall be such as will enable the Trustee to comply with the next sentence hereof), and at the same time the Issuer shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this subsection provided and not to be deemed part of the Trust Estate. Thereupon, the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder at his address as it appears in the Warrant Register not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the persons in whose names the Warrants are registered on such Special Record Date.

(9) Subject to the foregoing provisions of this Section, each Warrant delivered under this Indenture upon transfer of or in exchange for or in lieu of any other Warrant shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Warrant and each such Warrant shall bear interest from such date so that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

(c) The Trustee shall discontinue the Book Entry System at the request of the Issuer. The Trustee may terminate the Book Entry System without direction from, or consent of, the Issuer if the Trustee determines in good faith that termination is in the best interest of the Holders. Notice of termination of the Book Entry System shall be given to Holders not less than 20 days before such termination is effective.

(d) If the Book Entry System is discontinued, (i) a physical certificate or physical certificates shall be executed, authenticated and delivered to each beneficial owner, or entitlement holder, under the Book Entry System in accordance with such holder's ownership of Warrants, (ii) such certificates shall be registered in the Warrant Register maintained by the Trustee, and (iii) the remaining provisions of this Article shall govern the registration, transfer, exchange and payment of Warrants.

SECTION 4.2 Alternate Provisions Regarding Payment, Registration, Transfer and Exchange of Warrants

(a) If the Book Entry System is discontinued, the provisions of this Section shall control the registration, transfer, exchange and payment of Warrants.

(b) Payment of Debt Service on the Warrants shall be made as follows:

(1) Payment of interest on the Warrants which is due on any Interest Payment Date shall be made by check or draft mailed by the Trustee to the persons entitled thereto at their addresses appearing in the Warrant Register. Such payments of interest shall be deemed timely made if so mailed on the Interest Payment Date (or, if such Interest Payment Date is not a Business Day, on the Business Day next following such Interest Payment Date).

(2) Payment of the principal of (and premium, if any, on) the Warrants and payment of accrued interest on the Warrants due upon redemption on any date other than an Interest Payment Date shall be made only upon surrender thereof at the Office of the Trustee.

(3) Upon the written request of any Holder, the Trustee shall make payments of Debt Service by wire transfer, provided that (i) such request contains adequate instructions for the method of payment, and (ii) payment of the principal of (and redemption premium, if any, on) such Warrants and payment of the accrued interest on such Warrants due upon redemption on any date other than an Interest Payment Date shall be made only upon surrender of such Warrants to the Trustee.

(c) Subject to such reasonable regulations as it may prescribe, the Issuer shall provide for the registration of Warrants and registration of transfers of Warrants entitled to be registered or transferred as herein provided in the Warrant Register.

(d) Upon surrender for transfer of any Warrant at the Office of the Trustee, the Issuer shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Warrants of the same Tenor, of any Authorized Denominations and of a like aggregate principal amount.

(e) At the option of the Holder, Warrants may be exchanged for other Warrants of the same Tenor, of any Authorized Denominations and of a like aggregate principal amount, upon surrender of the Warrants to be exchanged at the Office of the Trustee. Whenever any Warrants are so surrendered for exchange, the Issuer shall execute, and the Trustee shall authenticate and deliver, the Warrants which the Holder making the exchange is entitled to receive.

(f) Subject to **Section 7.9**, all Warrants surrendered for payment or redemption (after the payment or redemption thereof) or for transfer or exchange, shall be promptly cancelled by the Trustee. The Trustee may destroy cancelled certificates. No Warrant shall be authenticated in lieu of or in exchange for any Warrant cancelled as provided in this Section, except as expressly provided by this Indenture.

(g) All Warrants issued upon any transfer or exchange of Warrants shall be the valid obligations of the Issuer and entitled to the same security and benefits under this Indenture as the Warrants surrendered upon such transfer or exchange.

(h) Every Warrant presented or surrendered for transfer or exchange shall contain, or be accompanied by, all necessary endorsements for transfer.

(i) No service charge shall be made for any transfer or exchange of Warrants, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Warrants.

(j) The Issuer shall not be required (i) to transfer or exchange any Warrant during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Warrants and ending at the close of business on the day of such mailing, or (ii) to transfer or exchange any Warrant so selected for redemption in whole or in part.

(k) Interest on any Warrant which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the person in whose name that Warrant is registered at the close of business on the Regular Record Date for such Interest Payment Date.

(l) Any Defaulted Interest shall forthwith cease to be payable to the Holder on the relevant Regular Record Date solely by virtue of such Holder having been such Holder; and such Defaulted Interest shall be paid by the Issuer to the persons in whose names such Warrants are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Issuer shall notify the Trustee of the amount of Defaulted Interest proposed to be paid on each Warrant and the date of the proposed payment (which date shall be such as will enable the Trustee to comply with the next sentence hereof), and at the same time the Issuer shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this subsection provided and not to be deemed part of the Trust Estate. Thereupon, the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder at his address as it appears in the Warrant Register not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the persons in whose names the Warrants are registered on such Special Record Date.

(m) Subject to the foregoing provisions of this Section, each Warrant delivered under this Indenture upon transfer of or in exchange for or in lieu of any other Warrant shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Warrant and each such Warrant shall bear interest from such date that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

(n) In the event any Warrant is mutilated, lost, stolen or destroyed, the Issuer may execute, and the Trustee shall thereupon authenticate and deliver, a replacement Warrant of like Tenor as that mutilated, lost, stolen or destroyed; provided that (a) in the case of any such mutilated Warrant, such Warrant is first surrendered to the Trustee, and (b) in the case of any such lost, stolen or destroyed Warrant, there is first furnished to the Issuer and the Trustee evidence of such loss, theft or destruction satisfactory to the Issuer and the Trustee, together with indemnity satisfactory to each of them. The Issuer may charge the Holder with the expense of issuing any such replacement Warrant.

SECTION 4.3 Persons Deemed Owners

The Holder of a Warrant shall be treated as the owner of such Warrant for purposes of this Indenture.

SECTION 4.4 Trustee as Paying Agent and Registrar

Debt Service on the Warrants shall be payable on behalf of the Issuer by the Trustee, which is hereby designated as the paying agent of the Issuer for purposes of this Indenture. The Trustee is hereby appointed as agent of the Issuer solely for the purpose of registering Warrants and transfers of Warrants as provided in this Indenture.

SECTION 4.5 Payments Due on Non-Business Days

Except as otherwise expressly provided by this Indenture, if any payment on the Warrants is due on a day which is not a Business Day, such payment may be made on the first succeeding day which is a Business Day with the same effect as if made on the day such payment was due.

ARTICLE 5

Specific Terms for Warrants and Disposition of Proceeds

SECTION 5.1 Specific Title and Terms of Series 2013-A Warrants

(a) **Title, Amount and Lien Status.** The first series of Warrants issued hereunder shall be issued as Current Interest Obligations and shall be entitled “Senior Lien Sewer Revenue Current Interest Warrants, Series 2013-A”. The Series 2013-A Warrants shall be issued in the aggregate principal amount of [\$Amount]. The Series 2013-A Warrants shall be issued as Senior Lien Obligations.

(b) **Authorized Denominations.** The Series 2013-A Warrants shall be in Authorized Denominations.

(c) **Form and Number.** The Series 2013-A Warrants shall be issuable as registered warrants without coupons. The Series 2013-A Warrants shall be numbered separately from 1 upward. In order to facilitate the Book Entry System, a single Series 2013-A Warrant certificate for all Series 2013-A Warrants of the same Tenor shall be delivered to the Trustee. The Series 2013-A Warrants and the certificate of authentication shall be substantially as set forth in *Exhibit 5.1(c)*, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture.

(d) **Maturity Dates and Interest Rates.** The Series 2013-A Warrants shall be issued with fixed interest rates and shall mature on _____ 1 in the years and principal amounts as follows:

Year of Maturity (_____ 1)	Principal Amount Maturing	Initial CUSIP Number	Applicable Interest Rate
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(e) **Date.** The Series 2013-A Warrants shall be dated as of the date of initial delivery of the Warrants.

(f) **Interest Payment Dates.** Interest on the Series 2013-A Warrants shall be payable in arrears on (i) [_____ 1] and [_____ 1] in each year, beginning on [_____ 1, 2014], and (ii) the Maturity Date.

(g) **Person to Whom Interest Payable.** If the Book Entry System is in effect, the Trustee shall pay interest to DTC, and interest payments shall be distributed by DTC to Holders in accordance with the rules and operational arrangements of DTC. If the Book Entry System is terminated, the interest due on any Interest Payment

Date for the Series 2013-A Warrants shall be payable to Holders as of the Regular Record Date or any Special Record Date for such Interest Payment Date.

(h) **Computation of Interest Accrual.** The Series 2013-A Warrants shall bear interest from their date, or the most recent date to which interest has been paid or duly provided for, at the applicable rate per annum set forth in this Article. Interest shall be computed on the basis of a 360-day year with 12 months of 30 days each.

(i) **Interest on Overdue Payments.** Interest shall be payable on overdue principal on the Series 2013-A Warrants and (to the extent legally enforceable) on any overdue installment of interest on the Series 2013-A Warrants at the Post-Default Rate.

(j) **Execution and Authentication.** Physical certificates evidencing the Series 2013-A Warrants shall be executed on behalf of the Issuer by the President of the Commission under its official seal reproduced or impressed thereon and attested by its Minute Clerk. The signature of either of these officers on the Series 2013-A Warrants may be manual or, to the extent permitted by law, facsimile. Series 2013-A Warrants bearing the manual or facsimile signatures of individuals who, at the time of issuance or later, were the proper officers of the Issuer shall bind the Issuer, notwithstanding that such individuals or any of them shall have ceased to hold such offices prior to the authentication and delivery of such Series 2013-A Warrants. No Series 2013-A Warrant shall be secured by, or be entitled to any lien, right or benefit under, this Indenture or be valid or obligatory for any purpose, unless there appears on such Series 2013-A Warrant a certificate of authentication substantially in the form provided for herein, executed by the Trustee by manual signature, and such certificate upon any Series 2013-A Warrant shall be conclusive evidence, and the only evidence, that such Series 2013-A Warrant has been duly authenticated and delivered hereunder.

(k) **Currency for Payment.** Payment of Debt Service on the Series 2013-A Warrants shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

SECTION 5.2 Specific Title and Terms of Series 2013-B Warrants

(a) **Title, Amount and Lien Status.** The second series of warrants issued hereunder shall be issued as Capital Appreciation Obligations and shall be entitled "Subordinate Lien Sewer Revenue Capital Appreciation Warrants, Series 2013-B". The maximum Accreted Value of the Series 2013-B Warrants which may be Outstanding is limited to [\$Amount]. The Series 2013-B Warrants shall be issued as Subordinate Lien Obligations.

(b) **Initial Principal Amount.** The Initial Principal Amount of the Series 2013-B Warrants shall be \$_____.

(c) **Form and Number; Authorized Denominations.** The Series 2013-B Warrants shall be issuable as registered warrants without coupons in Authorized Denominations. The Series 2013-B Warrants shall be numbered separately from 1 upward. In order to facilitate the Book Entry System, a single physical certificate for all Series 2013-B Warrants of the same Tenor shall be delivered to the Trustee. The Series 2013-B Warrants and the certificate of authentication shall be substantially as set forth in *Exhibit 5.2(c)*, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture.

(d) **Date.** The Series 2013-B Warrants shall be dated as of the date of initial delivery of the Warrants. The Compounding Dates applicable to the Series 2013-B Warrants shall be [_____ 1] and [_____ 1] of each year, commencing [_____ 1, 2014].

(e) **Accretion of Interest.** The Series 2013-B Warrants are payable only at maturity or upon optional redemption and will not pay interest on a current basis. The Series 2013-B Warrants shall accrete from and including the date of initial delivery, compounded semiannually on each Compounding Date, until the Maturity Date or earlier redemption at the effective per annum rate required to produce the yield to maturity indicated below:

Year of Maturity (_____ 1)	Initial Principal Amount	Yield to Maturity	[Accreted Value of \$5,000 at Maturity]	Initial CUSIP Number
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Calculation of accretion on the Series 2013-B Warrants shall be performed on the basis of a 360-day year with 12 months of 30 days each. [A schedule of compound accreted values at six month intervals for each maturity of the Series 2013-B Warrants from issuance to the applicable Maturity Date is set forth in *Exhibit 5.2(e)*.] Accretion between such dates shall be determined using linear interpolation.

(f) **Person to Whom Accreted Value Payable.** If the Book Entry System is in effect, the Trustee shall pay the Accreted Value on the Series 2013-B Warrants due on the Maturity Date or earlier redemption to DTC, and the Accreted Value of the Series 2013-B Warrants shall be distributed by DTC to Holders in accordance with the rules and operational arrangements of DTC. If the Book Entry System is terminated, the Accreted Value due on the Maturity Date or earlier redemption for the Series 2013-B Warrants shall be payable to the Holders of such Series 2013-B Warrants on the date of payment of the Series 2013-B Warrants.

(g) **Interest on Overdue Payments.** Interest shall be payable on overdue Accreted Value on the Series 2013-B Warrants at the Post-Default Rate.

(h) **Execution and Authentication.** Physical certificates evidencing the Series 2013-B Warrants shall be executed on behalf of the Issuer by the President of the Commission under its official seal reproduced or impressed thereon and attested by its Minute Clerk. The signature of either of these officers on the Series 2013-B Warrants may be manual or, to the extent permitted by law, facsimile. Series 2013-B Warrants bearing the manual or facsimile signatures of individuals who, at the time of issuance or later, were the proper officers of the Issuer shall bind the Issuer, notwithstanding that such individuals or any of them shall have ceased to hold such offices prior to the authentication and delivery of such Series 2013-B Warrants. No Series 2013-B Warrant shall be secured by, or be entitled to any lien, right or benefit under, this Indenture or be valid or obligatory for any purpose, unless there appears on such warrant a certificate of authentication substantially in the form provided for herein, executed by the Trustee by manual signature, and such certificate upon any Series 2013-B Warrant shall be conclusive evidence, and the only evidence, that such Series 2013-B Warrant has been duly authenticated and delivered hereunder.

(i) **Currency for Payment.** Payment of Debt Service on the Series 2013-B Warrants shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

SECTION 5.3 Specific Title and Terms of Series 2013-C Warrants

(a) **Title, Amount and Lien Status.** The third series of warrants issued hereunder shall be issued as Convertible Capital Appreciation Obligations and shall be entitled "Subordinate Lien Sewer Revenue Convertible Capital Appreciation Warrants, Series 2013-C". The aggregate principal amount of the Series 2013-C Warrants which may be Outstanding is limited to [\$Amount]. The Series 2013-C Warrants shall be issued as Subordinate Lien Obligations.

(b) **Initial Principal Amount.** The Initial Principal Amount of the Series 2013-C Warrants shall be \$_____.

(c) **Form and Number; Authorized Denominations.** The Series 2013-C Warrants shall be issuable as registered warrants without coupons in Authorized Denominations. The Series 2013-C Warrants shall be numbered separately from 1 upward. In order to facilitate the Book Entry System, a single physical certificate for

all Series 2013-C Warrants of the same Tenor shall be delivered to the Trustee. The Series 2013-C Warrants and the certificate of authentication shall be substantially as set forth in *Exhibit 5.3(c)*, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture.

(d) **Dates.** The Series 2013-C Warrants shall be dated as of the date of initial delivery of the Warrants. The Compounding Dates applicable to the Series 2013-C Warrants shall be [_____] 1] and [_____] 1] of each year, commencing [_____] 1, 2014]. The Current Interest Commencement Date applicable to the Series 2013-C Warrants shall be _____, 2023.

(e) **Accretion of Interest.** Prior to the Current Interest Commencement Date, the Series 2013-C Warrants will not pay interest on a current basis. The Series 2013-C Warrants shall accrete from and including the date of initial delivery, compounded semiannually on each Compounding Date, until, but not including, the Current Interest Commencement Date at the effective per annum rate required to produce the yield and Accreted Value indicated below:

Year of Maturity (_____) 1)	Initial Principal Amount	Yield to Current Interest Commencement Date	Accreted Value on Current Interest Commencement Date	Initial CUSIP Number
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Calculation of accretion on the Series 2013-C Warrants shall be performed on the basis of a 360-day year consisting of 12 consecutive 30-day months. [A schedule of compound accreted values at six month intervals for each maturity of the Series 2013-C Warrants from issuance to the Current Interest Commencement Date is set forth in *Exhibit 5.3(e)*.] Accretion between such dates shall be determined using linear interpolation.

(f) **Conversion from Accretion to Current Interest Rate Accrual.** On the Current Interest Commencement Date, the Accreted Value of the Series 2013-C Warrants shall be fixed as the principal amount of such Warrants, and the Series 2013-C Warrants shall not accrete in value from such date. On and after the Current Interest Commencement Date, principal of and interest on the Series 2013-C Warrants shall be paid currently in accordance with the schedule contained in *Section 5.3(g)* on the dates specified in *Section 5.3(h)*.

(g) **Maturity Dates and Interest Rates.** From the Current Interest Commencement Date, the Series 2013-C Warrants shall bear interest at fixed interest rates and shall mature on [_____] 1] in the years and amounts and bear interest at the rates per annum as follows:

Year of Maturity (_____) 1)	Principal Amount Maturing	Initial CUSIP Number	Applicable Interest Rate
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(h) **Interest Payment Dates.** From the Current Interest Commencement Date, interest on the Series 2013-C Warrants shall be payable in arrears on (i) [_____] 1] and [_____] 1] in each year, beginning on [_____, 2014], and (ii) the Maturity Date.

(i) **Person to Whom Accreted Value or Interest Payable.**

(1) Prior to the Current Interest Commencement Date, if the Book Entry System is in effect, the Trustee shall pay the Accreted Value of the Series 2013-C Warrants due upon extraordinary redemption to DTC, and the Accreted Value of the Series 2013-C Warrants shall be distributed by DTC to Holders in accordance with the rules and operational arrangements of DTC. If the Book Entry System is terminated, the Accreted Value of the Series 2013-C Warrants due upon extraordinary redemption shall be payable to the Holders of such Series 2013-C Warrants on the date of payment of such Series 2013-C Warrants.

(2) From and after the Current Interest Commencement Date, if the Book Entry System is in effect, the Trustee shall pay interest to DTC, and interest payments shall be distributed by DTC to Holders in accordance with the rules and operational arrangements of DTC. If the Book Entry System is terminated, the interest due on any Interest Payment Date for the Series 2013-C Warrants shall be payable to Holders as of the Regular Record Date or any Special Record Date for such Interest Payment Date.

(j) **Computation of Interest Accrual.** On and after the Current Interest Commencement Date, the Series 2013-C Warrants shall bear interest from the Current Interest Commencement Date, or the most recent date to which interest has been paid or duly provided for, at the applicable rate per annum set forth in paragraph (g) above. Interest shall be computed on the basis of a 360-day year with 12 months of 30 days each.

(k) **Interest on Overdue Payments.** Interest shall be payable on overdue principal on the Series 2013-C Warrants at the Post-Default Rate.

(l) **Execution and Authentication.** Physical certificates evidencing the Series 2013-C Warrants shall be executed on behalf of the Issuer by the President of the Commission under its official seal reproduced or impressed thereon and attested by its Minute Clerk. The signature of any of these officers on the Series 2013-C Warrants may be manual or, to the extent permitted by law, facsimile. Series 2013-C Warrants bearing the manual or facsimile signatures of individuals who, at the time of issuance or later, were the proper officers of the Issuer shall bind the Issuer, notwithstanding that such individuals or any of them shall have ceased to hold such offices prior to the authentication and delivery of such Series 2013-C Warrants. No Series 2013-C Warrant shall be secured by, or be entitled to any lien, right or benefit under, this Indenture or be valid or obligatory for any purpose, unless there appears on such warrant a certificate of authentication substantially in the form provided for herein, executed by the Trustee by manual signature, and such certificate upon any Series 2013-C Warrant shall be conclusive evidence, and the only evidence, that such Series 2013-C Warrant has been duly authenticated and delivered hereunder.

(m) **Currency for Payment.** Payment of Debt Service on the Series 2013-C Warrants shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

SECTION 5.4 Specific Title and Terms of Series 2013-D Warrants

(a) **Title, Amount and Lien Status.** The fourth series of Warrants issued hereunder shall be issued as Current Interest Obligations and shall be entitled "Subordinate Lien Sewer Revenue Current Interest Warrants, Series 2013-D". The Series 2013-D Warrants shall be issued in the aggregate principal amount of [Amount]. The Series 2013-D Warrants shall be issued as Subordinate Lien Obligations.

(b) **Authorized Denominations.** The Series 2013-D Warrants shall be in Authorized Denominations.

(c) **Form and Number.** The Series 2013-D Warrants shall be issuable as registered warrants without coupons. The Series 2013-D Warrants shall be numbered separately from 1 upward. In order to facilitate the Book Entry System, a single Series 2013-D Warrant certificate for all Series 2013-D Warrants of the same Tenor shall be delivered to the Trustee. The Series 2013-D Warrants and the certificate of authentication shall be substantially as set forth in *Exhibit 5.4(c)*, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture.

(d) **Maturity Dates and Interest Rates.** The Series 2013-D Warrants shall be issued with fixed interest rates and shall mature on _____ 1 in the years and principal amounts as follows:

Year of Maturity (_____ 1)	Principal Amount Maturing	Initial CUSIP Number	Applicable Interest Rate
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(e) **Date.** The Series 2013-D Warrants shall be dated as of the date of initial delivery of the Warrants.

(f) **Interest Payment Dates.** Interest on the Series 2013-D Warrants shall be payable in arrears on (i) [_____ 1] and [_____ 1] in each year, beginning on [_____ 1, 2014], and (ii) the Maturity Date.

(g) **Person to Whom Interest Payable.** If the Book Entry System is in effect, the Trustee shall pay interest to DTC, and interest payments shall be distributed by DTC to Holders in accordance with the rules and operational arrangements of DTC. If the Book Entry System is terminated, the interest due on any Interest Payment Date for the Series 2013-D Warrants shall be payable to Holders as of the Regular Record Date or any Special Record Date for such Interest Payment Date.

(h) **Computation of Interest Accrual.** The Series 2013-D Warrants shall bear interest from their date, or the most recent date to which interest has been paid or duly provided for, at the applicable rate per annum set forth in this Article. Interest shall be computed on the basis of a 360-day year with 12 months of 30 days each.

(i) **Interest on Overdue Payments.** Interest shall be payable on overdue principal on the Series 2013-D Warrants and (to the extent legally enforceable) on any overdue installment of interest on the Series 2013-D Warrants at the Post-Default Rate.

(j) **Execution and Authentication.** Physical certificates evidencing the Series 2013-D Warrants shall be executed on behalf of the Issuer by the President of the Commission under its official seal reproduced or impressed thereon and attested by its Minute Clerk. The signature of either of these officers on the Series 2013-D Warrants may be manual or, to the extent permitted by law, facsimile. Series 2013-D Warrants bearing the manual or facsimile signatures of individuals who, at the time of issuance or later, were the proper officers of the Issuer shall bind the Issuer, notwithstanding that such individuals or any of them shall have ceased to hold such offices prior to the authentication and delivery of such Series 2013-D Warrants. No Series 2013-D Warrant shall be secured by, or be entitled to any lien, right or benefit under, this Indenture or be valid or obligatory for any purpose, unless there appears on such Series 2013-D Warrant a certificate of authentication substantially in the form provided for herein, executed by the Trustee by manual signature, and such certificate upon any Series 2013-D Warrant shall be conclusive evidence, and the only evidence, that such Series 2013-D Warrant has been duly authenticated and delivered hereunder.

(k) **Currency for Payment.** Payment of Debt Service on the Series 2013-D Warrants shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

SECTION 5.5 Proceeds From Sale of Warrants

(a) The proceeds from the sale of the Warrants to the original purchaser or purchasers thereof shall be applied as follows:

(1) *First*, the amount to be used for the retirement of the Refunded Warrants shall be paid to the Refunded Warrants Trustee.

(2) *Second*, the amount necessary to make the balance in the Series 2013 Senior Lien Reserve Fund equal to the Series 2013 Senior Lien Reserve Fund Requirement shall be deposited in the Series 2013 Senior Lien Reserve Fund.

(3) *Third*, the amount necessary to make the balance in the Series 2013 Subordinate Lien Reserve Fund equal to the Series 2013 Subordinate Lien Reserve Fund Requirement shall be deposited in the Series 2013 Subordinate Lien Reserve Fund.

(4) *Fourth*, the amount to be used for Costs of Issuance shall be deposited in the Costs of Issuance Fund.

(b) The amount of proceeds from each series of Warrants to be applied to each purpose identified in this Section shall be specified by directions from an Authorized Issuer Representative delivered to the Trustee on the date of issuance of the Warrants.

ARTICLE 6

Repurchases and Tenders

SECTION 6.1 No Optional Tender Rights for Holders

The Holders of the Warrants will not have the right or the obligation to tender Warrants for purchase by the Issuer.

SECTION 6.2 Purchase or Tender for Cancellation

The Issuer may, at its sole option, purchase any Secured Obligations made available to it by whatever means, or solicit or make tender offer(s) for the purchase of any Secured Obligations, whether directly or through securities dealers. The Issuer may exercise this option with respect to all or less than all of a particular series or maturity of Secured Obligations and whether or not Secured Obligations which the Issuer may seek to acquire are subject to optional redemption. Any Secured Obligations so purchased may be delivered by the Issuer to the Trustee for cancellation, and upon such delivery and cancellation, shall no longer be Outstanding. The Issuer may exercise the option granted in this section through whatever means are legally available to the Issuer.

ARTICLE 7

Redemption of Warrants

SECTION 7.1 Redemption Provisions

The Warrants shall be subject to redemption prior to maturity as follows:

(a) **Optional Redemption of Series 2013-A Warrants.** Any Series 2013-A Warrant that matures after [December 1, 2023] may be redeemed in whole or in part on any Business Day on or after [December 1, 2023] at a redemption price of par (100% of the principal amount of such Warrant redeemed) plus accrued interest thereon to the date of redemption.

(b) **Scheduled Mandatory Redemption of Series 2013-A Term Warrants.** The Series 2013-A Warrants maturing in [_____] and [_____] (collectively, the “Series 2013-A Term Warrants”) shall be redeemed, at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest thereon to the redemption date, on the dates and in the principal amounts (after credit as provided below) as follows:

Series 2013-A Term Warrants Maturing in [Year 1]

Redemption Date (_____ 1)	Principal Amount to be Redeemed
--	--

(maturity)

Series 2013-A Term Warrants Maturing in [Year 2]

Redemption Date (_____ 1)	Principal Amount to be Redeemed
--	--

(maturity)

Not later than the date on which notice of scheduled mandatory redemption is to be given, the Trustee shall select affected Series 2013-A Term Warrants for redemption by lot; provided, however, that the Issuer may, at its discretion by timely notice delivered to the Trustee, direct that any or all of the following amounts be credited against the principal amount of Series 2013-A Term Warrants scheduled for redemption on such date: (i) the principal amount of Series 2013-A Term Warrants of such Tenor delivered by the Issuer to the Trustee for cancellation and not previously claimed as a credit; (ii) the principal amount of Series 2013-A Term Warrants of such Tenor previously redeemed (other than Series 2013-A Term Warrants of such Tenor redeemed pursuant to the scheduled mandatory redemption requirement) and not previously claimed as a credit; and (iii) the principal amount of Series 2013-A Term Warrants of such Tenor otherwise Defeased and not previously claimed as a credit.

(c) **Optional Redemption of Series 2013-B Warrants.** Any Series 2013-B Warrant that matures after [December 1, 2023] may be redeemed in whole or in part on any Business Day on or after [December 1, 2023] at a redemption price equal to the greater of (1) the Accreted Value of such Series 2013-B Warrant; or (2) the sum of the present value of the remaining scheduled accretion of interest to the Maturity Date of the Series 2013-B Warrants to be redeemed, discounted to the date on which such Series 2013-B Warrants are to be redeemed on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus [50] basis points, *provided that*, the maximum redemption premium payable with respect to the Series 2013-B Warrants shall not exceed twelve months’ interest on the Series 2013-B Warrants, computed at the rate at which the Series 2013-B Warrants accrete interest on the redemption date as if such option had not been exercised.

(d) **Optional Redemption of Series 2013-C Warrants.** Any Series 2013-C Warrant that matures after [December 1, 2023] may be redeemed in whole or in part on any Business Day on or after [December 1, 2023]

at a redemption price equal to par (100% of the principal amount of such Warrant redeemed) plus accrued interest thereon to the date of redemption.

(e) **Optional Redemption of Series 2013-D Warrants.** Any Series 2013-D Warrant that matures after [December 1, 2023] may be redeemed in whole or in part on any Business Day on or after [December 1, 2023] at a redemption price of par (100% of the principal amount of such Warrant redeemed) plus accrued interest thereon to the date of redemption.

(f) **Scheduled Mandatory Redemption of Series 2013-D Term Warrants.** The Series 2013-D Warrants maturing in [____] and [____] (collectively, the “Series 2013-D Term Warrants”) shall be redeemed, at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest thereon to the redemption date, on the dates and in the principal amounts (after credit as provided below) as follows:

Series 2013-D Term Warrants Maturing in [Year 1]

Redemption Date (_____ 1)	Principal Amount to be Redeemed
--	--

(maturity)

Series 2013-D Term Warrants Maturing in [Year 2]

Redemption Date (_____ 1)	Principal Amount to be Redeemed
--	--

(maturity)

Not later than the date on which notice of scheduled mandatory redemption is to be given, the Trustee shall select affected Series 2013-D Term Warrants for redemption by lot; provided, however, that the Issuer may, at its discretion by timely notice delivered to the Trustee, direct that any or all of the following amounts be credited against the principal amount of Series 2013-D Term Warrants scheduled for redemption on such date: (i) the principal amount of Series 2013-D Term Warrants of such Tenor delivered by the Issuer to the Trustee for cancellation and not previously claimed as a credit; (ii) the principal amount of Series 2013-D Term Warrants of such Tenor previously redeemed (other than Series 2013-D Term Warrants of such Tenor redeemed pursuant to the scheduled mandatory redemption requirement) and not previously claimed as a credit; and (iii) the principal amount of Series 2013-D Term Warrants of such Tenor otherwise Defeased and not previously claimed as a credit.

SECTION 7.2 Mandatory Redemption

Warrants shall be redeemed in accordance with the applicable mandatory redemption provisions without any direction from or consent by the Issuer. Unless the date fixed for such mandatory redemption is otherwise

specified by this Indenture, the Trustee shall select the date for mandatory redemption, subject to the provisions of this Indenture with respect to the permitted period for such redemption.

SECTION 7.3 Election to Redeem

The election of the Issuer to exercise any right of optional redemption shall be authorized by resolution of the Commission and shall be evidenced by notice from an Authorized Issuer Representative to the Trustee at least three Business Days prior to the date when notice of the redemption must be given to Holders (unless a shorter notice is acceptable to the Trustee). An election to redeem shall specify (i) the principal amount or Accreted Value of Warrants to be redeemed (if less than all Warrants Outstanding are to be redeemed pursuant to such option), (ii) the Tenor of Warrants to be redeemed, (iii) the redemption date, and (iv) any conditions to such redemption specified in accordance with the provisions of *Section 7.5(d)*.

SECTION 7.4 Selection by Trustee of Warrants to be Redeemed

(a) Except as otherwise provided in the specific redemption provisions for the Warrants, if less than all Warrants Outstanding are to be redeemed, the principal amount or Accreted Value of Warrants of each Tenor to be redeemed may be specified by the Issuer by notice delivered to the Trustee not less than three Business Days prior to the date when the Trustee must give notice of the redemption to Holders (unless a shorter notice is acceptable to the Trustee), or, in the absence of timely receipt by the Trustee of such notice, shall be selected by the Trustee by lot or by such other method as the Trustee shall deem fair and appropriate; provided, however, that the principal amount or Accreted Value of Warrants of each Tenor to be redeemed may not be larger than the principal amount or Accreted Value of Warrants of such Tenor then eligible for redemption and may not be smaller than the smallest Authorized Denomination.

(b) Except as otherwise provided in the specific redemption provisions for the Warrants, if less than all Warrants with the same Tenor are to be redeemed, the particular Warrants of such Tenor to be redeemed shall be selected by the Trustee from the Outstanding Warrants of such Tenor then eligible for redemption by lot or by such other method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions (in Authorized Denominations) of the principal or Accreted Value of Warrants of such Tenor of a denomination larger than the smallest Authorized Denomination.

(c) The Trustee shall promptly notify the Issuer of the Warrants selected for redemption and, in the case of any Warrant selected for partial redemption, the principal amount or Accreted Value thereof to be redeemed.

(d) For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Warrants shall relate, in the case of any Warrant redeemed or to be redeemed only in part, to the portion of the principal or Accreted Value of such Warrant which has been or is to be redeemed.

SECTION 7.5 Notice of Redemption

(a) Notice of redemption shall be given to the affected Holder not less than 20 days prior to the redemption date. If the Book Entry System is in effect, notice of redemption shall be given to DTC and shall be forwarded by DTC to Holders through methods established by the rules and operational arrangements of DTC. If the Book Entry System is not in effect, notice of redemption shall be given to Holders by certified mail.

(b) All notices of redemption shall state:

(1) the redemption date,

(2) the redemption price,

(3) the principal amount or Accreted Value of Warrants to be redeemed, and, if less than all Outstanding Warrants are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts or Accreted Values) of the Warrants to be redeemed,

(4) that on the redemption date the redemption price of each of the Warrants to be redeemed will become due and payable and that the interest thereon shall cease to accrue or accrete from and after said date, and

(5) any conditions to such redemption specified in accordance with the provisions of *Section 7.5(d)*.

(c) Notice of optional redemption shall be given by the Trustee on behalf of the Issuer unless the Issuer elects to give such notice itself. If the Issuer gives notice of optional redemption, it shall deliver a copy of such notice to the Trustee on the following Business Day. Notice of redemption of Warrants in accordance with the scheduled mandatory redemption provisions of the Warrants shall be given by the Trustee on behalf of the Issuer without any notice to, or consent of, the Issuer.

(d) A notice of optional redemption may state that the redemption of Warrants is contingent upon specified conditions, such as receipt of a specified source of funds or the occurrence of specified events. If the conditions for such redemption are not met, the Issuer shall not be required to redeem the Warrants (or portions thereof) identified in such notice, and any Warrants surrendered on the specified redemption date shall be returned to the Holders of such Warrants.

SECTION 7.6 Deposit of Redemption Price

On the applicable redemption date, an amount of money sufficient to pay the redemption price of all the Warrants which are to be redeemed on that date shall be deposited with the Trustee, unless the notice of redemption specified contingencies that were not met on the redemption date. Such money shall be held in trust for the benefit of the persons entitled to such redemption price and shall not be deemed to be part of the Trust Estate.

SECTION 7.7 Warrants Payable on Redemption Date

If notice of redemption is given and any conditions to such redemption specified pursuant to *Section 7.5(d)* are met, the Warrants to be redeemed shall become due and payable on the redemption date at the applicable redemption price and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Warrants shall cease to bear interest.

SECTION 7.8 Warrants Redeemed in Part

(a) If the Book Entry System is in effect, partial redemption of any Warrant shall be effected in accordance with the Book Entry System.

(b) If the Book Entry System has been terminated, any Warrant which is to be redeemed only in part shall be surrendered at the Office of the Trustee with all necessary endorsements for transfer, and the Issuer shall execute and the Trustee shall authenticate and deliver to the Holder of such Warrant, without service charge, a new Warrant or Warrants of the same Tenor and of any Authorized Denomination or Denominations as requested by such Holder in aggregate principal amount or Accreted Value equal to and in exchange for the unredeemed portion of the principal or Accreted Value of the Warrant surrendered.

SECTION 7.9 Purchase of Callable Warrants in Lieu of Redemption

The Issuer shall have the option to purchase Callable Warrants in lieu of optional redemption either directly or through a nominee designated by the Issuer. If a Callable Warrant has been called for optional redemption, the Issuer may exercise its right of purchase by delivery to the Trustee on or prior to the Business Day preceding the optional redemption date of written notice from the Issuer specifying that the Callable Warrants shall not be redeemed, but instead shall be purchased pursuant to this Section. If the Issuer desires to effect its right of purchase through a nominee, the written notice shall specify the Issuer's nominee. Upon delivery of such notice from the Issuer, the Callable Warrants shall not be redeemed, but shall instead be subject to mandatory tender on the date that would have been the optional redemption date at a purchase price equal to the redemption price that would have been payable with respect to such Callable Warrants. The Issuer's option to purchase pursuant to this Section shall

be effective whether or not the notice of optional redemption sent to Warrantholders indicates that the Issuer has exercised, or intends to exercise, such option. No further or additional notice to Warrantholders shall be required in connection with the purchase in lieu of redemption. The Callable Warrants purchased pursuant to this Section (i) shall not be cancelled or retired, but shall continue to be Outstanding, (ii) shall be delivered to, or as directed by, the Issuer, (iii) shall continue to bear interest or accrete value at the rate provided for in this Indenture, and (iv) may not be resold by the Issuer or its nominee without first delivering a Favorable Tax Opinion to the Trustee.

ARTICLE 8

Additional Secured Obligations

SECTION 8.1 Authorization of Additional Secured Obligations

The Issuer reserves the right to issue additional debt obligations secured by the General Trust Estate if (i) no Indenture Default exists and (ii) the Issuer complies with the terms and conditions of this Article. Such additional debt obligations shall be Secured Obligations.

SECTION 8.2 Conditions to Issuance of Additional Secured Obligations

(a) The Issuer must deliver the following documentation to the Trustee prior to the issuance of additional Secured Obligations:

(1) **Supplemental Indenture.** The Issuer must deliver to the Trustee a Supplemental Indenture authorizing the issuance of additional Secured Obligations that meets each of the following requirements:

(A) The Supplemental Indenture shall be in the form of a supplement to this Indenture, and the Trustee under this Indenture must also be the trustee under the Supplemental Indenture. The Supplemental Indenture shall require that a certificate of authentication be included on each Secured Obligation, which shall be executed by the Trustee.

(B) The Supplemental Indenture must designate the additional Secured Obligations as Senior Lien Obligations or Subordinate Lien Obligations. Such designation shall be noted on the certificate of authentication executed by the Trustee for such Secured Obligations.

(C) The Supplemental Indenture must provide the pricing terms of the Secured Obligations, including the principal amount, maturities, interest rates, principal and interest payment dates, and redemption or prepayment features. The Supplemental Indenture may also contain provisions for optional or mandatory tender for purchase and other provisions that are not contrary to, or prohibited by, the terms of this Indenture. The Supplemental Indenture may adopt by reference any portion of this Indenture relating to the form of the Secured Obligations, including provisions for transfer, exchange and payment, or may provide separate terms for such provisions.

(D) *Article XI* of this Indenture shall control for all Secured Obligations.

(E) The Supplemental Indenture may provide for Credit Enhancement for the benefit of such Secured Obligations, but the rights of the provider of such Credit Enhancement shall be limited as provided in *Section 15.5*.

(F) The Supplemental Indenture shall establish a Senior Lien Debt Service Fund for payment of Debt Service on Senior Lien Obligations authorized by such Supplemental Indenture and shall establish a Subordinate Lien Debt Service Fund for payment of Subordinate Lien Obligations authorized by such Supplemental Indenture. Deposits to any such Secured Obligation Debt Service Funds shall be subject to the terms and conditions of *Section 9.2(a)(1)* or (3), as the

case may be. Any such Secured Obligation Debt Service Funds shall be part of the Trust Estate that is for the sole benefit of the related Secured Obligations.

(G) The Supplemental Indenture may establish a Senior Lien Reserve Fund to secure payment of Debt Service on Senior Lien Obligations authorized by such Supplemental Indenture and may establish a Subordinate Lien Reserve Fund to secure payment of Subordinate Lien Obligations authorized by such Supplemental Indenture. The Issuer may make an initial deposit to any such Secured Obligation Reserve Funds from (i) proceeds of such Secured Obligations, (ii) money on deposit in the Capital Improvement Fund, or (iii) other funds legally available to the Issuer. The Supplemental Indenture may require monthly transfers from the Revenue Fund to such Secured Obligation Reserve Funds as necessary to accumulate, maintain or restore the required balance in such Secured Obligation Reserve Funds; provided, however, that (i) the required balance may not exceed 10% of the principal amount of such Secured Obligations (as specified in such Supplemental Indenture) and (ii) monthly deposits to accumulate, maintain or restore the required balance may not exceed 1/12 of the required balance.

(H) The Supplemental Indenture shall designate the Secured Obligation Debt Service Funds and any Secured Obligation Reserve Funds established for any such series of Secured Obligations as part of the Trust Estate that is for the sole benefit of such Secured Obligations.

(2) **Coverage Requirements.** The Issuer must demonstrate compliance with each of following three tests as provided in paragraphs (A), (B) and (C) of this *Section 8.2(a)(2)*:

(A) *Historical Compliance.* The Issuer shall deliver to the Trustee a certificate signed by an Authorized Issuer Representative and an Independent Certified Public Accountant containing (i) the actual amounts of Net Income Available for Senior Lien Debt Service and Net Income Available for Subordinate Lien Debt Service realized by the System in the most recently completed audited Fiscal Year, (ii) the actual Debt Service Requirements due and payable during such Fiscal Year on both Senior Lien Obligations and Subordinate Lien Obligations, and (iii) a calculation proving the resulting coverage ratios satisfy the Required Coverage Ratios.

(B) *Historical Pro Forma Test Assuming Issuance of Additional Secured Obligations.* The Issuer shall deliver to the Trustee a certificate signed by an Authorized Issuer Representative and an Independent Certified Public Accountant containing (i) the projected amounts of Net Income Available for Senior Lien Debt Service and Net Income Available for Subordinate Lien Debt Service realized by the System in the most recently completed audited Fiscal Year as modified by this paragraph, (ii) the projected Debt Service Requirements due and payable during such Fiscal Year on both then currently outstanding Senior Lien Obligations and Subordinate Lien Obligations and the additional Secured Obligations to be issued (as specified in this paragraph), and (iii) a calculation proving the resulting coverage ratios satisfy the Required Coverage Ratios. For purposes of the calculations required by clause (i) of this paragraph, if the Issuer adopted a revised schedule of rates and charges for System services after the beginning of the prior audited Fiscal Year (or during the then current Fiscal Year) that are in effect as of the date of calculation, the Issuer and the Independent Certified Public Accountant shall take such rates into account in computing Net Income Available for Senior Lien Debt Service and Net Income Available for Subordinate Lien Debt Service realized by the System as if such rates had actually been in effect for the entire prior audited Fiscal Year. For purposes of the calculations required by clause (ii) of this paragraph, the calculation of the Debt Service Requirements for the additional Secured Obligations to be issued shall be based upon the Debt Service Requirements for the first twelve months such additional Secured Obligations are outstanding.

(C) *Forecast Test.* The Issuer shall deliver to the Trustee a report of an Authorized Issuer Representative forecasting (i) the amounts of Net Income Available for Senior Lien Debt Service and Net Income Available for Subordinate Lien Debt Service expected to be realized by the System in the then current and each of the following four Fiscal Years, based on rates and

charges for the System already adopted by the Issuer and in effect on the date of calculation, (ii) the projected Debt Service Requirements on both Senior Lien Obligations and Subordinate Lien Obligations in the then current and each of the following four Fiscal Years (taking into account the additional Secured Obligations to be issued), and (iii) the resulting coverage ratios (calculated in accordance with the Required Coverage Ratios). For purposes of the calculations required by clause (i) of this paragraph, (a) the Issuer may also take into account any increase in revenues reasonably projected by implementation of any improvements to the System financed with the proceeds of such additional Secured Obligations after such improvements are placed into service, and (b) the Issuer may also take into account any increase in rates charged for System services reasonably expected to be implemented by the Issuer during the then current or any of the following four Fiscal Years. For purposes of the calculations required by clause (ii) of this paragraph, the Issuer shall take into account Debt Service Requirements on additional Secured Obligations reasonably expected to be issued during the then current or the following four Fiscal Years as if such additional Secured Obligations were issued within such time period (y) have amortization schedules similar to and (z) bear interest at the same rate as the additional Secured Obligations for which the calculations required by this paragraph are made.

Notwithstanding the foregoing, additional Secured Obligations may be issued or incurred to refinance Outstanding Secured Obligations without compliance with the foregoing tests if, after giving effect to the application of the proceeds of such refunding Secured Obligations, Debt Service Requirements on all Secured Obligations outstanding on the date of issuance or incurrence of such refunding Secured Obligations (but excluding the refinanced Secured Obligations) will not be increased in the then current or any future Fiscal Year in which any Secured Obligations not being refunded are Outstanding.

(3) **Opinion of Counsel.** The Issuer must deliver to the Trustee (A) a Favorable Tax Opinion with respect to the issuance of the additional Secured Obligations, and (B) an Opinion of Counsel stating in effect that the documentation delivered to the Trustee complies in form and scope with the requirements of this *Section 8.2(a)*; provided, however, that the delivery of such Opinion of Counsel shall not be construed as a verification by such Counsel of financial data, expectations or estimates contained in the supporting documentation delivered to the Trustee. The Favorable Tax Opinion provided under this *Section 8.2(a)(3)* must be delivered by an attorney or firm of attorneys which is nationally recognized as bond counsel.

(4) **Certificate of Issuer.** The Issuer must deliver to the Trustee a certificate of an Authorized Issuer Representative stating in effect that (A) no Indenture Default exists, and (B) the issuance of the Secured Obligations will not cause or result in an Indenture Default.

(b) Upon receipt of the documentation required by *Section 8.2(a)* the Trustee shall (i) execute the Supplemental Indenture and (ii) authenticate the additional Secured Obligations authorized under this Indenture.

SECTION 8.3 Effect of Issuance of Additional Secured Obligations

(a) Secured Obligations issued as Senior Lien Obligations shall be secured by the General Trust Estate on an equal, ratable and proportionate basis with the Series 2013 Senior Lien Obligations and all other Senior Lien Obligations issued under this Indenture and from time to time Outstanding. Secured Obligations issued as Subordinate Lien Obligations shall be secured by the General Trust Estate on an equal, ratable and proportionate basis with the Series 2013 Subordinate Lien Obligations and all other Subordinate Lien Obligations issued under this Indenture and from time to time Outstanding.

(b) The Secured Obligation Debt Service Funds and any Secured Obligation Reserve Funds established with respect to a related series of Secured Obligations shall be for the sole benefit of such Secured Obligations.

ARTICLE 9

Indenture Funds

SECTION 9.1 Revenue Fund

(a) There is hereby established a special trust fund which shall be designated the "Revenue Fund". The Trustee shall be the depository and custodian for the Revenue Fund. The Revenue Fund shall be part of the General Trust Estate and shall be held by the Trustee for the benefit of the Holders of all Secured Obligations.

(b) All System Revenues shall be deposited in the Revenue Fund promptly as received by the Issuer.

(c) The Trustee shall make payments and transfers from the Revenue Fund as required by *Section 9.2*. The Issuer may make withdrawals from the Revenue Fund as permitted by *Section 9.2(a)(8)* and *(9)*.

SECTION 9.2 Application of System Revenues

(a) During each calendar month the System Revenues on deposit in the Revenue Fund shall be applied as follows, in the order of priority indicated:

(1) *Senior Lien Debt Service*. First, the Issuer shall deposit in each Senior Lien Debt Service Fund the amount required for the payment of Debt Service due on Senior Lien Obligations. The related provisions of this Indenture (including any Supplemental Indenture with respect to Senior Lien Obligations) may require such deposits on or before the due date of such Debt Service, or in the month prior to the due date of such Debt Service, or may require monthly deposits for the accumulation of funds to pay Debt Service on such Senior Lien Obligations; provided, however, that such monthly deposits may not exceed the sum of (i) the pro rata amount of interest payable on the next Interest Payment Date and (ii) if principal matures or is subject to scheduled mandatory redemption within one year from the deposit date, the pro rata amount of principal payable on the next Maturity Date or scheduled mandatory redemption date, as the case may be. Investment earnings on deposit in, or transferred to, a Senior Lien Debt Service Fund shall be credited against the required deposits. If money available in the Revenue Fund is not sufficient to make all deposits otherwise required by this paragraph (1), then deposits to each Senior Lien Debt Service Fund shall be made on a proportionate basis.

(2) *Trustee Fees, Credit Enhancement and Related Fees for Senior Lien Obligations*. Second, the Issuer shall (i) pay fees and expenses of the Trustee, (ii) pay fees due during such month with respect to Credit Enhancement for Senior Lien Obligations, and (iii) pay fees during such month to remarketing agents or entities performing similar functions with respect to Senior Lien Obligations. If money available in the Revenue Fund (after making deposits with priority) is not sufficient to make all payments required by this paragraph (2), such payments shall be made on a proportionate basis.

(3) *Subordinate Lien Debt Service*. Third, the Issuer shall deposit in each Subordinate Lien Debt Service Fund the amount required for the payment of Debt Service due on Subordinate Lien Obligations. The related provisions of this Indenture (including any Supplemental Indenture with respect to Subordinate Lien Obligations) may require such deposits on or before the due date of such Debt Service, or in the month prior to the due date of such Debt Service, or may require monthly deposits for the accumulation of funds to pay Debt Service on such Subordinate Lien Obligations; provided, however, that such monthly deposits may not exceed the sum of (i) the pro rata amount of interest payable on the next Interest Payment Date and (ii) if principal matures or is subject to scheduled mandatory redemption within one year from the deposit date, the pro rata amount of principal payable on the next Maturity Date or scheduled mandatory redemption date, as the case may be. Investment earnings on deposit in, or transferred to, a Subordinate Lien Debt Service Fund shall be credited against the required deposits. If money available in the Revenue Fund (after making deposits with priority) is not sufficient to make all deposits otherwise required by this paragraph (3), then deposits to each Subordinate Lien Debt Service Fund shall be made on a proportionate basis.

(4) *Credit Enhancement and Related Fees for Subordinate Lien Obligations.* Fourth, the Issuer shall (i) pay fees due during such month with respect to Credit Enhancement for Subordinate Lien Obligations and (ii) pay fees during such month to remarketing agents or entities performing similar functions with respect to Subordinate Lien Obligations. If money available in the Revenue Fund (after making deposits with priority) is not sufficient to make all payments required by this paragraph (4), such payments shall be made on a proportionate basis.

(5) *Operating Expenses.* Fifth, the Issuer shall deposit in the Operating Account the amount required to make the balance in the Operating Account equal to the Required Operating Reserve.

(6) *Senior Lien Reserve Funds.* Sixth, the Issuer shall deposit in each Senior Lien Reserve Fund the amount required by this Indenture or the related Supplemental Indenture to accumulate, maintain or restore the required balance in such Senior Lien Reserve Fund, subject to the terms and conditions of *Section 8.2(a)(1)(G)* and *Section 9.6(d)*. If money available in the Revenue Fund (after making deposits with priority) is not sufficient to make all deposits required by this paragraph (6), deposits to each Senior Lien Reserve Fund shall be made on a proportionate basis.

(7) *Subordinate Lien Reserve Funds.* Seventh, the Issuer shall deposit in each Subordinate Lien Reserve Fund the amount required by this Indenture or the related Supplemental Indenture to accumulate, maintain or restore the required balance in such Subordinate Lien Reserve Fund, subject to the terms and conditions of *Section 8.2(a)(1)(G)* and *Section 9.7(d)*. If money available in the Revenue Fund (after making deposits with priority) is not sufficient to make all deposits required by this paragraph (7), deposits to each Subordinate Lien Reserve Fund shall be made on a proportionate basis.

(8) *Rebate Liability.* Eighth, on the last Business Day of each month, the Issuer may withdraw the amount due for Rebate Liability.

(9) *Unsecured Obligations.* Ninth, the Issuer may withdraw the amount due on Unsecured Obligations.

(10) *Capital Improvement Fund.* Tenth, the Trustee shall transfer the entire amount remaining in the Revenue Fund to the Capital Improvement Fund.

(b) Withdrawals by the Issuer pursuant to *Section 9.2(a)(8) or (9)* shall be made pursuant to a requisition substantially in the form provided in *Exhibit 9.2(b)*, duly executed by an Authorized Issuer Representative.

SECTION 9.3 Series 2013 Senior Lien Debt Service Fund

(a) There is hereby established a special trust fund which shall be designated the "Series 2013 Senior Lien Debt Service Fund". The Trustee shall be the depository, custodian and sole disbursing agent for the Series 2013 Senior Lien Debt Service Fund. The Series 2013 Senior Lien Debt Service Fund shall be part of the Series 2013 Senior Lien Trust Estate and shall be held by the Trustee for the sole benefit of the Holders of the Series 2013 Senior Lien Obligations.

(b) Deposits shall be made to the Series 2013 Senior Lien Debt Service Fund as follows:

(1) On the last Business Day of each month, the Issuer shall deposit in the Series 2013 Senior Lien Debt Service Fund an amount equal to 1/6 of the interest payable on the Series 2013 Senior Lien Obligations on the next Interest Payment Date; provided, however, that if the period from the date of issuance of the Series 2013 Senior Lien Obligations until the first Interest Payment Date is more or less than six months, such transfers during such initial period shall be sufficient on a monthly pro rata basis to provide for payment of interest on the first Interest Payment Date.

(2) On the last Business Day of each month, if principal (or the Accreted Value) of Series 2013 Senior Lien Obligations is payable within the next 12 months (whether at maturity or pursuant to

scheduled mandatory redemption requirements), the Issuer shall deposit in the Series 2013 Senior Lien Debt Service Fund an amount equal to 1/12 of such principal amount (or Accreted Value); provided, however, that if the period from the date of issuance of the Series 2013 Senior Lien Obligations until such principal (or Accreted Value) is payable is less than 12 months, such transfers during such initial period shall be sufficient on a monthly pro rata basis to provide for payment of principal (or Accreted Value) on such first principal (or Accreted Value) payment date.

(3) On any Warrant Payment Date, if the amount on deposit in the Series 2013 Senior Lien Debt Service Fund is not sufficient for any reason to pay Debt Service due on Series 2013 Senior Lien Obligations on such Warrant Payment Date, the Trustee shall transfer money to the Series 2013 Senior Lien Debt Service Fund from the Series 2013 Senior Lien Reserve Fund as provided in **Section 9.6(c)(1)**.

The Issuer may claim a credit against such deposits for the amount of investment earnings realized in, or transferred to, the Series 2013 Senior Lien Debt Service Fund that have not been credited against prior deposits.

(c) On each Warrant Payment Date, money in the Series 2013 Senior Lien Debt Service Fund shall be applied by the Trustee to pay Debt Service due on the Series 2013 Senior Lien Obligations.

(d) If money on deposit in the Series 2013 Senior Lien Debt Service Fund on any Warrant Payment Date is sufficient to pay Debt Service on the Series 2013 Senior Lien Obligations due and payable on such Date, but the Holder of any Series 2013 Senior Lien Obligation that matures on such Date or that is subject to redemption on such Date fails to surrender such Series 2013 Senior Lien Obligation to the Trustee for payment of Debt Service due and payable on such Date, the Trustee shall segregate and hold in trust for the benefit of the person entitled thereto money sufficient to pay the Debt Service due and payable on such Series 2013 Senior Lien Obligation on such Date. Money so segregated and held in trust shall not be a part of the Series 2013 Senior Lien Trust Estate and shall not be invested, but shall constitute a separate trust fund for the benefit of the persons entitled to such Debt Service.

(e) The Trustee may transfer funds on deposit in the Series 2013 Senior Lien Debt Service Fund for the payment of particular Series 2013 Senior Lien Obligations to a trust created pursuant to **Article 14** for the benefit of such Series 2013 Senior Lien Obligations.

SECTION 9.4 Series 2013 Subordinate Lien Debt Service Fund

(a) There is hereby established a special trust fund which shall be designated the "Series 2013 Subordinate Lien Debt Service Fund". The Trustee shall be the depository, custodian and sole disbursing agent for the Series 2013 Subordinate Lien Debt Service Fund. The Series 2013 Subordinate Lien Debt Service Fund shall be part of the Series 2013 Subordinate Lien Trust Estate and shall be held by the Trustee for the sole benefit of the Holders of the Series 2013 Subordinate Lien Obligations.

(b) Deposits shall be made to the Series 2013 Subordinate Lien Debt Service Fund as follows:

(1) On the last Business Day of each month, the Issuer shall deposit in the Series 2013 Subordinate Lien Debt Service Fund an amount equal to 1/6 of the interest payable on the Series 2013 Subordinate Lien Obligations on the next Interest Payment Date; provided, however, that if the period from the date of issuance of the Series 2013 Subordinate Lien Obligations until the first Interest Payment Date is more or less than six months, such transfers during such initial period shall be sufficient on a monthly pro rata basis to provide for payment of interest on the first Interest Payment Date.

(2) On the last Business Day of each month, if principal (or the Accreted Value) of Series 2013 Subordinate Lien Obligations is payable within the next 12 months (whether at maturity or pursuant to scheduled mandatory redemption requirements), the Issuer shall deposit in the Series 2013 Subordinate Lien Debt Service Fund an amount equal to 1/12 of such principal amount (or Accreted Value); provided, however, that if the period from the date of issuance of the Series 2013 Subordinate Lien Obligations until such principal (or Accreted Value) is payable is less than 12 months, such transfers during such initial period shall be sufficient on a monthly pro rata basis to provide for payment of principal (or Accreted Value) on such first principal (or Accreted Value) payment date.

(3) On any Warrant Payment Date, if the amount on deposit in the Series 2013 Subordinate Lien Debt Service Fund is not sufficient for any reason to pay Debt Service due on Series 2013 Subordinate Lien Obligations on such Warrant Payment Date, the Trustee shall transfer money to the Series 2013 Subordinate Lien Debt Service Fund from the Series 2013 Subordinate Lien Reserve Fund as provided in *Section 9.7(c)(1)*.

The Issuer may claim a credit against such deposits for the amount of investment earnings realized in, or transferred to, the Series 2013 Subordinate Lien Debt Service Fund that have not been credited against prior deposits.

(c) On each Warrant Payment Date, money in the Series 2013 Subordinate Lien Debt Service Fund shall be applied by the Trustee to pay Debt Service due on the Series 2013 Subordinate Lien Obligations.

(d) If money on deposit in the Series 2013 Subordinate Lien Debt Service Fund on any Warrant Payment Date is sufficient to pay Debt Service on the Series 2013 Subordinate Lien Obligations due and payable on such Date, but the Holder of any Series 2013 Subordinate Lien Obligation that matures on such Date or that is subject to redemption on such Date fails to surrender such Series 2013 Subordinate Lien Obligation to the Trustee for payment of Debt Service due and payable on such Date, the Trustee shall segregate and hold in trust for the benefit of the person entitled thereto money sufficient to pay the Debt Service due and payable on such Series 2013 Subordinate Lien Obligation on such Date. Money so segregated and held in trust shall not be a part of the Series 2013 Subordinate Lien Trust Estate and shall not be invested, but shall constitute a separate trust fund for the benefit of the persons entitled to such Debt Service.

(e) The Trustee may transfer funds on deposit in the Series 2013 Subordinate Lien Debt Service Fund for the payment of particular Series 2013 Subordinate Lien Obligations to a trust created pursuant to *Article 14* for the benefit of such Series 2013 Subordinate Lien Obligations.

SECTION 9.5 Operating Account

(a) The Issuer shall maintain an account (an "Operating Account") in its own name with a bank or financial institution selected by the Issuer (which may include the Trustee's commercial banking department) for the payment of Operating Expenses.

(b) On the last Business Day of each month, the Trustee shall transfer money to the Operating Account from the Revenue Fund as required by *Section 9.2(a)(5)*.

(c) The Issuer shall use money in the Operating Account solely for the payment of Operating Expenses. Each payment or transfer from the Operating Account by the Issuer shall constitute an implied representation or warranty by the Issuer that the purpose of such payment or transfer is authorized by this Indenture. The Issuer shall, upon request of the Trustee, provide copies of monthly bank statements for the Operating Account and such additional information and documentation with respect to the Operating Account as the Trustee shall reasonably request; provided, however, that the Trustee shall be entitled to rely upon the Issuer's implied representation or warranty with respect to the purpose of payments or transfers from the Operating Account, and neither a request for information or documentation nor any provision of this Indenture shall impose on the Trustee any duty or responsibility to verify that payments or transfers by the Issuer from the Operating Account are authorized by this Indenture.

(d) If an Indenture Default exists, the Trustee may direct the Issuer to transfer possession and control of the Operating Account to the Trustee. The Issuer shall complete such transfer within five Business Days after receipt of such notice. While the Operating Account is in the possession and control of the Trustee, payments from the Operating Account may be made by the Issuer pursuant to such procedures as the Trustee shall establish in its discretion. If an Indenture Default which causes a transfer of control of the Operating Account pursuant to the provisions of this *Section 9.5(d)* no longer exists or is cured, then upon request of the Issuer the Trustee shall transfer control of the Operating Account back to the Issuer within five Business Days after receipt of such request.

SECTION 9.6 Series 2013 Senior Lien Reserve Fund

(a) There is hereby established a special trust fund which shall be designated the "Series 2013 Senior Lien Reserve Fund". The Trustee shall be the depository, custodian and sole disbursing agent for the Series 2013 Senior Lien Reserve Fund. The Series 2013 Senior Lien Reserve Fund shall be part of the Series 2013 Senior Lien Trust Estate and shall be held by the Trustee for the sole benefit of the Holders of the Series 2013 Senior Lien Obligations.

(b) On the date of issuance of the Series 2013 Senior Lien Obligations, the Issuer shall make a deposit to the Series 2013 Senior Lien Reserve Fund sufficient to make the balance in the Series 2013 Senior Lien Reserve Fund equal to the Series 2013 Senior Lien Reserve Fund Requirement as of such date.

(c) Withdrawals from the Series 2013 Senior Lien Reserve Fund shall be made as follows:

(1) On each Warrant Payment Date with respect to Series 2013 Senior Lien Obligations, money in the Series 2013 Senior Lien Reserve Fund shall be withdrawn by the Trustee and used to pay Debt Service on the Series 2013 Senior Lien Obligations, but only if and only to the extent that money on deposit in the Series 2013 Senior Lien Debt Service Fund for the payment of such Debt Service is not sufficient for such purpose and payment from the Series 2013 Senior Lien Reserve Fund is necessary to prevent a default in the payment of such Debt Service.

(2) Investment earnings from the Series 2013 Senior Lien Reserve Fund shall be transferred by the Trustee to the Series 2013 Senior Lien Debt Service Fund so long as the balance in the Series 2013 Senior Lien Reserve Fund, after giving effect to such transfer, is not less than the Series 2013 Senior Lien Reserve Fund Requirement.

(d) If any withdrawal from the Series 2013 Senior Lien Reserve Fund is made pursuant to *Section 9.6(c)(1)*, on the last Business Day of each month after such withdrawal, the Trustee shall transfer money from the Revenue Fund to the Series 2013 Senior Lien Reserve Fund in an amount equal to the lesser of (i) 1/12 of the amount withdrawn or (ii) the amount required to restore the balance in the Series 2013 Senior Lien Reserve Fund to the Series 2013 Senior Lien Reserve Fund Requirement.

(e) On or before October 1 of each year, the amount, if any, by which the balance in the Series 2013 Senior Lien Reserve Fund on any such determination date exceeds the Series 2013 Senior Lien Reserve Fund Requirement shall be transferred to the Series 2013 Senior Lien Debt Service Fund.

(f) The balance in the Series 2013 Senior Lien Reserve Fund shall be determined by valuing Qualified Investments on deposit at fair market value as of the date of determination (exclusive of accrued interest). The Trustee may value Qualified Investments three Business Days prior to the date of any transfer of withdrawal permitted by this *Section 9.6*.

(g) The Trustee may transfer funds on deposit in the Series 2013 Senior Lien Reserve Fund to a trust created pursuant to *Article 14* for the benefit of the Series 2013 Senior Lien Obligations, so long as the balance in the Series 2013 Senior Lien Reserve Fund, after giving effect to such transfer, is not less than the Series 2013 Senior Lien Reserve Fund Requirement.

SECTION 9.7 Series 2013 Subordinate Lien Reserve Fund

(a) There is hereby established a special trust fund which shall be designated the "Series 2013 Subordinate Lien Reserve Fund". The Trustee shall be the depository, custodian and sole disbursing agent for the Series 2013 Subordinate Lien Reserve Fund. The Series 2013 Subordinate Lien Reserve Fund shall be part of the Series 2013 Subordinate Lien Trust Estate and shall be held by the Trustee for the sole benefit of the Holders of the Series 2013 Subordinate Lien Obligations.

(b) On the date of issuance of the Series 2013 Subordinate Lien Obligations, the Issuer shall make a deposit to the Series 2013 Subordinate Lien Reserve Fund sufficient to make the balance in the Series 2013

Subordinate Lien Reserve Fund equal to the Series 2013 Subordinate Lien Reserve Fund Requirement as of such date.

(c) Withdrawals from the Series 2013 Subordinate Lien Reserve Fund shall be made as follows:

(1) On each Warrant Payment Date with respect to Series 2013 Subordinate Lien Obligations, money in the Series 2013 Subordinate Lien Reserve Fund shall be withdrawn by the Trustee and used to pay Debt Service on the Series 2013 Subordinate Lien Obligations, but only if and only to the extent that money on deposit in the Series 2013 Subordinate Lien Debt Service Fund for the payment of such Debt Service is not sufficient for such purpose and payment from the Series 2013 Subordinate Lien Reserve Fund is necessary to prevent a default in the payment of such Debt Service.

(2) Investment earnings from the Series 2013 Subordinate Lien Reserve Fund shall be transferred by the Trustee to the Series 2013 Subordinate Lien Debt Service Fund so long as the balance in the Series 2013 Subordinate Lien Reserve Fund, after giving effect to such transfer, is not less than the Series 2013 Subordinate Lien Reserve Fund Requirement.

(d) If any withdrawal from the Series 2013 Subordinate Lien Reserve Fund is made pursuant to *Section 9.7(c)(1)*, on the last Business Day of each month after such withdrawal, the Trustee shall transfer money from the Revenue Fund to the Series 2013 Subordinate Lien Reserve Fund in an amount equal to the lesser of (i) 1/12 of the amount withdrawn or (ii) the amount required to restore the balance in the Series 2013 Subordinate Lien Reserve Fund to the Series 2013 Subordinate Lien Reserve Fund Requirement.

(e) On or before October 1 of each year, the amount, if any, by which the balance in the Series 2013 Subordinate Lien Reserve Fund on any such determination date exceeds the Series 2013 Subordinate Lien Reserve Fund Requirement shall be transferred to the Series 2013 Subordinate Lien Debt Service Fund.

(f) The balance in the Series 2013 Subordinate Lien Reserve Fund shall be determined by valuing Qualified Investments on deposit at fair market value as of the date of determination (exclusive of accrued interest). The Trustee may value Qualified Investments three Business Days prior to the date of any transfer of withdrawal permitted by this *Section 9.7*.

(g) The Trustee may transfer funds on deposit in the 2013 Subordinate Lien Reserve Fund to a trust created pursuant to *Article 14* for the benefit of the Series 2013 Subordinate Lien Obligations, so long as the balance in the Series 2013 Subordinate Lien Reserve Fund, after giving effect to such transfer, is not less than the Series 2013 Subordinate Lien Reserve Fund Requirement.

SECTION 9.8 Capital Improvement Fund

(a) There is hereby established with the Trustee a trust fund which shall be designated the "Capital Improvement Fund". The Trustee shall be the depository, custodian and disbursing agent for the Capital Improvement Fund. The Capital Improvement Fund shall be part of the General Trust Estate and shall be held by the Trustee for the benefit of the Holders of all Secured Obligations.

(b) On the last Business Day of each month, if all payments and deposits required during such month by *Section 9.2(a)(1)* through (7) have been made, the Issuer may deposit the remaining money in the Capital Improvement Fund pursuant to *Section 9.2(a)(10)*.

(c) Money in the Capital Improvement Fund may be used for the following purposes:

(1) If no Indenture Default exists, the Issuer may withdraw money from the Capital Improvement Fund from time to time for the purpose of paying (A) costs of Capital Improvements to the System, (B) the purchase price of Secured Obligations purchased pursuant to the provisions of *Section 6.2*, (C) the purchase price of Callable Warrants purchased in lieu of optional redemption pursuant to the provisions of *Section 7.9*, (D) amounts needed for optional redemption of Secured Obligations, or

(E) amounts necessary to pay Rebate Liability, if the Issuer delivers to the Trustee a requisition substantially in the form attached as *Exhibit 9.8(c)*, executed by an Authorized Issuer Representative.

(2) If money on deposit with the Trustee in the related Debt Service Fund is not sufficient for the timely payment of Debt Service due on Secured Obligations, the Trustee may transfer money from the Capital Improvement Fund to the related Debt Service Fund to the extent necessary for payment of such Debt Service.

(3) If money on deposit in the Operating Account is not sufficient for the timely payment of Operating Expenses, the Issuer may transfer money from the Capital Improvement Fund to the Operating Account for the payment of Operating Expenses.

(4) On the date of issuance of any Secured Obligations, the Issuer may direct the Trustee to transfer money from the Capital Improvement Fund to (A) any related Secured Obligation Reserve Fund, subject to the terms and conditions of *Section 8.2(a)(1)(G)*, or (B) any trust created pursuant to *Article 14* for the benefit of Secured Obligations.

SECTION 9.9 Costs of Issuance Fund

(a) There is hereby established with the Trustee a trust fund which shall be designated the "Costs of Issuance Fund". A deposit to the Costs of Issuance Fund is to be made pursuant to *Section 5.5*. The Trustee shall be the depository, custodian and disbursing agent for the Costs of Issuance Fund. The Costs of Issuance Fund shall be part of the General Trust Estate.

(b) A deposit to the Costs of Issuance Fund shall be made from the proceeds of the Warrants, as provided in *Section 5.5*. Any Supplemental Indenture with respect to the issuance of Secured Obligations may provide for additional deposits to the Costs of Issuance Fund.

(c) Money in the Costs of Issuance Fund shall be paid by the Trustee from time to time for the purpose of paying Costs of Issuance with respect to Secured Obligations upon delivery to the Trustee of a written direction executed by an Authorized Issuer Representative, together with a copy of each invoice to which such request relates.

(d) At the request of the Issuer, the Trustee shall establish a separate account within the Costs of Issuance Fund for the proceeds of any series of Secured Obligations.

(e) After an Authorized Issuer Representative certifies to the Trustee that money remaining in the Costs of Issuance Fund is not needed to pay Costs of Issuance with respect to the Warrants, any balance remaining in the Costs of Issuance Fund shall be transferred to the Revenue Fund.

SECTION 9.10 Investment of Indenture Funds

(a) Except as otherwise expressly provided in this Indenture, any money held as part of an Indenture Fund (other than the Operating Account) shall be invested or reinvested in Qualified Investments by the Trustee in accordance with the instructions of the Issuer, to the extent that such investment is, in the opinion of the Trustee, feasible and consistent with the purposes for which such Fund was created. Interest and profits on investments in the Series 2013 Senior Lien Reserve Fund shall be transferred to the Series 2013 Senior Lien Debt Service Fund, as provided in *Section 9.6(c)(2)*. Interest and profits on investments in the Series 2013 Subordinate Lien Reserve Fund shall be transferred to the Series 2013 Subordinate Lien Debt Service Fund, as provided in *Section 9.7(c)(2)*. Except as provided with respect to investment earnings on the Series 2013 Senior Lien Reserve Fund and the Series 2013 Subordinate Lien Reserve Fund, any investment made with money on deposit in an Indenture Fund shall be held by or under control of the Trustee and shall be deemed at all times a part of the Indenture Fund where such money was on deposit, and the interest and profits realized from such investment shall be credited to such Indenture Fund and any loss resulting from such investment shall be charged to such Indenture Fund. The Issuer may invest funds in the Operating Account in Qualified Investments.

(b) Any investment of money in the Indenture Funds may be made by the Trustee through its own bond department, investment department or other commercial banking department providing investment services.

(c) The Trustee shall follow the instructions of the Issuer with respect to investments of the Indenture Funds as provided in this Section, and the Trustee shall not be responsible for (i) determining that any such investment complies with the arbitrage limitations imposed by Section 148 of the Internal Revenue Code, or (ii) calculating the amount of any Rebate Liability.

(d) If any Qualified Investments held by the Trustee shall no longer have the required rating, the Trustee shall promptly notify the Issuer of the downgrade or withdrawal of such investment's rating.

SECTION 9.11 Application of Funds After Indenture Indebtedness Defeased

(a) After any series of Secured Obligations has been paid or Defeased, any money or investments remaining in the related Secured Obligation Debt Service Funds or the related Secured Obligation Reserve Funds shall be transferred to the Revenue Fund.

(b) After all Indenture Indebtedness has been paid or Defeased, any money or investments remaining in the Indenture Funds or otherwise constituting part of the Trust Estate shall be paid to the Issuer if no Indenture Default exists.

ARTICLE 10

Representations and Covenants

SECTION 10.1 General Representations

The Issuer makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) Under the provisions of the Enabling Law and its organizational documents, it has the power to consummate the transactions described in the Secured Obligation Documents.

(b) The Secured Obligation Documents to which it is a party constitute legal, valid and binding obligations of the Issuer and are enforceable against it in accordance with the terms of such Documents, except as enforcement thereof may be limited by (i) bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights and (ii) general principles of equity, including the exercise of judicial discretion in appropriate cases.

(c) The lien imposed by this Indenture on the Trust Estate is a first-priority valid, binding lien on System Revenues. The Issuer's title to the System as it presently exists is free and clear of any encumbrance or other lien, other than liens permitted by *Section 10.8(c)*.

SECTION 10.2 Encumbrances on Trust Estate

The Issuer will not create any pledge, charge, encumbrance or lien of any kind on the Trust Estate or any part thereof prior to or on a parity with the lien of this Indenture and will not create or permit any other lien on the Trust Estate or any part thereof except as permitted by *Article 8* and *Section 10.8*.

SECTION 10.3 Payment of Secured Obligations

(a) The Issuer will, from funds constituting part of the Trust Estate, duly and punctually pay, or cause to be paid, the Debt Service on the Secured Obligations as and when the same shall become due and will, from funds constituting a part of the Trust Estate, duly and punctually deposit, or cause to be deposited, in the Indenture Funds the amounts required to be deposited therein, all in accordance with the terms of the Secured Obligations and this Indenture.

(b) The Issuer will not extend or consent to the extension of the time for payment of Debt Service on the Secured Obligations, unless such extension is consented to by all Holders of the Warrants affected by such extension of time.

SECTION 10.4 Inspection of Records

The Issuer will at any and all times, upon the request of the Trustee, afford and procure a reasonable opportunity for the Trustee by its representatives to inspect any books, records, reports and other papers of the Issuer relating to the performance by the Issuer of its covenants in this Indenture, and the Issuer will furnish to the Trustee any and all information as the Trustee may reasonably request with respect to the performance by the Issuer of its covenants in this Indenture.

SECTION 10.5 Advances by Trustee

If the Issuer shall fail to perform any of its covenants in this Indenture, the Trustee may, but shall not be required, at any time and from time to time, to make advances to effect performance of any such covenant on behalf of the Issuer. Any money so advanced by the Trustee, together with interest at the Post-Default Rate, shall be repaid upon demand and such advances shall be secured under this Indenture prior and senior in right to any Secured Obligations.

SECTION 10.6 Transfer of System

(a) The Issuer may transfer the System substantially as an entirety to another person if

(1) the person who acquires by conveyance or transfer the System substantially as an entirety (the "Successor") shall execute and deliver to the Trustee an instrument in form recordable and acceptable to the Trustee containing an assumption by such Successor of the due and punctual payment of the Debt Service on the Secured Obligations and the performance and observance of every covenant and condition of the Secured Obligation Documents to be performed or observed by the Issuer; and

(2) the Issuer shall deliver to the Trustee a Favorable Tax Opinion.

(b) Upon any conveyance or transfer of the System substantially as an entirety in accordance with this Section, the Successor shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under this Indenture with the same effect as if such Successor had been named as the Issuer herein. Upon any conveyance or transfer of the System substantially as an entirety in accordance with this Section, the Issuer shall be released from all further obligations of whatsoever type hereunder.

SECTION 10.7 Compliance with the Tax Certificate and Agreement

(a) The Issuer will comply with the covenants and agreements on its part contained in the Tax Certificate and Agreement.

(b) Pursuant to Section 148(f) of the Internal Revenue Code, the Issuer must monitor and pay over to the U.S. Treasury any Rebate Liability when due. *Section 9.2(a)(8)* permits the Issuer to make withdrawals from the Revenue Fund for the purpose of paying Rebate Liability with respect to Secured Obligations.

SECTION 10.8 Covenants Regarding Ownership and Operation of the System

The Issuer covenants and agrees that:

(a) **Maintenance and Operation of the System.** The Issuer shall keep the System in good repair and efficient operating condition, making from time to time all needed repairs and replacements thereto, the cost of which shall be paid solely from System Revenues and the Sewer Tax Proceeds, and it will continuously operate the System in an economical and efficient manner. The Issuer shall maintain and operate the System in accordance with all applicable federal and state law, including the Consent Decree and public bid laws.

(b) **Preservation of Priority of Pledge.** The Issuer will protect and preserve the priority of the pledge and assignment of the System Revenues imposed by this Indenture and will not grant or permit any encumbrance, pledge or lien on the System Revenues other than:

(1) a lien on revenues from any sewer system acquired by the Issuer after the date of delivery of this Indenture if such lien (i) was already in existence at the time of acquisition of such system by the Issuer, (ii) is not renewed or extended by the Issuer so that such lien applies to the System as it existed immediately prior to such acquisition;

(2) a lien arising in the ordinary course of business described in *Section 10.8(c)(1)*; and

(3) a lien that is subject and subordinate to the lien of this Indenture.

(c) **Encumbrances on Other System Assets.** Liens on System Revenues are not permitted except as provided in *Section 10.8(b)*. The Issuer shall not grant or permit any encumbrance, pledge or lien on any other assets constituting part of the System other than:

(1) liens arising in the ordinary course of business (other than liens to secure debt), including (i) pledges or deposits to secure obligations under workmen's compensation laws or similar legislation, including liens of judgments thereunder which are not currently dischargeable, (ii) pledges or deposits to secure performance in connection with bids, tenders, contracts (other than contracts for the payment of money) or leases made in the ordinary course of business to which the Issuer is a party as lessee, (iii) pledges or deposits to secure public or statutory obligations of the Issuer, (iv) materialmen's, mechanics', carriers', workmen's, repairmen's, or other similar liens arising in the ordinary course of business, or deposits to obtain the release of such liens, provided that payment of the amount secured by such lien is not delinquent or payment is being contested in good faith by appropriate proceedings, (v) liens resulting from any judgment that is being contested in good faith by appropriate proceedings if execution on such judgment is effectively stayed, and pledges or deposits to secure, or provided in lieu of, any surety, stay or appeal obligation with respect to any such judgment, (vi) leases made, or existing on assets acquired, in the ordinary course of business, (vii) zoning restrictions, easements, licenses, restrictions on the use of real property or minor irregularities in title thereto, which do not, in the opinion of the Issuer, materially impair the use of such property in the operation of the business of the Issuer or the value of such property for the purpose of such business, (viii) pledges or deposits to enable the Issuer to maintain self-insurance or to participate in any self-insurance pools or trusts, and (ix) liens on money deposited by users of utility services as security for, or as prepayment of, the cost of, utility services to be rendered by the Issuer;

(2) restrictions or other liens on an asset created prior to, or as a condition of, the transfer of such asset to the Issuer by an unrelated entity; and

(3) capitalized leases and other title retention agreements with respect to movable personal property or vehicles entered into in connection with the original acquisition of the asset.

(d) **Disposition of Portions of the System.** The Issuer shall not convey, transfer, sell, lease or otherwise dispose of any asset constituting part of the System (other than in the ordinary course of business) unless no Indenture Default exists when such disposition is made and such disposition meets one of the following tests:

(1) Such disposition is made pursuant to a transfer of substantially all of the assets of the Issuer permitted by *Section 10.6* of this Indenture.

(2) In the judgment of the Issuer, the asset to be disposed of consists of property, plant or equipment that is obsolete, worn out, unprofitable, unsuitable or surplus and such disposition will not materially impair the structural soundness, efficiency or economic value of the remaining operating assets of the System.

(3) The property disposed of is real property, no portion of the Issuer's operating assets are located on the property, and the Issuer receives consideration in an amount not less than the fair market value of such property. The proceeds of such disposition shall either be deposited in the Capital Improvement Fund or used to redeem, Defease or purchase Secured Obligations.

(4) The property disposed of constitutes part of the Issuer's operating assets, but both of the following conditions are met:

(A) The Issuer receives consideration in an amount not less than the fair market value of the asset disposed of.

(B) Prior to the disposition of such asset the Issuer delivers to the Trustee a report of an Independent Consultant or an Independent Certified Public Accountant (if such asset has a value on disposition of less than \$500,000) (i) expressing the opinion that such disposition will not impair the safe and efficient operation of the remaining portions of the System and (ii) demonstrating expected compliance with the Required Coverage Ratios for the then current and each of the following four Fiscal Years. Such report shall include a forecast of (x) the amount of Net Income Available for Debt Service to be realized by the System in the then current and each of the following four Fiscal Years, based on rates and charges for the System already adopted by the Issuer, (y) the projected Debt Service Requirements in the then current and each of the following four Fiscal Years, and (z) the resulting coverage ratios.

The proceeds of such disposition shall either be deposited in the Capital Improvement Fund or used to redeem, Defease or purchase Secured Obligations.

(e) **Books and Records.** The Issuer shall maintain complete books and records pertaining to the System and all receipts and disbursements with respect thereto. All transactions shall be recorded within thirty days after the transaction giving rise to the entry.

(f) **Budget and Related Financial Data.** Not later than the beginning of each Fiscal Year, the Issuer shall deliver to the Trustee:

- (1) the operating budget of the System for such Fiscal Year; and
- (2) the capital improvement budget of the System for such Fiscal Year.

(g) **Audit.** Not later 180 days after the end of each Fiscal Year, the Issuer shall deliver to the Trustee audited financial statements of the System for such Fiscal Year, including a report by the Issuer's auditors with respect to such financial statements.

(h) **No Free Service.** The Issuer shall not furnish any free utility service to any person, including the State or any other political subdivision.

(i) **Imposition of Liens for Failure to Pay.** To the extent permitted by law, if the account of any customer of utility service supplied by the System shall remain unpaid after such account shall become due (or such longer period, if any, as may be required for compliance with applicable federal and state law), the Issuer shall promptly impose a lien upon the real property of such customer, but upon subsequent payment of the account, including any penalties which may be provided for in the applicable schedule of rates and charges, together with all costs associated with imposition of such lien, the Issuer may release the lien imposed upon the real property of such customer.

(j) **Insurance.** The Issuer shall maintain insurance with respect to the System against such risks as are customarily insured against by utility systems similar in size and character to the System, including:

(1) Insurance against loss or damage by fire or other casualty covered by the standard form of extended coverage endorsement at the time in use in the State, with loss retention or deductible amounts from coverage that, in the judgment of the Issuer, are customary and prudent for the System;

(2) **[D. Denard]** Comprehensive general public liability insurance against liability for bodily injury to or death of persons and for damage to or loss of property occurring on or about the properties comprising the System or as a result of operation of the System (including the operation of vehicles owned or leased by the Issuer and used in connection with the System), in the minimum amounts of \$500,000 for death of or bodily injury to any one person, \$1,000,000 for all death and bodily injury claims resulting from any one accident, and \$500,000 for property damage; provided, however, that the coverage limits may be reduced in accordance with any law of the State limiting the Issuer's liability for such risks; and

(3) Workmen's compensation insurance respecting all employees of the System in such amount as is customarily carried by utility systems similar in size and character to the System; provided, that the Issuer may, at its election, be self-insured for such risk to the extent customary at the time for utility systems similar in size and character to the System.

SECTION 10.9 Maintenance of Rates

(a) The Confirmed Plan of Adjustment includes the Issuer's obligation to comply with the Rate Resolution. The Issuer hereby adopts the Rate Resolution as part of this Indenture and hereby covenants and agrees that, so long as any of the Secured Obligations are Outstanding, it will keep the Rate Resolution in full force and effect and will comply with the terms of the Rate Resolution. The Issuer's obligation to comply with the Rate Resolution is cumulative and in addition to its separate and independent covenant and agreement to comply with the terms and conditions of **Section 10.9(b)** and **Section 10.9(c)**.

(b) If the results of operations for the System for any Fiscal Year fail to comply with the Required Coverage Ratios, within 90 days after the beginning of the following Fiscal Year the Issuer shall deliver to the Trustee (i) a revised schedule of rates and charges for System services, duly adopted by the Issuer after the beginning of the prior Fiscal Year (or during the then current Fiscal Year), (ii) a forecast of results of operations for the then current Fiscal Year, and (iii) a certificate of the Issuer's County Manager and Chief Financial Officer stating in effect that, after taking into account remedial action approved by the Issuer (including such revised schedule of rates and charges), the Issuer reasonably expects in good faith to be in compliance with the Required Coverage Ratios as of the end of such Fiscal Year.

(c) If the results of operations of the System fail to comply with the Required Coverage Ratios for two consecutive Fiscal Years, within 60 days after the beginning of the following Fiscal Year the Issuer shall retain an Independent Consultant to recommend a revised schedule of rates and charges for System services and improvements in the results of operations for the System. Within 120 days after the beginning of such Fiscal Year the Issuer shall deliver to the Trustee a report of the Independent Consultant containing (i) the Independent Consultant's recommendation for a revised schedule of rates and charges for System services, (ii) recommendations for improvements in the results of operations of the System, (iii) a forecast of results of operations for such Fiscal Year (taking into account the remedial actions recommended), and (iv) a statement by the Independent Consultant that, after taking into account remedial action recommended, it expects the Issuer to be in compliance with the Required Coverage Ratios as of the end of such Fiscal Year. The engagement of an Independent Consultant shall be continued or renewed each Fiscal Year until the Issuer has achieved compliance with the Required Coverage Ratios for a full Fiscal Year. A new or revised report must be delivered by the Independent Consultant in each Fiscal Year of the engagement. The Issuer shall adopt the Independent Consultant's recommended schedule of rates and charges not later than 60 days after the delivery of any such report to the Trustee and shall follow the other recommendations of the Independent Consultant to the extent feasible and lawful.

(d) If the Issuer takes the remedial action required by **Section 10.9(b)** and **Section 10.9(c)**, the failure to achieve the Required Coverage Ratios in any Fiscal Year shall not constitute an Indenture Default; provided, however, that (i) any default in the payment of Debt Service on Secured Obligations shall constitute an Indenture Default under **Section 11.1(a)** and (ii) the failure to make a Required Transfer or Deposit shall, after notice and the passage of time provided in **Section 11.1(b)**, constitute an Indenture Default under **Section 11.1(b)**.

ARTICLE 11

Defaults and Remedies

SECTION 11.1 Events of Default

Any one or more of the following shall constitute an event of default (an “Indenture Default”) under this Indenture (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

- (a) failure to pay Debt Service on any Secured Obligation when such Debt Service becomes due and payable, whether at its scheduled due date, by declaration of acceleration or call for redemption or otherwise; or
- (b) failure by the Issuer to make any Required Transfer or Deposit for more than 10 days after notice from the Trustee of such failure; or
- (c) failure by the Issuer to restore any Reserve Fund Requirement to its required balance within 13 months of any withdrawal; or
- (d) default in the performance, or breach, of any covenant or warranty of the Issuer in this Indenture (other than a covenant or warranty a default in the performance or breach of which is elsewhere in this Section specifically dealt with), and continuance of such default or breach for a period of 30 days after written notice of such default or breach, stating that such notice is a “notice of default” hereunder, has been given to the Issuer by the Trustee, or to the Issuer and the Trustee by the Holders of at least 25% in principal amount of both (1) the Outstanding Secured Obligations and (2) the Outstanding Senior Lien Obligations, unless, in the case of a default or breach that cannot be cured by the payment of money, the Issuer initiates efforts to correct such default or breach within 30 days from the receipt of such notice and diligently pursues such action until the default or breach is corrected; or
- (e) an Act of Bankruptcy by the Issuer; or
- (f) an event of default, as therein defined, shall occur under any Supplemental Indenture and any applicable grace or notice period shall expire.

SECTION 11.2 Remedies

(a) **Acceleration of Maturity by Trustee.** If an Indenture Default exists, the Trustee may declare the principal of all Secured Obligations, the interest accrued thereon or the Accreted Value thereof to be due and payable immediately, by notice to the Issuer, and upon any such declaration such Debt Service shall become immediately due and payable. At any time after such a declaration of acceleration has been made pursuant to this *Section 11.2(a)*, the Holders of a majority in principal amount of the Secured Obligations Outstanding may, by notice to the Issuer and the Trustee, rescind and annul such declaration and its consequences if:

- (1) the Issuer has deposited with the Trustee a sum sufficient to pay
 - (A) all overdue installments of interest on all Secured Obligations,
 - (B) the principal of any Secured Obligations which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates prescribed therefor in such Secured Obligations,

(C) the Accreted Value of any Secured Obligations which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates prescribed therefor in such Secured Obligations,

(D) to the extent that payment of such interest is lawful, interest upon overdue installments of interest at the rate or rates prescribed therefor in the Secured Obligations, and

(E) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and

(2) all Indenture Defaults, other than the nonpayment of the principal or Accreted Value of Secured Obligations which has become due solely by such declaration of acceleration, have been cured or have been waived as provided in *Section 11.10*; and

(3) no less than a majority in principal amount of the Senior Lien Obligations Outstanding consent to any rescission and annulment of acceleration of the Secured Obligations by the Trustee.

No such rescission and annulment shall affect any subsequent default or impair any right consequent thereupon.

(b) **Acceleration of Maturity by Holders.** If an Indenture Default exists, the Holders of not less than 25% in principal amount of the Outstanding Secured Obligations may declare the principal of all Secured Obligations, the interest accrued thereon or the Accreted Value thereof to be due and payable immediately, by notice to the Issuer and to the Trustee, and upon any such declaration such Debt Service shall become immediately due and payable, provided that no acceleration of any Secured Obligations may be declared by the Holders thereof unless no less than 25% in principal amount of the Outstanding Senior Lien Obligations declare, or consent to a declaration of, acceleration of the Secured Obligations. At any time after such a declaration of acceleration has been made pursuant to and in compliance with this *Section 11.2(b)*, the Holders of a majority in principal amount of the Secured Obligations Outstanding may, by notice to the Issuer and the Trustee, rescind and annul such declaration and its consequences if:

(1) the Issuer has deposited with the Trustee a sum sufficient to pay

(A) all overdue installments of interest on all Secured Obligations,

(B) the principal of any Secured Obligations which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates prescribed therefor in such Secured Obligations,

(C) the Accreted Value of any Secured Obligations which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates prescribed therefor in such Secured Obligations,

(D) to the extent that payment of such interest is lawful, interest upon overdue installments of interest at the rate or rates prescribed therefor in the Secured Obligations, and

(E) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and

(2) all Indenture Defaults, other than the nonpayment of the principal or Accreted Value of Secured Obligations which has become due solely by such declaration of acceleration, have been cured or have been waived as provided in *Section 11.10*; and

(3) no less than a majority in principal amount of the Senior Lien Obligations Outstanding consent to any rescission and annulment of acceleration of the Secured Obligations by the Holders.

No such rescission and annulment shall affect any subsequent default or impair any right consequent thereupon.

(c) **Receiver.** If an Indenture Default exists, the Trustee shall be entitled, upon the order of any court of competent jurisdiction, to the appointment of a receiver for the System and the System Revenues. The court appointing such receiver may grant to such receiver all powers and duties permitted by law, including the power to operate and maintain the System, the power to establish rates and charges for utility services provided by the System, and the power to collect all System Revenues.

(d) **Enforcement of the Confirmed Plan of Adjustment.** If an Indenture Default exists, the Trustee shall be entitled to petition the Bankruptcy Court or any other court of competent jurisdiction for an order enforcing the requirements of the Confirmed Plan of Adjustment, including an order compelling the Issuer to take one or more of the following remedial actions:

- (1) increase rates charged for System services so that the System generates sufficient revenues to cure any default under this Indenture, or
- (2) specifically perform the terms of the Rate Resolution or this Indenture.

(e) **Rights and Remedies Cumulative.** No right or remedy herein conferred upon or reserved to the Trustee or to the Holders of Secured Obligations is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

(f) **Remedies Subject to Applicable Law.** All rights, remedies and powers provided by this Article may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that they will not render this Indenture invalid, unenforceable or not entitled to be recorded, registered or filed under the provisions of any applicable law.

SECTION 11.3 Application of Money Collected

(a) So long as an Indenture Default exists, any money collected by the Trustee from System Revenues and any other sums then held by the Trustee as part of the General Trust Estate, shall be applied by the Trustee in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or premium, if any) or interest, on the Secured Obligations:

- (1) **First:** To the payment of all undeducted amounts due the Trustee under *Section 12.7*;
- (2) **Second:** To the payment of the whole amount then due and unpaid upon the Outstanding Senior Lien Obligations for principal or Accreted Value and interest, in respect of which or for the benefit of which such money has been collected, with interest (to the extent that such interest has been collected by the Trustee or a sum sufficient therefor has been so collected and payment thereof is legally enforceable at the respective rate or rates prescribed therefor in the Senior Lien Obligations) on overdue principal or Accreted Value and on overdue installments of interest; and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon such Senior Lien Obligations, then to the payment of such principal and interest, without any preference or priority, ratably according to the aggregate amount so due; and
- (3) **Third:** To the payment of the whole amount then due and unpaid upon the Outstanding Subordinate Lien Obligations for principal or Accreted Value and interest, in respect of which or for the benefit of which such money has been collected, with interest (to the extent that such interest has been collected by the Trustee or a sum sufficient therefor has been so collected and payment thereof is legally enforceable at the respective rate or rates prescribed therefor in the Subordinate Lien Obligations) on overdue principal or Accreted Value and on overdue installments of interest; and in case such proceeds

shall be insufficient to pay in full the whole amount so due and unpaid upon such Subordinate Lien Obligations, then to the payment of such principal and interest, without any preference or priority, ratably according to the aggregate amount so due; and

(4) **Fourth:** To the payment of the remainder, if any, to the Issuer or to whomsoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

So long as an Indenture Default exists, if money in the General Trust Estate shall be insufficient to pay in full the whole amount so due and unpaid upon such Secured Obligations, then such amounts collected shall be applied by the Trustee in the order specified in *Section 11.3(a)(1)* through (4) to the payment of such amounts, and once such funds are insufficient to fully satisfy the Issuer's obligation with respect to amounts payable in the order specified, then such remaining funds shall be distributed by the Trustee on a pro rata basis to persons entitled thereto, without any preference or priority according to the aggregate amount so due. Payments with respect to Secured Obligations owned by or on behalf of the Issuer shall be made only after all other Secured Obligations have been Defeased.

(b) Any money held by the Trustee as part of the Trust Estate that is for the sole benefit of a specified series of Secured Obligations (including the Series 2013 Senior Lien Trust Estate and the Series 2013 Subordinate Lien Trust Estate) shall be applied to the amount due for principal (and premium, if any) and interest on such Secured Obligations without any preference or priority, ratably according to the aggregate amount so due on Secured Obligations of such series.

(c) Notwithstanding the provisions of *Section 9.2* and *Sections 11.3(a)* and *11.3(b)*, if an Indenture Default exists and is continuing, the Trustee in its discretion may apply System Revenues to the extent necessary to allow the Issuer to preserve, maintain and operate the System prior to the payment of Debt Service on Secured Obligations.

SECTION 11.4 Trustee May Enforce Claims without Possession of Secured Obligations

All rights of action and claims under this Indenture or the Secured Obligations may be prosecuted and enforced by the Trustee without the possession of any of the Secured Obligations or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust. Any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Secured Obligations in respect of which such judgment has been recovered.

SECTION 11.5 Limitation on Suits

No Holder of any Secured Obligation shall have any right to institute any proceeding, judicial or otherwise, under or with respect to this Indenture, or for the appointment of a receiver or trustee or for any other remedy hereunder, unless

- (a) such Holder has previously given notice to the Trustee of a continuing Indenture Default;
- (b) the Holders of not less than 25% in principal amount of the Outstanding Secured Obligations shall have made request to the Trustee to institute proceedings in respect of such Indenture Default in its own name as Trustee hereunder;
- (c) the Holders of not less than 25% in principal amount of the Senior Lien Obligations Outstanding deliver such request, or consent to any request, to the Trustee to institute proceedings in respect of such Indenture Default hereunder;
- (d) such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;
- (e) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(f) no direction inconsistent with such request has been given to the Trustee during such 60-day period by either (1) the Holders of a majority in principal amount of the Outstanding Senior Lien Obligations or (2) the Holders of a majority in principal amount of the Outstanding Secured Obligations;

it being understood and intended that no one or more Holders of Secured Obligations shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the lien of this Indenture or the rights or priority of any other Holders of Secured Obligations, or to obtain or to seek to obtain priority or preference over any other Holders or to enforce any right under this Indenture, except in the manner herein provided and, except as otherwise expressly provided herein, for the equal and ratable benefit of all Outstanding Secured Obligations according to their respective priority under this Indenture.

SECTION 11.6 Unconditional Right of Holders of Secured Obligations to Payment

Notwithstanding any other provision in this Indenture, the Holder of any Secured Obligation shall have the right which is absolute and unconditional to receive payment of the principal of (and premium, if any) and interest on such Secured Obligation on the Maturity Date expressed in such Secured Obligation (or, in the case of redemption, on the redemption date) and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Holder.

SECTION 11.7 Restoration of Positions

If the Trustee or any Holder of a Secured Obligation has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason or has been determined adversely to the Trustee or to such Holder, then and in every such case the Issuer, the Trustee and the Holders of Secured Obligations shall, subject to any determination in such proceeding, be restored to their former positions hereunder, and thereafter all rights and remedies of the Trustee and the Holders of Secured Obligations shall continue as though no such proceeding had been instituted.

SECTION 11.8 Delay or Omission Not Waiver

No delay or omission of the Trustee or of any Holder of Secured Obligations to exercise any right or remedy accruing upon an Indenture Default shall impair any such right or remedy or constitute a waiver of any such Indenture Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Holders of Secured Obligations may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by such Holders, as the case may be.

SECTION 11.9 Control by Holders of Senior Lien Obligations

The Holders of a majority in principal amount of the Outstanding Senior Lien Obligations shall have the right, during the continuance of an Indenture Default,

(a) to require the Trustee to proceed to enforce this Indenture, either by judicial proceedings for the enforcement of the payment of the Secured Obligations or otherwise, and

(b) to direct the choice of remedies and the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee hereunder, including the power to direct or withhold directions with respect to any remedy available pursuant to *Section 11.2*; provided that

(1) such direction shall not be in conflict with any rule of law or this Indenture,

(2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and

(3) the Trustee shall not determine that the action so directed would be unjustly prejudicial to the Holders of either Senior Lien Obligations or Subordinate Lien Obligations not taking part in such direction.

SECTION 11.10 Waiver of Past Defaults

(a) Before any judgment or decree for payment of money due has been obtained by the Trustee, the Holders of not less than a majority in principal amount of the Outstanding Secured Obligations may, by notice to the Trustee and the Issuer, on behalf of all Holders of Secured Obligations waive any past default hereunder or under any other Secured Obligation Document and its consequences, except a default

(1) in the payment of Debt Service on any Secured Obligation, or

(2) in respect of a covenant or provision hereof which under *Article 13* cannot be modified or amended without the consent of the Holder of each Outstanding Secured Obligation affected;

provided that no waiver of any past default may be effected by the Holders unless not less than a majority in principal amount of the Outstanding Senior Lien Obligations consent to such waiver.

(b) Upon any such waiver, such default shall cease to exist, and any Indenture Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

SECTION 11.11 Suits to Protect the Trust Estate

The Trustee shall have power to institute and to maintain such proceedings as it may deem expedient to prevent any impairment of the Trust Estate by any acts which may be unlawful or in violation of this Indenture and to protect its interests and the interests of the Holders of Secured Obligations in the Trust Estate and in the rents, issues, profits, revenues and other income arising therefrom, including power to institute and maintain proceedings to restrain the enforcement of or compliance with any governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, rule or order would impair the security hereunder or be prejudicial to the interests of the Holders of Secured Obligations or the Trustee.

ARTICLE 12

The Trustee

SECTION 12.1 Certain Duties and Responsibilities of Trustee

(a) Except during the continuance of an Indenture Default,

(1) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(b) If an Indenture Default exists, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(c) The Trustee shall not incur liability for its action or inaction with respect to the performance of its duties and obligations under this Indenture unless such action or inaction constitutes willful misconduct or gross negligence under the circumstances. Liability of the Trustee for such action or inaction shall be further limited as follows:

(1) the Trustee shall not be liable for any error of judgment made in good faith, unless it shall be proved that the Trustee was grossly negligent in ascertaining the pertinent facts;

(2) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of a majority in aggregate principal amount of the Outstanding Secured Obligations relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture; and

(3) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

SECTION 12.2 Notice of Defaults

(a) If a notice event described in *Section 12.2(b)* exists, the Trustee shall notify Holders of Secured Obligations of such event within 30 days after the Trustee becomes aware of its existence; provided, however, that the Trustee shall be protected in withholding such notice if (1) the notice event has been cured or waived or otherwise ceases to exist before such notice is given; or (2) the Trustee determines in good faith that the withholding of such notice is in the interest of Holders of Secured Obligations.

(b) For purposes of this Section, the following shall constitute “notice events”:

(1) the occurrence of an Indenture Default; and

(2) any event which is, or after notice or lapse of time or both would become, an Indenture Default.

SECTION 12.3 Certain Rights of Trustee

Except as otherwise provided in *Section 12.1*:

(a) The Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, coupon or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) Any request or direction of the Issuer mentioned herein shall be sufficiently evidenced by a certificate or order executed by an Authorized Issuer Representative.

(c) Whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon a certificate executed by an Authorized Issuer Representative.

(d) The Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by the Trustee hereunder in good faith and in reliance thereon.

(e) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders of Secured Obligations pursuant to this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

(f) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, coupon or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books and records of the Issuer, personally or by agent or attorney.

(g) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

SECTION 12.4 Trustee Not Responsible for Statements of Issuer

The provisions of this Indenture and the Secured Obligations, except the certificate of authentication on any Secured Obligations, shall be taken as the statements of the Issuer, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof, or as to the title of the Issuer thereto or as to the security afforded thereby or hereby, or as to the validity or sufficiency of this Indenture or of the Secured Obligations.

SECTION 12.5 May Hold Secured Obligations

The Trustee in its individual or any other capacity, may become the Holder or pledgee of Secured Obligations and may otherwise deal with the Issuer with the same rights it would have if it were not Trustee.

SECTION 12.6 Money Held in Trust

Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent expressly provided in this Indenture or required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise provided in *Article 9*.

SECTION 12.7 Compensation and Reimbursement

(a) The Issuer agrees to pay to the Trustee, or to reimburse the Trustee for, but solely from the Trust Estate:

(1) reasonable compensation for all services rendered by the Trustee hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust); and

(2) all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be attributable to the Trustee's gross negligence, willful misconduct or bad faith.

(b) As security for the performance of the obligations of the Issuer under this Section, the Trustee shall be secured under this Indenture by a lien prior and senior in right to the Secured Obligations, and for the

payment of such compensation, expenses, reimbursements and indemnity the Trustee shall have the right to use and apply any money held by it as a part of the Trust Estate.

(c) The Trustee shall provide the Issuer with itemized invoices for all expenses (including expenses of agents and its counsel) upon request of the Issuer.

SECTION 12.8 Corporate Trustee Required; Eligibility

There shall at all times be a Trustee hereunder which shall (i) be a commercial bank or trust company organized and doing business under the laws of the United States of America or of any state, (ii) be authorized under such laws to exercise corporate trust powers, (iii) be subject to supervision or examination by federal or state authority, and (iv) have an investment grade rating for its long-term deposits from each Rating Agency that provides a rating on any Secured Obligations or, if no Secured Obligations are rated, by any Rating Agency.

SECTION 12.9 Resignation and Removal; Appointment of Successor

(a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under *Section 12.10*.

(b) The Trustee may resign at any time by giving notice thereof to the Issuer. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(c) The Trustee may be removed at any time by the Holders of a majority in principal amount of the Outstanding Secured Obligations, with or without cause, by notice delivered to the Trustee and the Issuer. If no Indenture Default exists, the Trustee may be removed at any time by the Issuer, with or without cause, by notice delivered to the Trustee.

(d) If at any time:

(1) the Trustee shall cease to be eligible under *Section 12.8* and shall fail to resign after request therefor by the Issuer or by any Holder of Secured Obligations who has been a bona fide Holder of a Secured Obligation for at least six months, or

(2) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property (including any "orderly liquidation authority" under 12 U.S.C. §§ 5381-5394) shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case (i) the Issuer may remove the Trustee, or (ii) any Holder of Secured Obligations who has been a bona fide Holder for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(e) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, a successor Trustee shall be appointed by the Issuer. In case all or substantially all of the Trust Estate shall be in the possession of a receiver or trustee lawfully appointed, such receiver or trustee may similarly appoint a successor to fill such vacancy until a new Trustee shall be so appointed by the Holders of Secured Obligations. If, within one year after such resignation, removal or incapability or the occurrence of such vacancy, a successor Trustee shall be appointed by the Holders of a majority in principal amount of the Outstanding Secured Obligations, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Trustee and supersede the successor Trustee appointed by the Issuer or by such receiver or trustee. If no successor Trustee shall have been so appointed by the Issuer or the Holders of Secured Obligations and accepted appointment in the manner hereinafter provided, any Holder of Secured

Obligations who has been a bona fide Holder for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee.

(f) The Issuer shall give notice of each resignation and each removal of the Trustee and each appointment of a successor Trustee, to the Holders of Secured Obligations.

SECTION 12.10 Acceptance of Appointment by Successor

(a) Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to the Issuer and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the estates, properties, rights, powers, trusts and duties of the retiring Trustee; but, upon request of the Issuer or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument conveying and transferring to such successor Trustee upon the trusts herein expressed all the estates, properties, rights, powers and trusts of the retiring Trustee, and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder, subject nevertheless to its lien, if any, provided for in *Section 12.7*. Upon request of any such successor Trustee, the Issuer shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such estates, properties, rights, powers and trusts.

(b) No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article, to the extent operative.

SECTION 12.11 Merger, Conversion, Consolidation or Succession to Business

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee, or any purchaser of the Trustee or business unit exercising the duties of the Trustee under this Indenture shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, to the extent operative, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Secured Obligations shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Secured Obligations so authenticated with the same effect as if such successor Trustee had itself authenticated such Secured Obligations.

ARTICLE 13

Amendment of Secured Obligation Documents

SECTION 13.1 General Requirements for Amendments

The Trustee may, on its own behalf and on behalf of the Holders of Secured Obligations, from time to time enter into, or consent to, an amendment of any Secured Obligation Document only as permitted by this Article.

SECTION 13.2 Amendments Without Consent of Holders of Secured Obligations

An amendment of the Secured Obligation Documents for any of the following purposes may be made, or consented to, by the Trustee without the consent of the Holders of any Secured Obligations:

(a) to correct or amplify the description of any property at any time subject to the lien of the Secured Obligation Documents, or better to assure, convey and confirm unto any secured party any property subject or required to be subjected to the lien of the Secured Obligation Documents, or to subject to the lien of this Indenture, additional property; or

(b) to evidence the succession of another person to any Financing Participant and the assumption by any such successor of the covenants of such Financing Participant (provided that the requirements of this Indenture for such succession and assumption are otherwise satisfied); or

(c) to add to the covenants of any Financing Participant for the benefit of Holders of Secured Obligations and to make the occurrence, or the occurrence and continuance, of a default in any of such additional covenants an event of default under the Secured Obligation Documents permitting the enforcement of all or any of the several remedies provided therein; provided, however, that with respect to any such covenant, such amendment may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such default or may limit the remedies available upon such default; or

(d) to surrender any right or power conferred upon any Financing Participant other than rights or powers for the benefit of Holders of Secured Obligations; or

(e) to cure any ambiguity or to correct any inconsistency, provided such action shall not adversely affect the interests of the Holders of Secured Obligations; or

(f) to appoint a separate agent of the Issuer or the Trustee to perform any one or more of the following functions: (i) registration of transfers and exchanges of Secured Obligations and (ii) payment of Debt Service on the Secured Obligations; provided, however, that any such agent must be a bank or trust company with long-term obligations, at the time such appointment is made, in one of the three highest rating categories of at least one Rating Agency; or

(g) to facilitate and administer the addition of Credit Enhancement for the benefit of Holders of Secured Obligations, provided that, in the reasonable judgment of the Trustee, such provisions do not adversely affect the interests of Holders of Secured Obligations not secured by such Credit Enhancement.

SECTION 13.3 Amendments Requiring Consent of All Affected Holders of Secured Obligations

An amendment of the Secured Obligation Documents for any of the following purposes may be entered into, or consented to, by the Trustee only with the consent of the Holder of each Secured Obligation affected:

(a) to change the stated Maturity Date of the principal of, or any installment of interest on, any Secured Obligation, or reduce the principal amount or the interest thereon or any premium payable upon the redemption thereof, or change the coin or currency in which, any Secured Obligation, or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the stated Maturity Date thereof (or, in the case of redemption, on or after the redemption date); or

(b) to reduce the percentage in principal amount of the Outstanding Secured Obligations, the consent of whose Holders is required for any amendment of the Secured Obligation Documents, or the consent of whose Holders is required for any waiver provided for in the Secured Obligation Documents; or

(c) to modify or alter the provisions of the proviso to the definition of the term "Outstanding"; or

(d) to modify any of the provisions of this Section or *Section 11.10*, except to increase any percentage provided thereby or to provide that certain other provisions of the Secured Obligation Documents cannot be modified or waived without the consent of the Holder of each Secured Obligation affected thereby; or

(e) to permit the creation of any lien ranking prior to or on a parity with the lien of the Secured Obligation Documents with respect to any of the Trust Estate or terminate the lien of the Secured Obligation Documents on any property at any time subject hereto or deprive the Holder of any Secured Obligation of the security afforded by the lien of the Secured Obligation Documents; or

(f) to change the priority of payment of Secured Obligations, including the provisions of *Section 9.2* and *Section 11.3* regarding priority of payment of Senior Lien Obligations and Subordinate Lien Obligations; or

(g) to eliminate, reduce or delay the obligation of the Issuer to make payments at times and in amounts sufficient to pay Debt Service on the Secured Obligations.

SECTION 13.4 Amendments Requiring Majority Consent of Holders of Secured Obligations

An amendment of the Secured Obligation Documents for any purpose not described in *Sections 13.2* or *13.3* may be entered into, or consented to, by the Trustee only with the consent of both (a) the Holders of a majority in principal amount of Senior Lien Obligations Outstanding, and (b) the Holders of a majority in principal amount of all Secured Obligations Outstanding.

SECTION 13.5 Discretion of Trustee

The Trustee may in its discretion determine whether or not any Secured Obligations would be affected by any amendment of the Secured Obligation Documents and any such determination shall be conclusive upon the Holders of all Secured Obligations, whether theretofore or thereafter authenticated and delivered hereunder. The Trustee shall not be liable for any such determination made in good faith.

SECTION 13.6 Trustee Protected by Opinion of Counsel

In executing or consenting to any amendment permitted by this Article, the Trustee shall be entitled to receive, and, subject to *Section 12.1*, shall be fully protected in relying upon, an Opinion of Counsel, so long as such reliance is in good faith, stating that the execution of such amendment is authorized or permitted by the Secured Obligation Documents.

SECTION 13.7 Amendments Affecting Trustee's Personal Rights

The Trustee may, but shall not be obligated to, enter into any amendment that affects the Trustee's own rights, duties or immunities under the Secured Obligation Documents.

SECTION 13.8 Effect on Holders of Secured Obligations

Upon the execution of any amendment under this Article, every Holder of Secured Obligations theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

SECTION 13.9 Reference in Secured Obligations to Amendments

Secured Obligations authenticated and delivered after the execution of any amendment under this Article shall, if required by such amendment or by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such amendment. New Secured Obligations so modified as to conform to any such amendment shall, if required by such amendment or by the Trustee, be prepared and executed by the Issuer and authenticated and delivered by the Trustee in exchange for Outstanding Secured Obligations.

SECTION 13.10 Amendments Not to Affect Tax Exemption

No amendment may be made to the Secured Obligation Documents unless the Trustee receives a Favorable Tax Opinion.

ARTICLE 14

Defeasance

SECTION 14.1 Payment of Indenture Indebtedness; Satisfaction and Discharge of Indenture

(a) Whenever all Indenture Indebtedness has been Defeased, then (i) this Indenture and all the liens, rights and interests created hereby shall cease, terminate and become null and void (except as to any surviving rights of transfer or exchange of Secured Obligations herein or therein provided for), and (ii) the Trustee shall, upon the request of the Issuer, execute and deliver a termination statement and such instruments of satisfaction and discharge as may be necessary and pay, assign, transfer and deliver to the Issuer or upon the order of the Issuer, all cash and securities then held by it hereunder as a part of the Trust Estate.

(b) A Secured Obligation shall be deemed "Defeased" if

(1) such Secured Obligation has been cancelled by the Trustee or delivered to the Trustee for cancellation, or

(2) such Secured Obligation shall have matured or been called for redemption and, on such Maturity Date or redemption date, money for the payment of Debt Service on such Secured Obligation is held by the Trustee in trust for the benefit of the person entitled thereto, or

(3) a trust for the payment of such Secured Obligation has been established in accordance with *Section 14.2*.

(c) Indenture Indebtedness other than Debt Service on the Secured Obligations shall be deemed "Defeased" whenever the Issuer has paid, or made provisions satisfactory to the Trustee for payment of, all such Indenture Indebtedness.

SECTION 14.2 Trust for Payment of Debt Service

(a) The Issuer may provide for the payment of any Secured Obligation by establishing a trust for such purpose with the Trustee and depositing therein cash and/or Federal Securities which (assuming the due and punctual payment of the principal of and interest on such Federal Securities, but without reinvestment) will provide funds sufficient to pay the Debt Service on such Secured Obligation as the same becomes due and payable until the Maturity or redemption of such Secured Obligation; provided, however, that:

(1) Such Federal Securities must not be subject to redemption prior to their respective maturities at the option of the issuer of such Securities.

(2) If such Secured Obligation is to be redeemed prior to its Maturity Date, either (i) the Trustee shall receive evidence that notice of such redemption has been given in accordance with the provisions of this Indenture and such Secured Obligation or (ii) the Issuer shall confer on the Trustee irrevocable authority for the giving of such notice.

(3) If such Secured Obligation bears interest at a variable rate, such trust must provide for payment of interest at the maximum rate payable on such Secured Obligation until such Secured Obligation is to be retired.

(4) Such Secured Obligation shall not be subject to repurchase by the Issuer or the provider of any Credit Enhancement with respect to such Secured Obligation during the period such trust will be in effect.

(5) Prior to the establishment of such trust the Trustee must receive a Favorable Tax Opinion.

(6) Prior to the establishment of such trust, the Trustee must receive verification from an independent third-party verification agent, experienced in the preparation of such reports, which may be an Independent Certified Public Accountant, and satisfactory to the Trustee demonstrating that the principal and interest payments on the Federal Securities in such trust, without reinvestment, together with the cash balance in such trust remaining after purchase of such Securities, will be sufficient to make the required payments from such trust.

(b) Any trust established pursuant to this Section may provide for payment of less than all Secured Obligations outstanding including less than all Secured Obligations of any series or maturity.

(c) If any trust provides for payment of less than all Secured Obligations of the same Tenor, the Secured Obligations of such Tenor to be paid from the trust shall be selected by the Trustee by lot by such method as shall provide for the selection of portions (in Authorized Denominations) of the principal of Secured Obligations of such Tenor of a denomination larger than the smallest Authorized Denomination. Such selection shall be made within seven days after such trust is established. This selection process shall be in lieu of the selection process otherwise provided with respect to redemption of Secured Obligations. After such selection is made, Secured Obligations that are to be paid from such trust (including Secured Obligations issued in exchange for such Secured Obligations pursuant to the transfer or exchange provisions of this Indenture) shall be identified by a separate CUSIP number or other designation satisfactory to the Trustee. The Trustee shall notify Holders whose Secured Obligations (or portions thereof) have been selected for payment from such trust and shall direct such Holders to surrender their Secured Obligations to the Trustee in exchange for Secured Obligations with the appropriate designation. The selection of Secured Obligations for payment from such trust pursuant to this Section shall be conclusive and binding on the Financing Participants.

(d) Cash and/or Federal Securities deposited with the Trustee pursuant to this Section shall not be a part of the Trust Estate but shall constitute a separate, irrevocable trust fund for the benefit of the Holder of the Secured Obligation to be paid from such fund.

ARTICLE 15

Miscellaneous

SECTION 15.1 Notices to Financing Participants

(a) Notices and other communications to Financing Participants pursuant to this Indenture must be in writing except as otherwise expressly provided in this Indenture. Any specific reference in this Indenture to “written notice” shall not be construed to mean that any other notice may be oral, unless such oral notice is specifically permitted by this Indenture under the circumstances.

(b) Notices and other communications pursuant to this Indenture may be delivered by any method provided in the directions for notices attached as *Exhibit 15.1(b)*. A Financing Participant may change its directions for notices by giving notice to the other Financing Participants.

(c) Any notice shall be deemed given when actually received by the Financing Participant to whom the notice is addressed. In addition, any notice sent by certified mail shall be deemed received three Business Days after being sent by certified mail, addressed as provided in the notice directions included in *Exhibit 15.1(b)* or, if the designated Financing Participant has delivered a change notice, as specified in such change notice.

(d) Notice to any Financing Participant required by this Indenture may be waived in writing by such Financing Participant, either before or after the event, and such waiver shall be the equivalent of such notice.

SECTION 15.2 Notices to Holders of Warrants

(a) Notices and other communications to Holders of Warrants pursuant to this Indenture must be in writing except as otherwise expressly provided in this Indenture. Any specific reference in this Indenture to “written

notice” shall not be construed to mean that any other notice may be oral, unless such oral notice is specifically permitted by this Indenture under the circumstances.

(b) If the Book Entry System is in effect, notices and other communications to Holders of Warrants will be delivered through the Book Entry System and shall be deemed delivered upon receipt by DTC.

(c) If the Book Entry System is terminated, notices and other communications to Holders of Warrants may be delivered to such Holders at their address as it appears in the Warrant Register. If such notice or other communication is sent by certified mail, shall be deemed given when mailed; if given by first-class mail, such notice shall be deemed given five days after mailing.

(d) Any defect in a notice to any particular Holder shall not affect the sufficiency of such notice with respect to other Holders.

(e) Notice to any Holder required by this Indenture may be waived in writing by such Holder, either before or after the event, and such waiver shall be the equivalent of such notice.

(f) Notices to Holders of additional Secured Obligations shall be specified in the Supplemental Indenture pursuant to which such Secured Obligations are issued.

SECTION 15.3 Successors and Assigns

All covenants and agreements in this Indenture by the Issuer shall bind its successors and assigns, whether so expressed or not.

SECTION 15.4 Benefits of Indenture

Nothing in this Indenture or in the Secured Obligations, express or implied, shall give to any person, other than the parties hereto and their successors hereunder and the Holders of the Secured Obligations any benefit or legal or equitable right, remedy or claim under this Indenture.

SECTION 15.5 Rights or Powers of Providers of Credit Enhancement

If expressly permitted by the terms of this Indenture (including any Supplemental Indenture with respect to Secured Obligations), the provider of any Credit Enhancement with respect to Secured Obligations may, on behalf of the Holders of the Secured Obligations secured by such Credit Enhancement (and without notice to or consent of such Holders), exercise the following rights and powers of such Holders under this Indenture:

(a) the right or power to provide directions with respect to the pursuit of remedies available to the Trustee if an Indenture Default exists, including the right or power to direct the acceleration of the Maturity Date of Secured Obligations;

(b) the right or power to waive any Indenture Default and its consequences; and

(c) the right or power to consent to, or approve, any amendment of this Indenture requiring the consent of Holders of Secured Obligations, other than an amendment described in *Section 13.3*;

provided, however, that the provider of such Credit Enhancement may not exercise such rights and powers if the provider of such Credit Enhancement has defaulted under the terms of such Credit Enhancement or any similar instrument.

SECTION 15.6 Calculation of Percentage of Holders Taking Action

Notwithstanding any provision of this Indenture, the Accreted Value of an Outstanding Capital Appreciation Warrant or of an Outstanding Convertible Capital Appreciation Warrant (prior to the applicable Current Interest Commencement Date) shall be considered principal for the purpose of determining whether the

Holders of a particular percentage in principal amount of Outstanding Secured Obligations shall have taken any action, including whether the Holders have given any direction, required any action, exercised any right or remedy, waived any default, removed any Trustee, appointed any successor Trustee or consented to any amendment of this Indenture.

SECTION 15.7 Amounts Due and Unpaid After Act of Bankruptcy

For purposes of the priority as between Senior Lien Obligations and Subordinate Lien Obligations under *Section 11.3*, amounts due and unpaid on the Senior Lien Obligations shall include all interest, fees and expenses accrued or accruing (or that would, absent an Act of Bankruptcy by the Issuer, accrue) after any Act of Bankruptcy by the Issuer in accordance with, at the time contemplated by and at the rate, if any, specified herein, whether or not the claim for such interest, fees or expenses is allowed, allowable, recognized or provable as a claim in any applicable bankruptcy, insolvency, reorganization, or similar proceeding with respect to the Issuer, and whether or not any underlying Senior Lien Obligations are modified in any fashion during such proceeding (including pursuant to 11 U.S.C. § 1129(b)). In the event that the Holders of the Subordinate Lien Obligations receive any payments or funds in an amount inconsistent with the rights of the Holders of the Senior Lien Obligations pursuant to, and in accordance with the priorities set forth in *Section 3.1*, *Section 11.3* and this *Section 15.7*, the Holders of the Senior Lien Obligations shall have a cause of action to collect any such amount.

[Balance of page intentionally left blank.]

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this instrument to be duly executed by their duly authorized officers.

JEFFERSON COUNTY, ALABAMA

By: _____

Title: _____

[FULL NAME OF TRUSTEE]

By: _____

Title: _____

This instrument was prepared by:

J. Foster Clark
J. Hobson Presley, Jr.
J. Thomas Longino
Balch & Bingham LLP
1901 Sixth Avenue North, Suite 1500
Birmingham, Alabama 35203-4642
(205) 251-8100

**STATE OF ALABAMA
JEFFERSON COUNTY**

I, _____, a Notary Public in and for said County in said State, do hereby certify that _____, whose name as _____ of Jefferson County, Alabama, a political subdivision of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said political subdivision.

Given under my hand this the _____ day of December, 2013.

Notary Public

NOTARIAL SEAL

My commission expires: _____

**STATE OF ALABAMA
JEFFERSON COUNTY**

I, _____, a Notary Public in and for said County, in said State, hereby certify that _____, whose name as _____ of [Full Name of Trustee], an _____ banking corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said banking corporation.

Given under my hand this the _____ day of December, 2013.

Notary Public

NOTARIAL SEAL

My commission expires: _____

EXHIBIT 5.1(c)

Form of Series 2013-A Warrants

VALIDATED AND CONFIRMED BY JUDGMENT AND CONFIRMATION ORDER OF THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA, ENTERED ON THE ___ DAY OF _____, 2013.

Jefferson County, Alabama

Senior Lien Sewer Revenue Current Interest Warrant, Series 2013-A

Number:

Date of Initial Delivery:

Maturity Date:

Interest Rate:

CUSIP:

JEFFERSON COUNTY, ALABAMA, a political subdivision of the State of Alabama (the "Issuer", which term includes any successor under the Indenture hereinafter referred to), for value received, hereby acknowledges itself indebted to

CEDE & CO.,

or registered assigns, and directs the Trustee (as hereinafter defined) to pay (but solely from the sources hereinafter identified) the principal sum of

_____ **DOLLARS**

on the Maturity Date specified above and to pay interest hereon from the date of initial delivery of this warrant, or the most recent date to which interest has been paid or duly provided for, until the principal hereof shall become due and payable at the applicable interest rate specified above; provided, however, that all such payments shall be limited obligations of the Issuer payable solely from the sources hereinafter identified.

Authorizing Document

This warrant is issued pursuant to a Trust Indenture dated [December 1, 2013] (the "Indenture"), between the Issuer and [Full Name of Trustee], a _____ (the "Trustee", which term includes any successor trustee under the Indenture). This warrant is part of a series of warrants issued by the Issuer under the Indenture in the aggregate principal amount of [\$Amount] and designated "Senior Lien Sewer Revenue Current Interest Warrants, Series 2013-A" (the "Series 2013-A Warrants"). Capitalized terms not otherwise defined herein shall have the meaning assigned in the Indenture. The provisions of the Indenture are hereby incorporated by reference as if fully set forth in this warrant.

Limited Obligations

This warrant and all other payment obligations under the Indenture are limited obligations of the Issuer payable solely out of the General Trust Estate and the Series 2013 Senior Lien Trust Estate (together, the "Trust Estate"). The indebtedness acknowledged by this warrant shall not constitute or give rise to an indebtedness or liability of, and shall not constitute a charge against, the general credit or taxing powers of the Issuer or of the State of Alabama.

Security for Payment

The Indenture provides for the issuance of Secured Obligations from time to time in one or more series. Secured Obligations are issuable in two classes: (i) Senior Lien Obligations, which have a first priority lien with respect to right of payment from the General Trust Estate, and (ii) Subordinate Lien Obligations, which have a second priority lien with respect to right of payment from the General Trust Estate. The Series 2013-A Warrants are being issued as Senior Lien Obligations and are also referred to in the Indenture as the "Series 2013 Senior Lien Obligations". The Indenture permits the issuance of additional Senior Lien Obligations secured on a parity of lien with the Series 2013 Senior Lien Obligations, upon compliance with certain provisions of the Indenture. Subordinate Lien Obligations are being issued simultaneously with the issuance of the Series 2013-A Warrants and the Indenture permits the issuance of additional Subordinate Lien Obligations, upon compliance with certain provisions of the Indenture.

Payment of the Series 2013 Senior Lien Obligations is further secured by the Series 2013 Senior Lien Trust Estate, which includes the Series 2013 Senior Lien Indenture Funds described in the Indenture, and which is held by the Trustee for the sole benefit of Holders of the Series 2013 Senior Lien Obligations.

Secured Obligation Documents

Copies of the Secured Obligation Documents are on file at the Office of the Trustee, and reference is hereby made to such instruments for a description of the properties pledged and assigned, the nature and extent of the security, the respective rights thereunder of the Holders of this warrant and the Financing Participants, and the terms upon which the Series 2013-A Warrants are, and are to be, authenticated and delivered.

Transfer, Registration, Exchange and Payment Provisions

The ownership, transfer, exchange and payment of Series 2013-A Warrants shall be governed by the Book Entry System administered by DTC until the Book Entry System is terminated pursuant to the terms and conditions of the Indenture. If the Book Entry System is terminated, the Indenture provides alternate provisions for the ownership, transfer, registration, exchange and payment of Series 2013-A Warrants.

Applicable Interest Rate

The applicable interest rate for this warrant is specified above.

Computation of Interest Accrual

Interest on Series 2013-A Warrants shall be computed on the basis of a 360-day year with 12 months of 30 days each.

Interest Payment Dates

Interest on Series 2013-A Warrants is payable on the following dates: *[specify from Indenture]*.

Regular Record Date for Interest Payments

If the Book Entry System is in effect, the Trustee shall pay interest on this warrant to DTC, and interest shall be distributed to the Holder of this warrant in accordance with the rules and operational arrangements of DTC. If the Book Entry System is terminated, the interest due on any Interest Payment Date with respect to this warrant shall be payable to the Holder of this warrant on the Regular Record Date for such Interest Payment Date.

Special Record Date for Defaulted Interest

Any Defaulted Interest shall forthwith cease to be payable to the Holder on the relevant Regular Record Date solely by virtue of such Holder having been such Holder; and such Defaulted Interest shall be paid by the

Issuer to the persons in whose name this warrant is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed as provided in the Indenture.

Interest on Overdue Payments

Interest shall be payable on overdue principal on this warrant and (to the extent legally enforceable) on any overdue installment of interest on this warrant at the Post-Default Rate specified in the Indenture.

Authorized Denominations

Series 2013-A Warrants may be in denominations of \$5,000 or any integral multiple thereof.

Currency of Payment

Payment of Debt Service on this warrant shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

Redemption Prior to Maturity

The Series 2013-A Warrants will be subject to redemption prior to their respective Maturity Dates as follows:

[Specify applicable redemption provisions from Section 7.1.]

If less than all Series 2013-A Warrants outstanding are being redeemed, the Indenture provides procedures for selection of Series 2013-A Warrants to be redeemed.

Notice of redemption of any Series 2013-A Warrant shall be given to the affected Holder not less than 20 days prior to the redemption date. If the Book Entry System is in effect, notice of redemption shall be given to DTC and shall be forwarded by DTC to Holders through methods established by the rules and operational arrangements of the Book Entry System. If the Book Entry System is not in effect, notice shall be given to Holders by certified mail.

A notice of optional redemption may state that the redemption of Series 2013-A Warrants is contingent upon specified conditions, such as receipt of a specified source of funds or the occurrence of specified events. If the conditions for such redemption are not met, the Issuer shall not be required to redeem the Series 2013-A Warrants (or portions thereof) identified in such notice, and any Series 2013-A Warrants surrendered on the specified redemption date shall be returned to the Holders of such Series 2013-A Warrants.

On the applicable redemption date, an amount of money sufficient to pay the redemption price of all the Series 2013-A Warrants which are to be redeemed on that date shall be deposited with the Trustee, unless the notice of redemption specified contingencies that were not met on the redemption date. Such money shall be held in trust for the benefit of the persons entitled to such redemption price and shall not be deemed to be part of the Trust Estate.

If notice of redemption is given and any conditions to such redemption are met, the Series 2013-A Warrants to be redeemed shall become due and payable on the redemption date at the applicable redemption price, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Series 2013-A Warrants shall cease to bear interest.

If the Book Entry System is in effect, partial redemption of any Series 2013-A Warrant shall be effected in accordance with the Book Entry System. If the Book Entry System has been terminated, any Series 2013-A Warrant which is to be redeemed only in part shall be surrendered at the Office of the Trustee with all necessary endorsements for transfer, and the Issuer shall execute and the Trustee shall authenticate and deliver to the Holder of such Series 2013-A Warrant, without service charge, a new Series 2013-A Warrant or Series 2013-A Warrants of the same Tenor and of any Authorized Denomination or Denominations as requested by such Holder in aggregate

principal amount equal to and in exchange for the unredeemed portion of the principal of the Series 2013-A Warrant surrendered.

The Indenture permits the Issuer to purchase Series 2013-A Warrants that have been called for optional redemption in lieu of retiring such Series 2013-A Warrants on the redemption date. No notice to Holders is required in connection with a purchase in lieu of redemption.

Remedies

If an "Indenture Default", as defined in the Indenture, shall occur, the principal or Accreted Value of all Secured Obligations then Outstanding may become or be declared due and payable in the manner and with the effect provided in the Indenture.

The Holder of this warrant shall have no right to enforce the provisions of the Indenture, or to institute any action to enforce the covenants therein, or to take any action with respect to any default thereunder, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as specified in the Indenture.

Amendments and Waivers

The Indenture permits the amendment of the Secured Obligation Documents and waivers of past defaults under such Documents and the consequences of such defaults, in certain circumstances without consent of Holders and in other circumstances with the consent of the Holders of all Secured Obligations or a specified percentage of such Holders or a specified percentage of the Holders of the Senior Lien Obligations. Any such consent or waiver by the Holder of this warrant shall be conclusive and binding upon such Holder and upon all future Holders of this warrant and of any Series 2013-A Warrant issued in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this warrant.

Exoneration of Public Officials, Officers and Employees of the Issuer

No recourse under or upon any covenant or agreement of the Indenture, or of any Series 2013-A Warrants, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future public official, officer or employee of the Issuer, or of any successor, either directly or through the Issuer, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that the Indenture and the Series 2013-A Warrants are solely corporate obligations, and that no personal or pecuniary liability whatever shall attach to, or is or shall be incurred by, any public official, officer or employee of the Issuer or any successor, or any of them, because of the issuance of the Series 2013-A Warrants, or under or by reason of the covenants or agreements contained in the Indenture or in any Series 2013-A Warrants or implied therefrom. The provisions of this paragraph are not intended to preclude the enforcement of remedies provided for in the Indenture against the Trust Estate secured by the Indenture.

* * *

It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and laws of the State to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and issuance of this warrant do exist, have happened and have been performed in due time, form and manner as required by law.

Unless the certificate of authentication hereon has been executed by the Trustee by manual signature, this warrant shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

[Balance of page intentionally left blank.]

IN WITNESS WHEREOF, the Issuer has caused this warrant to be duly executed under its corporate seal.

Dated: Date of initial delivery of this warrant identified above.

JEFFERSON COUNTY, ALABAMA

By: _____
President

[SEAL]

Attest:

Minute Clerk

Registration Certificate

I hereby certify that this warrant has been duly registered by me as a claim against Jefferson County, Alabama, payable solely from the Trust Estate referred to herein.

Date of Registration: _____

Treasurer of Jefferson County, Alabama

Certificate of Authentication

This is one of the Series 2013-A Warrants referred to in the within-mentioned Indenture. The Series 2013-A Warrants have been issued as Senior Lien Obligations under the terms of the Indenture.

Date of authentication: _____

[FULL NAME OF TRUSTEE],
as Trustee

By _____
Authorized Officer

Assignment

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto [Please insert name and taxpayer identification number] _____ this warrant and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer this warrant on the books of the within named Issuer at the office of the within named Trustee, with full power of substitution in the premises.

Dated: _____

NOTE: The name signed to this assignment must correspond with the name of the payee written on the face of the within warrant in all respects, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

(Bank or Trust Company)

By _____
(Authorized Officer)

*Signature(s) must be guaranteed by an eligible guarantor institution which is a member of the recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

EXHIBIT 5.2(c)

Form of Series 2013-B Warrants

VALIDATED AND CONFIRMED BY JUDGMENT AND CONFIRMATION ORDER OF THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA, ENTERED ON THE ___ DAY OF _____, 2013.

Jefferson County, Alabama

Subordinate Lien Sewer Revenue Capital Appreciation Warrant, Series 2013-B

Number:

Date of Initial Delivery:

Yield to Maturity:

Maturity Date:

Accreted Value at Maturity:

CUSIP:

JEFFERSON COUNTY, ALABAMA, a political subdivision of the State of Alabama (the "Issuer", which term includes any successor under the Indenture hereinafter referred to), for value received, hereby acknowledges itself indebted to

CEDE & CO.,

or registered assigns, and directs the Trustee (as hereinafter defined) to pay (but solely from the sources hereinafter identified) the principal sum of

_____ **DOLLARS**

on the Maturity Date specified above and to pay interest that shall accrete thereon from the date of initial delivery of this warrant to the Maturity Date or earlier redemption; provided, however, that all such payments shall be limited obligations of the Issuer payable solely from the sources hereinafter identified.

Authorizing Document

This warrant is issued pursuant to a Trust Indenture dated [December 1, 2013] (the "Indenture"), between the Issuer and [Full Name of Trustee], a _____ (the "Trustee", which term includes any successor trustee under the Indenture). This warrant is part of a series of warrants issued by the Issuer under the Indenture in the Initial Principal Amount of [\$Amount] and designated "Subordinate Lien Sewer Revenue Capital Appreciation Warrants, Series 2013-B" (the "Series 2013-B Warrants"). Capitalized terms not otherwise defined herein shall have the meaning assigned in the Indenture. The provisions of the Indenture are hereby incorporated by reference as if fully set forth in this warrant.

Limited Obligations

This warrant and all other payment obligations under the Indenture are limited obligations of the Issuer payable solely out of the General Trust Estate and the Series 2013 Subordinate Lien Trust Estate (the "Trust Estate"). The indebtedness acknowledged by this warrant shall not constitute or give rise to an indebtedness or

liability of, and shall not constitute a charge against, the general credit or taxing powers of the Issuer or of the State of Alabama.

Security for Payment

The Indenture provides for the issuance of Secured Obligations from time to time in one or more series. Secured Obligations are issuable in two classes: (i) Senior Lien Obligations, which have a first priority lien with respect to right of payment from the General Trust Estate, and (ii) Subordinate Lien Obligations, which have a second priority lien with respect to right of payment from the General Trust Estate. The Series 2013-B Warrants are being issued as Subordinate Lien Obligations and are also referred to in the Indenture as "Series 2013 Subordinate Lien Obligations". Senior Lien Obligations and additional Series 2013 Subordinate Lien Obligations have been issued simultaneously with the issuance of the Series 2013-B Warrants. The Indenture permits the issuance of additional Subordinate Lien Obligations secured on a parity of lien with the Series 2013 Subordinate Lien Obligations, upon compliance with certain provisions of the Indenture. The Indenture also permits the issuance of additional Senior Lien Obligations without the consent of Holders of Series 2013 Subordinate Lien Obligations, upon compliance with certain provisions of the Indenture.

Payment of the Series 2013 Subordinate Lien Obligations is further secured by the Series 2013 Subordinate Lien Trust Estate, which includes the Series 2013 Subordinate Lien Indenture Funds described in the Indenture, and which is held by the Trustee for the sole benefit of Holders of the Series 2013 Subordinate Lien Obligations.

Secured Obligation Documents

Copies of the Secured Obligation Documents are on file at the Office of the Trustee, and reference is hereby made to such instruments for a description of the properties pledged and assigned, the nature and extent of the security, the respective rights thereunder of the Holders of this warrant and the Financing Participants, and the terms upon which the Series 2013-B Warrants are, and are to be, authenticated and delivered.

Transfer, Registration, Exchange and Payment Provisions

The ownership, transfer, exchange and payment of Series 2013-B Warrants shall be governed by the Book Entry System administered by DTC until the Book Entry System is terminated pursuant to the terms and conditions of the Indenture. If the Book Entry System is terminated, the Indenture provides alternate provisions for the ownership, transfer, registration, exchange and payment of Series 2013-B Warrants.

Accretion of Interest

This warrant is payable only at maturity or optional redemption and will not pay interest on a current basis. Interest on this warrant shall accrete in value from and including the date of initial delivery, compounded semiannually on each Compounding Date, until the Maturity Date or earlier redemption at the effective per annum rate required to produce the yield to maturity indicated above.

Computation of Interest Accretion

Interest on this warrant shall accrete on the basis of a 360-day year with 12 months of 30 days each. Accretion between such dates shall be determined using linear interpolation.

Interest on Overdue Payments

Interest shall be payable on overdue Accreted Value on this warrant and (to the extent legally enforceable) on any overdue installment of interest on this warrant at the Post-Default Rate specified in the Indenture.

Authorized Denominations

The Series 2013-B Warrants may be in denominations of *[specify from Indenture]*.

Currency of Payment

Payment of Debt Service on this warrant shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

Redemption Prior to Maturity

The Series 2013-B Warrants will be subject to redemption prior to their respective Maturity Dates as follows:

[Specify applicable redemption provisions from Section 7.1.]

If less than all of the Series 2013-B Warrants outstanding are being redeemed, the Indenture provides procedures for selection of Series 2013-B Warrants to be redeemed.

Notice of redemption of any Series 2013-B Warrant shall be given to the affected Holder not less than 20 days prior to the redemption date. If the Book Entry System is in effect, notice of redemption shall be given to DTC and shall be forwarded by DTC to Holders through methods established by the rules and operational arrangements of the Book Entry System. If the Book Entry System is not in effect, notice shall be given to Holders by certified mail.

A notice of optional redemption may state that the redemption of Series 2013-B Warrants is contingent upon specified conditions, such as receipt of a specified source of funds or the occurrence of specified events. If the conditions for such redemption are not met, the Issuer shall not be required to redeem the Series 2013-B Warrants (or portions thereof) identified in such notice, and any Series 2013-B Warrants surrendered on the specified redemption date shall be returned to the Holders of such Series 2013-B Warrants.

On the applicable redemption date, an amount of money sufficient to pay the redemption price of all the Series 2013-B Warrants which are to be redeemed on that date shall be deposited with the Trustee, unless the notice of redemption specified contingencies that were not met on the redemption date. Such money shall be held in trust for the benefit of the persons entitled to such redemption price and shall not be deemed to be part of the Trust Estate.

If notice of redemption is given and any conditions to such redemption are met, the Series 2013-B Warrants to be redeemed shall become due and payable on the redemption date at the applicable redemption price, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Series 2013-B Warrants shall cease to bear interest.

If the Book Entry System is in effect, partial redemption of any Series 2013-B Warrant shall be effected in accordance with the Book Entry System. If the Book Entry System has been terminated, any Series 2013-B Warrant which is to be redeemed only in part shall be surrendered at the Office of the Trustee with all necessary endorsements for transfer, and the Issuer shall execute and the Trustee shall authenticate and deliver to the Holder of such Series 2013-B Warrant, without service charge, a new Series 2013-B Warrant or Series 2013-B Warrants of the same Tenor and of any Authorized Denomination or Denominations as requested by such Holder in aggregate Accreted Value equal to and in exchange for the unredeemed portion of the Accreted Value of the Series 2013-B Warrant surrendered.

The Indenture permits the Issuer to purchase Series 2013-B Warrants that have been called for optional redemption in lieu of retiring such Series 2013-B Warrants on the redemption date. No notice to Holders is required in connection with a purchase in lieu of redemption.

Remedies

If an "Indenture Default", as defined in the Indenture, shall occur, the principal or Accreted Value of all Secured Obligations then Outstanding may become or be declared due and payable in the manner and with the effect provided in the Indenture.

The Holder of this warrant shall have no right to enforce the provisions of the Indenture, or to institute any action to enforce the covenants therein, or to take any action with respect to any default thereunder, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as specified in the Indenture.

Amendments and Waivers

The Indenture permits the amendment of the Secured Obligation Documents and waivers of past defaults under such Documents and the consequences of such defaults, in certain circumstances without consent of Holders and in other circumstances with the consent of the Holders of all Secured Obligations, or a specified percentage of such Holders or a specified percentage of the Holders of the Senior Lien Obligations. Any such consent or waiver by the Holder of this warrant shall be conclusive and binding upon such Holder and upon all future Holders of this warrant and of any Series 2013-B Warrant issued in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this warrant.

Exoneration of Public Officials, Officers and Employees of the Issuer

No recourse under or upon any covenant or agreement of the Indenture, or of any Series 2013-B Warrants, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future public official, officer or employee of the Issuer, or of any successor, either directly or through the Issuer, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that the Indenture and the Series 2013-B Warrants are solely corporate obligations, and that no personal or pecuniary liability whatever shall attach to, or is or shall be incurred by, any public official, officer or employee of the Issuer or any successor, or any of them, because of the issuance of the Series 2013-B Warrants, or under or by reason of the covenants or agreements contained in the Indenture or in any Series 2013-B Warrants or implied therefrom. The provisions of this paragraph are not intended to preclude the enforcement of remedies provided for in the Indenture against the Trust Estate secured by the Indenture.

* * *

It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and laws of the State to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and issuance of this warrant do exist, have happened and have been performed in due time, form and manner as required by law.

Unless the certificate of authentication hereon has been executed by the Trustee by manual signature, this warrant shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

[Balance of page intentionally left blank.]

IN WITNESS WHEREOF, the Issuer has caused this warrant to be duly executed under its corporate seal.

Dated: Date of initial delivery of this warrant identified above.

JEFFERSON COUNTY, ALABAMA

By: _____
President

[SEAL]

Attest:

Minute Clerk

Registration Certificate

I hereby certify that this warrant has been duly registered by me as a claim against Jefferson County, Alabama, payable solely from the Trust Estate referred to herein.

Date of Registration: _____

Treasurer of Jefferson County, Alabama

Certificate of Authentication

This is one of the Warrants referred to in the within-mentioned Indenture. The Series 2013-B Warrants have been issued as Subordinate Lien Obligations under the terms of the Indenture.

Date of authentication: _____

[FULL NAME OF TRUSTEE],
as Trustee

By _____
Authorized Officer

Assignment

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto [Please insert name and taxpayer identification number] _____ this warrant and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer this warrant on the books of the within named Issuer at the office of the within named Trustee, with full power of substitution in the premises.

Dated: _____

NOTE: The name signed to this assignment must correspond with the name of the payee written on the face of the within warrant in all respects, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

(Bank or Trust Company)

By _____
(Authorized Officer)

*Signature(s) must be guaranteed by an eligible guarantor institution which is a member of the recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

EXHIBIT 5.2(e)

**Schedule of Compound Accreted Value
for
Series 2013-B Warrants**

[To be added]

EXHIBIT 5.3(c)

Form of Series 2013-C Warrants

VALIDATED AND CONFIRMED BY JUDGMENT AND CONFIRMATION ORDER OF THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA, ENTERED ON THE ___ DAY OF _____, 2013.

Jefferson County, Alabama

Subordinate Lien Sewer Revenue Convertible Capital Appreciation Warrant, Series 2013-C

Number:

Date of Initial Delivery:

**Yield to Current Interest
Commencement Date:**

Current Interest Commencement Date:

**Accreted Value at Current Interest
Commencement Date:**

Maturity Date:

Interest Rate:

CUSIP:

JEFFERSON COUNTY, ALABAMA, a political subdivision of the State of Alabama (the "Issuer", which term includes any successor under the Indenture hereinafter referred to), for value received, hereby acknowledges itself indebted to

CEDE & CO.,

or registered assigns, and directs the Trustee (as hereinafter defined) to pay (but solely from the sources hereinafter identified) (A) prior to the Current Interest Commencement Date specified above, the principal sum of

_____ **DOLLARS**

and to pay interest that shall accrete thereon from the date of initial delivery of this warrant to the Current Interest Commencement Date, and (B) from and after the Current Interest Commencement Date (the date on which the Accreted Value of this warrant shall be converted to principal), the principal sum of

_____ **DOLLARS**

on the Maturity Date specified above and to pay interest hereon from the Current Interest Commencement Date of this warrant, or the most recent date to which interest has been paid or duly provided for, until the principal hereof shall become due and payable at the applicable interest rate specified above; provided, however, that all such payments shall be limited obligations of the Issuer payable solely from the sources hereinafter identified.

Authorizing Document

This warrant is issued pursuant to a Trust Indenture dated [December 1, 2013] (the “Indenture”), between the Issuer and [Full Name of Trustee], a _____ (the “Trustee”, which term includes any successor trustee under the Indenture). This warrant is part of a series of Warrants issued by the Issuer under the Indenture in the Initial Principal Amount of [\$Amount] and designated “Subordinate Lien Sewer Revenue Convertible Capital Appreciation Warrants, Series 2013-C” (the “Series 2013-C Warrants”). Capitalized terms not otherwise defined herein shall have the meaning assigned in the Indenture. The provisions of the Indenture are hereby incorporated by reference as if fully set forth in this warrant.

Limited Obligations

This warrant and all other payment obligations under the Indenture are limited obligations of the Issuer payable solely out of the General Trust Estate and the Series 2013 Subordinate Lien Trust Estate (together, the “Trust Estate”). The indebtedness acknowledged by this warrant shall not constitute or give rise to an indebtedness or liability of, and shall not constitute a charge against, the general credit or taxing powers of the Issuer or of the State of Alabama.

Security for Payment

The Indenture provides for the issuance of Secured Obligations from time to time in one or more series. Secured Obligations are issuable in two classes: (i) Senior Lien Obligations, which have a first priority lien with respect to right of payment from the General Trust Estate, and (ii) Subordinate Lien Obligations, which have a second priority lien with respect to right of payment from the General Trust Estate. The Series 2013-C Warrants are being issued as Subordinate Lien Obligations and are also referred to in the Indenture as “Series 2013 Subordinate Lien Obligations”. Senior Lien Obligations and additional Series 2013 Subordinate Lien Obligations have been issued simultaneously with the issuance of the Series 2013-C Warrants. The Indenture permits the issuance of additional Subordinate Lien Obligations secured on a parity of lien with the Series 2013 Subordinate Lien Obligations, upon compliance with certain provisions of the Indenture. The Indenture also permits the issuance of additional Senior Lien Obligations without the consent of Holders of Series 2013 Subordinate Lien Obligations, upon compliance with certain provisions of the Indenture.

Payment of the Series 2013 Subordinate Lien Obligations is further secured by the Series 2013 Subordinate Lien Trust Estate, which includes the Series 2013 Subordinate Lien Indenture Funds described in the Indenture, and which is held by the Trustee for the sole benefit of Holders of the Series 2013 Subordinate Lien Obligations.

Secured Obligation Documents

Copies of the Secured Obligation Documents are on file at the Office of the Trustee, and reference is hereby made to such instruments for a description of the properties pledged and assigned, the nature and extent of the security, the respective rights thereunder of the Holders of this warrant and the Financing Participants, and the terms upon which the Series 2013-C Warrants are, and are to be, authenticated and delivered.

Transfer, Registration, Exchange and Payment Provisions

The ownership, transfer, exchange and payment of Series 2013-C Warrants shall be governed by the Book Entry System administered by DTC until the Book Entry System is terminated pursuant to the terms and conditions of the Indenture. If the Book Entry System is terminated, the Indenture provides alternate provisions for the ownership, transfer, registration, exchange and payment of Series 2013-C Warrants.

Accretion of Interest Prior to Current Interest Commencement Date

Prior to the Current Interest Commencement Date, this warrant is payable only at optional redemption and will not pay interest on a current basis. Interest on this warrant shall accrete in value from and including the date of initial delivery, compounded semiannually on each Compounding Date, until the Current Interest Commencement

Date at the effective per annum rate required to produce the yield to Current Interest Commencement Date indicated above.

Computation of Interest Accretion Prior to Current Interest Commencement Date

Prior to the Current Interest Commencement Date, interest on this warrant shall accrete on the basis of a 360-day year with 12 months of 30 days each. Accretion between such dates shall be determined using linear interpolation.

Applicable Interest Rate From the Current Interest Commencement Date

From and after the Current Interest Commencement Date, the applicable interest rate for this warrant is specified above.

Computation of Interest Accrual From the Current Interest Commencement Date

From and after the Current Interest Commencement Date, interest on the Series 2013-C Warrants shall be computed on the basis of a 360-day year with 12 months of 30 days each.

Interest Payment Dates from the Current Interest Commencement Date

Interest on Series 2013-C Warrants accruing from and after the Current Interest Commencement Date is payable on the following dates: *[specify from Indenture]*.

Regular Record Date for Interest Payments From the Current Interest Commencement Date

From and after the Current Interest Commencement Date, if the Book Entry System is in effect, the Trustee shall pay interest on this warrant to DTC, and interest shall be distributed to the Holder of this warrant in accordance with the rules and operational arrangements of DTC. If the Book Entry System is terminated, the interest due on any Interest Payment Date with respect to this warrant shall be payable to the Holder of this warrant on the Regular Record Date for such Interest Payment Date.

Special Record Date for Defaulted Interest

Any Defaulted Interest shall forthwith cease to be payable to the Holder on the relevant Regular Record Date solely by virtue of such Holder having been such Holder; and such Defaulted Interest shall be paid by the Issuer to the persons in whose name this warrant is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed as provided in the Indenture.

Interest on Overdue Payments

Interest shall be payable on overdue principal on this warrant and (to the extent legally enforceable) on any overdue installment of interest on this warrant at the Post-Default Rate specified in the Indenture.

Authorized Denominations

Prior to the Current Interest Commencement Date, the Series 2013-C Warrants may be in denominations of *[specify from Indenture]*. From and after the Current Interest Commencement Date, the Series 2013-C Warrants may be in denominations of *[specify from Indenture]* or any integral multiple thereof.

Currency of Payment

Payment of Debt Service on this warrant shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

Redemption Prior to Maturity

The Series 2013-C Warrants will be subject to redemption prior to their respective Maturity Dates as follows:

[Specify applicable redemption provisions from Section 7.1.]

If less than all of the Series 2013-C Warrants outstanding are being redeemed, the Indenture provides procedures for selection of Series 2013-C Warrants to be redeemed.

Notice of redemption of any Series 2013-C Warrant shall be given to the affected Holder not less than 20 days prior to the redemption date. If the Book Entry System is in effect, notice of redemption shall be given to DTC and shall be forwarded by DTC to Holders through methods established by the rules and operational arrangements of the Book Entry System. If the Book Entry System is not in effect, notice shall be given to Holders by certified mail.

A notice of optional redemption may state that the redemption of Series 2013-C Warrants is contingent upon specified conditions, such as receipt of a specified source of funds or the occurrence of specified events. If the conditions for such redemption are not met, the Issuer shall not be required to redeem the Series 2013-C Warrants (or portions thereof) identified in such notice, and any Series 2013-C Warrants surrendered on the specified redemption date shall be returned to the Holders of such Series 2013-C Warrants.

On the applicable redemption date, an amount of money sufficient to pay the redemption price of all the Series 2013-C Warrants which are to be redeemed on that date shall be deposited with the Trustee, unless the notice of redemption specified contingencies that were not met on the redemption date. Such money shall be held in trust for the benefit of the persons entitled to such redemption price and shall not be deemed to be part of the Trust Estate.

If notice of redemption is given and any conditions to such redemption are met, the Series 2013-C Warrants to be redeemed shall become due and payable on the redemption date at the applicable redemption price, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Series 2013-C Warrants shall cease to bear interest.

If the Book Entry System is in effect, partial redemption of any Series 2013-C Warrant shall be effected in accordance with the Book Entry System. If the Book Entry System has been terminated, any Series 2013-C Warrant which is to be redeemed only in part shall be surrendered at the Office of the Trustee with all necessary endorsements for transfer, and the Issuer shall execute and the Trustee shall authenticate and deliver to the Holder of such Series 2013-C Warrant, without service charge, a new Series 2013-C Warrant or Series 2013-C Warrants of the same Tenor and of any Authorized Denomination or Denominations as requested by such Holder in aggregate principal amount or Accreted Value equal to and in exchange for the unredeemed portion of the principal or Accreted Value of the Series 2013-C Warrant surrendered.

The Indenture permits the Issuer to purchase Series 2013-C Warrants that have been called for optional redemption in lieu of retiring such Series 2013-C Warrants on the redemption date. No notice to Holders is required in connection with a purchase in lieu of redemption.

Remedies

If an "Indenture Default", as defined in the Indenture, shall occur, the principal or Accreted Value of all Secured Obligations then Outstanding may become or be declared due and payable in the manner and with the effect provided in the Indenture.

The Holder of this warrant shall have no right to enforce the provisions of the Indenture, or to institute any action to enforce the covenants therein, or to take any action with respect to any default thereunder, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as specified in the Indenture.

Amendments and Waivers

The Indenture permits the amendment of the Secured Obligation Documents and waivers of past defaults under such Documents and the consequences of such defaults, in certain circumstances without consent of Holders and in other circumstances with the consent of the Holders of all Secured Obligations or a specified percentage of such Holders or a specified percentage of the Holders of the Senior Lien Obligations. Any such consent or waiver by the Holder of this warrant shall be conclusive and binding upon such Holder and upon all future Holders of this warrant and of any Series 2013-C Warrant issued in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this warrant.

Exoneration of Public Officials, Officers and Employees of the Issuer

No recourse under or upon any covenant or agreement of the Indenture, or of any Series 2013-C Warrants, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future public official, officer or employee of the Issuer, or of any successor, either directly or through the Issuer, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that the Indenture and the Series 2013-C Warrants are solely corporate obligations, and that no personal or pecuniary liability whatever shall attach to, or is or shall be incurred by, any public official, officer or employee of the Issuer or any successor, or any of them, because of the issuance of the Series 2013-C Warrants, or under or by reason of the covenants or agreements contained in the Indenture or in any Series 2013-C Warrants or implied therefrom. The provisions of this paragraph are not intended to preclude the enforcement of remedies provided for in the Indenture against the Trust Estate secured by the Indenture.

* * *

It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and laws of the State to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and issuance of this warrant do exist, have happened and have been performed in due time, form and manner as required by law.

Unless the certificate of authentication hereon has been executed by the Trustee by manual signature, this warrant shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

[Balance of page intentionally left blank.]

IN WITNESS WHEREOF, the Issuer has caused this warrant to be duly executed under its corporate seal.

Dated: Date of initial delivery of this warrant identified above.

JEFFERSON COUNTY, ALABAMA

By: _____
President

[SEAL]

Attest:

Minute Clerk

Registration Certificate

I hereby certify that this warrant has been duly registered by me as a claim against Jefferson County, Alabama, payable solely from the Trust Estate referred to herein.

Date of Registration: _____

Treasurer of Jefferson County, Alabama

Certificate of Authentication

This is one of the Warrants referred to in the within-mentioned Indenture. The Series 2013-C Warrants have been issued as Subordinate Lien Obligations under the terms of the Indenture.

Date of authentication: _____

[FULL NAME OF TRUSTEE],
as Trustee

By _____
Authorized Officer

Assignment

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto [Please insert name and taxpayer identification number] _____ this warrant and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer this warrant on the books of the within named Issuer at the office of the within named Trustee, with full power of substitution in the premises.

Dated: _____

NOTE: The name signed to this assignment must correspond with the name of the payee written on the face of the within warrant in all respects, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

(Bank or Trust Company)

By _____
(Authorized Officer)

*Signature(s) must be guaranteed by an eligible guarantor institution which is a member of the recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

EXHIBIT 5.3(e)

**Schedule of Compound Accreted Value
for
Series 2013-C Warrants**

[To be added]

EXHIBIT 5.4(c)

Form of Series 2013-D Warrants

VALIDATED AND CONFIRMED BY JUDGMENT AND CONFIRMATION ORDER OF THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA, ENTERED ON THE ___ DAY OF _____, 2013.

Jefferson County, Alabama

Subordinate Lien Sewer Revenue Current Interest Warrant, Series 2013-D

Number:

Date of Initial Delivery:

Maturity Date:

Interest Rate:

CUSIP:

JEFFERSON COUNTY, ALABAMA, a political subdivision of the State of Alabama (the "Issuer", which term includes any successor under the Indenture hereinafter referred to), for value received, hereby acknowledges itself indebted to

CEDE & CO.,

or registered assigns, and directs the Trustee (as hereinafter defined) to pay (but solely from the sources hereinafter identified) the principal sum of

_____ **DOLLARS**

on the Maturity Date specified above and to pay interest hereon from the date of initial delivery of this warrant, or the most recent date to which interest has been paid or duly provided for, until the principal hereof shall become due and payable at the applicable interest rate specified above; provided, however, that all such payments shall be limited obligations of the Issuer payable solely from the sources hereinafter identified.

Authorizing Document

This warrant is issued pursuant to a Trust Indenture dated [December 1, 2013] (the "Indenture"), between the Issuer and [Full Name of Trustee], a _____ (the "Trustee", which term includes any successor trustee under the Indenture). This warrant is part of a series of warrants issued by the Issuer under the Indenture in the aggregate principal amount of [\$Amount] and designated "Subordinate Lien Sewer Revenue Current Interest Warrants, Series 2013-D" (the "Series 2013-D Warrants"). Capitalized terms not otherwise defined herein shall have the meaning assigned in the Indenture. The provisions of the Indenture are hereby incorporated by reference as if fully set forth in this warrant.

Limited Obligations

This warrant and all other payment obligations under the Indenture are limited obligations of the Issuer payable solely out of the General Trust Estate and the Series 2013 Subordinate Lien Trust Estate (together, the "Trust Estate"). The indebtedness acknowledged by this warrant shall not constitute or give rise to an indebtedness or liability of, and shall not constitute a charge against, the general credit or taxing powers of the Issuer or of the State of Alabama.

Security for Payment

The Indenture provides for the issuance of Secured Obligations from time to time in one or more series. Secured Obligations are issuable in two classes: (i) Senior Lien Obligations, which have a first priority lien with respect to right of payment from the General Trust Estate, and (ii) Subordinate Lien Obligations, which have a second priority lien with respect to right of payment from the General Trust Estate. The Series 2013-D Warrants are being issued as Subordinate Lien Obligations and are also referred to in the Indenture as "Series 2013 Subordinate Lien Obligations". Senior Lien Obligations and additional Series 2013 Subordinate Lien Obligations have been issued simultaneously with the issuance of the Series 2013-D Warrants. The Indenture permits the issuance of additional Subordinate Lien Obligations secured on a parity of lien with the Series 2013 Subordinate Lien Obligations, upon compliance with certain provisions of the Indenture. The Indenture also permits the issuance of additional Senior Lien Obligations without the consent of Holders of Series 2013 Subordinate Lien Obligations, upon compliance with certain provisions of the Indenture.

Payment of the Series 2013 Subordinate Lien Obligations is further secured by the Series 2013 Subordinate Lien Trust Estate, which includes the Series 2013 Subordinate Lien Indenture Funds described in the Indenture, and which is held by the Trustee for the sole benefit of Holders of the Series 2013 Subordinate Lien Obligations.

Secured Obligation Documents

Copies of the Secured Obligation Documents are on file at the Office of the Trustee, and reference is hereby made to such instruments for a description of the properties pledged and assigned, the nature and extent of the security, the respective rights thereunder of the Holders of this warrant and the Financing Participants, and the terms upon which the Series 2013-D Warrants are, and are to be, authenticated and delivered.

Transfer, Registration, Exchange and Payment Provisions

The ownership, transfer, exchange and payment of Series 2013-D Warrants shall be governed by the Book Entry System administered by DTC until the Book Entry System is terminated pursuant to the terms and conditions of the Indenture. If the Book Entry System is terminated, the Indenture provides alternate provisions for the ownership, transfer, registration, exchange and payment of Series 2013-D Warrants.

Applicable Interest Rate

The applicable interest rate for this warrant is specified above.

Computation of Interest Accrual

Interest on Series 2013-D Warrants shall be computed on the basis of a 360-day year with 12 months of 30 days each.

Interest Payment Dates

Interest on Series 2013-D Warrants is payable on the following dates: *[specify from Indenture]*.

Regular Record Date for Interest Payments

If the Book Entry System is in effect, the Trustee shall pay interest on this warrant to DTC, and interest shall be distributed to the Holder of this warrant in accordance with the rules and operational arrangements of DTC. If the Book Entry System is terminated, the interest due on any Interest Payment Date with respect to this warrant shall be payable to the Holder of this warrant on the Regular Record Date for such Interest Payment Date.

Special Record Date for Defaulted Interest

Any Defaulted Interest shall forthwith cease to be payable to the Holder on the relevant Regular Record Date solely by virtue of such Holder having been such Holder; and such Defaulted Interest shall be paid by the

Issuer to the persons in whose name this warrant is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed as provided in the Indenture.

Interest on Overdue Payments

Interest shall be payable on overdue principal on this warrant and (to the extent legally enforceable) on any overdue installment of interest on this warrant at the Post-Default Rate specified in the Indenture.

Authorized Denominations

Series 2013-D Warrants may be in denominations of \$5,000 or any integral multiple thereof.

Currency of Payment

Payment of Debt Service on this warrant shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

Redemption Prior to Maturity

The Series 2013-D Warrants will be subject to redemption prior to their respective Maturity Dates as follows:

[Specify applicable redemption provisions from Section 7.1.]

If less than all Series 2013-D Warrants outstanding are being redeemed, the Indenture provides procedures for selection of Series 2013-D Warrants to be redeemed.

Notice of redemption of any Series 2013-D Warrant shall be given to the affected Holder not less than 20 days prior to the redemption date. If the Book Entry System is in effect, notice of redemption shall be given to DTC and shall be forwarded by DTC to Holders through methods established by the rules and operational arrangements of the Book Entry System. If the Book Entry System is not in effect, notice shall be given to Holders by certified mail.

A notice of optional redemption may state that the redemption of Series 2013-D Warrants is contingent upon specified conditions, such as receipt of a specified source of funds or the occurrence of specified events. If the conditions for such redemption are not met, the Issuer shall not be required to redeem the Series 2013-D Warrants (or portions thereof) identified in such notice, and any Series 2013-D Warrants surrendered on the specified redemption date shall be returned to the Holders of such Series 2013-D Warrants.

On the applicable redemption date, an amount of money sufficient to pay the redemption price of all the Series 2013-D Warrants which are to be redeemed on that date shall be deposited with the Trustee, unless the notice of redemption specified contingencies that were not met on the redemption date. Such money shall be held in trust for the benefit of the persons entitled to such redemption price and shall not be deemed to be part of the Trust Estate.

If notice of redemption is given and any conditions to such redemption are met, the Series 2013-D Warrants to be redeemed shall become due and payable on the redemption date at the applicable redemption price, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Series 2013-D Warrants shall cease to bear interest.

If the Book Entry System is in effect, partial redemption of any Series 2013-D Warrant shall be effected in accordance with the Book Entry System. If the Book Entry System has been terminated, any Series 2013-D Warrant which is to be redeemed only in part shall be surrendered at the Office of the Trustee with all necessary endorsements for transfer, and the Issuer shall execute and the Trustee shall authenticate and deliver to the Holder of such Series 2013-D Warrant, without service charge, a new Series 2013-D Warrant or Series 2013-D Warrants of the same Tenor and of any Authorized Denomination or Denominations as requested by such Holder in aggregate

principal amount equal to and in exchange for the unredeemed portion of the principal of the Series 2013-D Warrant surrendered.

The Indenture permits the Issuer to purchase Series 2013-D Warrants that have been called for optional redemption in lieu of retiring such Series 2013-D Warrants on the redemption date. No notice to Holders is required in connection with a purchase in lieu of redemption.

Remedies

If an "Indenture Default", as defined in the Indenture, shall occur, the principal or Accreted Value of all Secured Obligations then Outstanding may become or be declared due and payable in the manner and with the effect provided in the Indenture.

The Holder of this warrant shall have no right to enforce the provisions of the Indenture, or to institute any action to enforce the covenants therein, or to take any action with respect to any default thereunder, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as specified in the Indenture.

Amendments and Waivers

The Indenture permits the amendment of the Secured Obligation Documents and waivers of past defaults under such Documents and the consequences of such defaults, in certain circumstances without consent of Holders and in other circumstances with the consent of the Holders of all Secured Obligations or a specified percentage of such Holders or a specified percentage of the Holders of the Senior Lien Obligations. Any such consent or waiver by the Holder of this warrant shall be conclusive and binding upon such Holder and upon all future Holders of this warrant and of any Series 2013-D Warrant issued in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this warrant.

Exoneration of Public Officials, Officers and Employees of the Issuer

No recourse under or upon any covenant or agreement of the Indenture, or of any Series 2013-D Warrants, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future public official, officer or employee of the Issuer, or of any successor, either directly or through the Issuer, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that the Indenture and the Series 2013-D Warrants are solely corporate obligations, and that no personal or pecuniary liability whatever shall attach to, or is or shall be incurred by, any public official, officer or employee of the Issuer or any successor, or any of them, because of the issuance of the Series 2013-D Warrants, or under or by reason of the covenants or agreements contained in the Indenture or in any Series 2013-D Warrants or implied therefrom. The provisions of this paragraph are not intended to preclude the enforcement of remedies provided for in the Indenture against the Trust Estate secured by the Indenture.

* * *

It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and laws of the State to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and issuance of this warrant do exist, have happened and have been performed in due time, form and manner as required by law.

Unless the certificate of authentication hereon has been executed by the Trustee by manual signature, this warrant shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

[Balance of page intentionally left blank.]

IN WITNESS WHEREOF, the Issuer has caused this warrant to be duly executed under its corporate seal.

Dated: Date of initial delivery of this warrant identified above.

JEFFERSON COUNTY, ALABAMA

By: _____
President

[SEAL]

Attest:

Minute Clerk

Registration Certificate

I hereby certify that this warrant has been duly registered by me as a claim against Jefferson County, Alabama, payable solely from the Trust Estate referred to herein.

Date of Registration: _____

Treasurer of Jefferson County, Alabama

Certificate of Authentication

This is one of the Series 2013-D Warrants referred to in the within-mentioned Indenture. The Series 2013-D Warrants have been issued as Subordinate Lien Obligations under the terms of the Indenture.

Date of authentication: _____

[FULL NAME OF TRUSTEE],
as Trustee

By _____
Authorized Officer

Assignment

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto [Please insert name and taxpayer identification number] _____ this warrant and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer this warrant on the books of the within named Issuer at the office of the within named Trustee, with full power of substitution in the premises.

Dated: _____

NOTE: The name signed to this assignment must correspond with the name of the payee written on the face of the within warrant in all respects, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

(Bank or Trust Company)

By _____
(Authorized Officer)

*Signature(s) must be guaranteed by an eligible guarantor institution which is a member of the recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

EXHIBIT 9.2(b)

Requisition

To: [Full Name of Trustee], as trustee under the Indenture referred to below No. _____

Re: Trust Indenture dated [Date] (the "Indenture") between Jefferson County, Alabama and the Trustee
Capitalized terms not otherwise defined herein shall have the meanings assigned in the Indenture.

Request for Payment by the Issuer

The Issuer hereby requests payment from the Revenue Fund.

of \$ _____ to

Name of payee: _____

Address of payee: _____

Such payment will be made for the following purpose(s):

(Note: The Issuer is to describe purpose in reasonable detail. The Trustee shall be entitled to rely upon the certification by the Issuer in the following paragraph with respect to the purpose of this payment and shall not be required to verify that such purpose is authorized by the Indenture or that such purpose will not cause or result in a violation of any covenant in the Tax Certificate and Agreement.)

The Issuer hereby certifies that: (a) such payment is for a purpose permitted in **Section 9.2(a)(8) or (9)** of the Indenture, (b) no Indenture Default exists, and (c) such payment will not cause or result in the violation of any covenant contained in the Tax Certificate and Agreement.

Dated: _____.

JEFFERSON COUNTY, ALABAMA

By: _____
Authorized Issuer Representative

EXHIBIT 9.8(c)

Requisition

To: [Full Name of Trustee], as trustee under the Indenture referred to below No. _____

Re: Trust Indenture dated [Date] (the "Indenture") between Jefferson County, Alabama and the Trustee
Capitalized terms not otherwise defined herein shall have the meanings assigned in the Indenture.

Request for Payment by the Issuer

The Issuer hereby requests payment from the Capital Improvement Fund.

of \$ _____ to

Name of payee: _____

Address of payee: _____

Such payment will be made for the following purpose(s):

(Note: The Issuer is to describe purpose in reasonable detail. The Trustee shall be entitled to rely upon the certification by the Issuer in the following paragraph with respect to the purpose of this payment and shall not be required to verify that such purpose is authorized by the Indenture or that such purpose will not cause or result in a violation of any covenant in the Tax Certificate and Agreement.)

The Issuer hereby certifies that: (a) such payment is for a purpose permitted in *Section 9.8(c)* of the Indenture, (b) no Indenture Default exists, and (c) such payment will not cause or result in the violation of any covenant contained in the Tax Certificate and Agreement.

Dated: _____.

JEFFERSON COUNTY, ALABAMA

By: _____
Authorized Issuer Representative

EXHIBIT 15.1(b)

Directions for Notices

Jefferson County, Alabama

Mailing address:

Jefferson County, Alabama
Attention: County Manager
Room 251, Jefferson County Courthouse
716 Richard Arrington Jr. Boulevard North
Birmingham, Alabama 35203

-and-

Jefferson County, Alabama
Attention: County Attorney
Room 280, Jefferson County Courthouse
716 Richard Arrington Jr. Boulevard North
Birmingham, Alabama 35203

Hand delivery or courier delivery address:

Jefferson County, Alabama
Attention: County Manager
Room 251, Jefferson County Courthouse
716 Richard Arrington Jr. Boulevard North
Birmingham, Alabama 35203

-and-

Jefferson County, Alabama
Attention: County Attorney
Room 280, Jefferson County Courthouse
716 Richard Arrington Jr. Boulevard North
Birmingham, Alabama 35203

Email address:

Facsimile transmissions:

[Full Name of Trustee]

Mailing address:

Hand delivery or courier delivery address:

Email address:

Facsimile transmissions:

Exhibit 3

Put Agreement

PUT AGREEMENT

by and among

JEFFERSON COUNTY, ALABAMA

and

THE SUPPORTING WARRANTHOLDERS PARTY HERETO

Dated as of _____, 2013

This Put Agreement (this “Agreement”), dated as of _____ 2013, is made by and among Jefferson County, Alabama (the “County”) and the Supporting Warrantholders, as defined below (the initial Supporting Warrantholders are identified on Schedule 1 hereto).

RECITALS

WHEREAS, the County, JPMorgan Chase Bank, N.A. (“JPMorgan”) and the holders of Sewer Warrants listed on Schedule 1 hereto, as the same may be updated from time to time, (together with their successors and assigns, the “Supporting Warrantholders”) have entered into a certain Plan Support Agreement (the “Ad Hoc Plan Support Agreement”), dated as of June 6, 2013 (each capitalized term used but not defined herein has the meaning given to it in the Ad Hoc Plan Support Agreement);

WHEREAS, the Ad Hoc Plan Support Agreement and Plan Term Sheet contemplate the issuance of New Sewer Warrants pursuant to an underwritten offering (the “Offering”) and the entry by the Supporting Warrantholders into this Agreement with the County on terms mutually acceptable to them;

WHEREAS, on July 23, 2013, the County filed with the Bankruptcy Court the Chapter 9 Plan of Adjustment for Jefferson County (as from time to time amended, the “Plan”);

WHEREAS, the County has retained Citigroup Global Markets Inc. as lead underwriter (the “Lead Underwriter,” and together with all other underwriters participating in the Offering, the “Underwriters”); and

WHEREAS, in consideration of the Put Premium (as defined below) to be paid hereunder, each Supporting Warrantholder severally and not jointly has agreed to give the County the right to put and sell to each Supporting Warrantholder, its Share (as defined below) of certain New Sewer Warrants not sold to investors other than the Underwriters in the Offering (“Unsold Warrants”) on the terms and conditions set forth herein;

NOW THEREFORE, in consideration of the foregoing, and the representations, warranties and covenants set forth herein, and other good and valuable consideration, the County and the Supporting Warrantholders agree as follows:

Section 1. The Put.

(a) Put. Each Supporting Warrantholder, by executing and delivering this Agreement, hereby severally, and not jointly, grants the County the right to sell to such Supporting Warrantholder, and to require each such Supporting Warrantholder to purchase its Share of each and every series and maturity of New Sewer Warrants (by CUSIP) (a “Relevant Maturity”) of Unsold Warrants in the amount that is the lesser of (A) 50% of the Unsold Warrants of such Relevant Maturity and (B) the amount of Unsold Warrants of such Relevant Maturity that the Underwriters are unwilling to hold for their own account (the “Put Warrants”) at the Exercise Price (as defined below), all on the terms and subject to the conditions set forth herein (the “Put”). If the Put is exercised by the County, then the Put Warrants shall be issued and delivered to such Supporting Warrantholder in the same manner and with the same timing as the New Sewer Warrants that are issued and delivered to other purchasers of New Sewer

Warrants by the Underwriters pursuant to the Offering. The period during which the County may exercise the Put (the “Exercise Period”), subject to certain conditions hereinafter provided, commences on the date when at least 80%, but less than 100%, of each Relevant Maturity of New Sewer Warrants has been subscribed for by Persons other than the Underwriters in the Offering; and the Exercise Period terminates upon the earlier of (A) two (2) business days following the date (the “WPA Date”) on which the Underwriters execute a warrant purchase agreement (the “Warrant Purchase Agreement”) with the County to purchase the New Sewer Warrants and (B) December 20, 2013 (or such later date as extended by the Majority Eligible Warranholders in accordance with Section 8.1(o)(v) of the Ad Hoc Plan Support Agreement, which shall in no event be later than December 31, 2013).

(b) Put Premium. The “New Sewer Warrant Closing” is the date the Offering is consummated by the issuance and delivery of New Sewer Warrants to the Underwriters. Contemporaneously with the New Sewer Warrant Closing, the County shall pay to each Supporting Warranholder cash in an amount equal to its Share of 1.5% of the Adjusted Sewer Warrant Principal Amount (as defined in the Plan) of Eligible Sewer Warrants held by the Supporting Warranholders (the “Put Premium”) as of the Distribution Record Date (as defined in the Plan) by wire transfer of immediately available funds to the accounts specified by such Supporting Warranholder in its Warranholder Notice (as defined below). Such wire transfers shall be made by the trustee under the indenture that secures the New Sewer Warrants (the “New Sewer Warrant Trustee”). The Put Premium is deemed earned by the Supporting Warranholders upon execution of this Agreement and is payable to each Supporting Warranholder from the proceeds of the Offering whether or not the County exercises the Put. Each Supporting Warranholder shall deliver a notice to the County (for delivery to the New Sewer Warrant Trustee), in the form attached as Exhibit A hereto (the “Warranholder Notice”), specifying such Supporting Warranholder’s wire instructions and the calculation of its Share of the Put Premium, which notice shall be delivered no later than three (3) Business Days prior to the New Sewer Warrant Closing; provided, however that a Supporting Warranholder’s delay in delivering the Warranholder Notice shall not preclude it from receiving the Put Premium, which shall be delivered no later than three (3) Business Days following the receipt of such late Warranholder Notice.

(c) Exercise of Put by the County. The County may exercise the Put only if, during the Exercise Period:

(i) the Lead Underwriter delivers a certificate to lead counsel to the Supporting Warranholders (with a copy to the County) that certifies, to each Supporting Warranholder, (A) that the Underwriters have sold in the Offering at least 80% of each Relevant Maturity to Persons other than the Underwriters, but have failed to sell 100% of any such Relevant Maturity because a market clearing price consistent with the Financing Plan (as defined in the Plan) or otherwise acceptable to the County does not exist for such Relevant Maturity, (B) that one or more of the Underwriters have agreed to purchase, initially for their own account, at least 50% of the Unsold Warrants of each Relevant Maturity at the Sales Price, and the Underwriters have elected to purchase or retain, initially for their own account, less than 100% of all Unsold Warrants in one or more Relevant Maturities, and (C) that all conditions to the exercise of the Put have been satisfied;

(ii) the lead counsel to the Supporting Warrantholders receives a certificate of the President of the County Commission (A) that the warranties and representations made by the County in this Agreement are true and correct in all material respects and all conditions to the exercise of the Put have been satisfied and (B) that attached to such certificate is a true and correct copy of the final Official Statement and the executed Warrant Purchase Agreement;

(iii) each Supporting Warrantholder has received (or, contemporaneously with the New Sewer Warrant Closing, shall receive) payment of the Put Premium and all other distributions payable to the Supporting Warrantholder as provided in the Ad Hoc Plan Support Agreement;

(iv) the Lead Underwriter consents to the exercise of the Put by the County by advising the County in writing that it has determined not to purchase all of the Unsold Warrants of a Relevant Maturity; and

(v) each other condition of this Agreement and the Ad Hoc Plan Support Agreement has been fulfilled, the Plan has been confirmed, and the effective date of the Plan (the "Effective Date") will occur contemporaneously with the New Sewer Warrant Closing.

If the County elects to exercise the Put, then (1) the County shall deliver to each Supporting Warrantholder a notice of exercise in the form attached as Exhibit B (the "Notice of Exercise"), (2) the County shall issue and sell to each Supporting Warrantholder, and each Supporting Warrantholder shall purchase its Share of the Put Warrants (the "Purchased Warrants") by paying the "Exercise Price" as set forth in Section 1(e) below; and (3) the Lead Underwriter, on behalf of the County, shall deliver to each Supporting Warrantholder the Purchased Warrants.

(d) Exercise Price. The "Exercise Price" means an amount equal to the aggregate sum, for each Relevant Maturity, of (x) the product of (A) the Sales Price (as defined below), expressed as a percentage, for each Relevant Maturity, multiplied (B) by the aggregate principal amount of the Put Warrants in each Relevant Maturity multiplied by (y) such Supporting Warrantholder's Share, based on the following definitions:

(i) "Sales Price" means, for any Relevant Maturity, the discount from par or premium above par, if any, and interest coupon at which at least 80% of the aggregate principal amount of such applicable New Sewer Warrant was sold by the Underwriters to one or more Persons, as specified in the Warrant Purchase Agreement.

(ii) "Share" with respect to each Supporting Warrantholder shall mean the percentage equal to the Adjusted Sewer Warrant Principal Amount of Eligible Sewer Warrants held by such Supporting Warrantholder as of the Distribution Record Date divided by the Adjusted Sewer Warrant Principal Amount of Eligible Sewer Warrants held by all Supporting Warrantholders as of the Distribution Record Date.

(e) Payment of Exercise Price. In consideration for the Purchased Warrants, each Supporting Warrantholder shall pay the Exercise Price by exchanging Eligible Sewer Warrants held by such Supporting Warrantholder as of the Distribution Record Date valued at 80.00% of the Adjusted Sewer Warrant Principal Amount of such Eligible Sewer Warrants in lieu of the

equivalent amount of cash that would otherwise be distributable to such Supporting Warrantholder under the Plan on account of such Eligible Sewer Warrants; provided, however, that such an exchange shall not prejudice each Supporting Warrantholder's entitlement to payment of cash distributions under the Plan on account of: (i) the Reinstated Sewer Warrant Interest Payments and Reinstated Sewer Principal Payments; (ii) the Adjusted Sewer Warrant Principal Amount of the remaining Eligible Sewer Warrants held by such Supporting Sewer Warrantholder as of the Distribution Date that have not been exchanged by such Supporting Warrantholder as the Exercise Price for the Purchased Warrants; and (iii) 3.46% of the Adjusted Sewer Warrant Principal Amount of all the Eligible Sewer Warrants held by such Supporting Sewer Warrantholder as of the Distribution Date as the Supporting Sewer Warrantholder Directed Distribution (as defined in the Plan). If the County elects to exercise the Put, the Warrantholder Notice shall also specify the Adjusted Sewer Warrant Principal Amount of Eligible Sewer Warrants that will be exchanged for the Purchased Warrants as well the Adjusted Sewer Warrant Principal Amount of Eligible Sewer Warrants that will receive cash distribution under the Plan, with the foregoing calculation to be made in accordance with the Ad Hoc Plan Support Agreement and this Agreement.

(f) Authorized Denominations. Notwithstanding anything herein to the contrary, to the extent the calculation of a Supporting Warrantholder's Share results in the obligation of the Supporting Warrantholder to purchase, and the Lead Underwriter, on behalf of the County, to deliver, New Sewer Warrants in denominations less than Authorized Denominations (as such term is defined in the New Sewer Warrant Indenture, which amount shall not exceed \$5,000), to the extent applicable for the Relevant Series, then such purchase and delivery obligations shall be automatically rounded down to the nearest Authorized Denomination for such Relevant Maturity, such that all Unsold Warrants are purchased either by the Underwriters or pursuant to the Put. The Underwriters shall purchase, initially for their own account, any portion of the Put Warrants not sold to the Supporting Warrantholders as a result of such rounding.

(g) Deliverables by the County on the New Sewer Warrant Closing. At the New Sewer Warrant Closing, the County shall deliver or cause to be delivered:

(i) to each Supporting Warrantholder, the Put Premium in accordance with Section 1(b); and

(ii) if the County exercises the Put, the Lead Underwriter shall deliver, on behalf of the County, to each Supporting Warrantholder, the Purchased Warrants, each Relevant Maturity of which shall be fungible in all respects with and bear the same CUSIP as all other New Sewer Warrants of the same series and maturity sold in the Offering; and

(iii) to lead counsel to the Supporting Warrantholders, a certificate duly executed by the Lead Underwriter as required by Section 1(c)(i) and a certificate duly executed by the President of the County Commission as required by Section 5(a)(v).

Section 2. Representations and Warranties of the County. The County represents, warrants and covenants to each Supporting Warrantholder that the statements set forth in this Section 2 are true, correct, and complete as follows:

(a) Valid and Binding Obligation; Due Authorization. As of the date of execution of this Agreement, as of the WPA Date, and as of the New Sewer Warrant Closing, (i) this Agreement is a legal, valid, and binding obligation of the County, enforceable against the County in accordance with its terms, and (ii) the actions to be taken by the County, including in respect of the issuance of the New Sewer Warrants contemplated by this Agreement, are within the County's powers and have been duly authorized by all necessary action on its part.

(b) No Conflict. As of the date of execution of this Agreement, as of the WPA Date, and as of the New Sewer Warrant Closing, the execution, delivery, and performance by the County of this Agreement does not and shall not: (i) violate any law, rule, or regulation applicable to the County; (ii) violate its constituent documents; or (iii) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any material contractual obligation to which it is a party.

(c) Consents and Approvals. As of the date of execution of this Agreement, as of the WPA Date, and as of the New Sewer Warrant Closing, (i) the execution, delivery, and performance by the County of this Agreement does not and shall not require any registration or filing with, consent or approval of, or notice to, or other action to, with or by, any Federal, state, or other governmental authority or regulatory body, in each case, that has not been obtained on or prior to the date hereof, (ii) any registration or filing with, consent or approval of, or notice to, or other action to, with or by, any Federal, state, or other governmental authority or regulatory body that is required before the County can execute, deliver, and perform this Agreement, shall have been completed, received, or given, as the case may be, on or prior to the New Sewer Warrant Closing, and (iii) the County has duly approved the Offering and the Official Statement and continuing disclosure agreement used in connection with the Offering, and authorized the execution, delivery, and performance by the County of the terms of this Agreement and the transactions contemplated hereby, and such approval has not been rescinded or amended in any respect.

(d) Compliance with Agreements. As of the WPA Date and as of the New Sewer Warrant Closing, the County has complied with all obligations under the Ad Hoc Plan Support Agreement with which it is required to comply and the Ad Hoc Plan Support Agreement is in full force and effect.

(e) Other Information. As of the WPA Date, the County has delivered to lead counsel to the Supporting Warrantholders the Warrant Purchase Agreement, the preliminary official statement, the Official Statement, the continuing disclosure agreement, and the indenture relating to the New Sewer Warrants with sufficient time to review and comment.

Section 3. Representations and Warranties of the Supporting Warrantholders. Each Supporting Warrantholder, severally and not jointly, represents, warrants and covenants to the County that the statements set forth in this Section 3 are true, correct, and complete as follows:

(a) Valid and Binding Obligation; Due Authorization. As of the date of execution of this Agreement and as of the New Sewer Warrant Closing, this Agreement is a legal, valid, and binding obligation of such Supporting Warrantholder, enforceable against such Supporting Warrantholder in accordance with its terms, except as enforcement may be limited by applicable

laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability, and the actions to be taken by such Supporting Warrantholder are within such Supporting Warrantholder's powers and have been duly authorized by all necessary action on its part.

(b) No Conflict. As of the date of execution of this Agreement and as of the New Sewer Warrant Closing, the execution, delivery, and performance by such Supporting Warrantholder of this Agreement does not and shall not: (i) violate any law, rule, or regulation applicable to such Supporting Warrantholder; (ii) violate its certificate of incorporation, by-laws, partnership, or limited liability company agreement or other organizational documents, as applicable; or (iii) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any material contractual obligation to which it is a party.

(c) Consents and Approvals. As of the date of execution of this Agreement and as of the New Sewer Warrant Closing, (i) the execution, delivery, and performance by such Supporting Warrantholder of this Agreement does not and shall not require any registration or filing with, consent or approval of, or notice to, or other action to, with or by, any Federal, state, or other governmental authority or regulatory body, in each case, that has not been obtained on or prior to the date hereof, (ii) any registration or filing with, consent or approval of, or notice to, or other action to, with or by, any Federal, state, or other governmental authority or regulatory body that is required before such Supporting Warrantholder can execute, deliver, and perform this Agreement, shall have been completed, received, or given, as the case may be, on or prior to the New Sewer Warrant Closing, and (iii) such Supporting Warrantholder has duly authorized the execution, delivery, and performance by such Supporting Warrantholder of this Agreement and the transactions contemplated hereby in full compliance with such Supporting Warrantholder's certificate of incorporation, by-laws, partnership, or limited liability company agreement or other organizational documents, as applicable, and such approval has not been rescinded or amended in any respect.

(d) Compliance with Agreements. As of the New Sewer Warrant Closing, such Supporting Warrantholder has complied with all obligations under the Ad Hoc Plan Support Agreement with which such Supporting Warrantholder is required to comply, and the Ad Hoc Plan Support Agreement is in full force and effect

Section 4. Further Assurances. Each party hereto shall execute and deliver, or cause to be executed and delivered, such further instruments or documents or take such other action as may be reasonably requested by any other party as necessary to carry out the transactions contemplated hereby.

Section 5. Conditions to the Obligations of the Parties.

(a) Conditions to the Obligations of the Supporting Warrantholders. In addition to the conditions set forth in Section 1(c), the obligation of each Supporting Warrantholder to purchase the Purchased Warrants pursuant hereto on the New Sewer Warrant Closing is subject to the satisfaction of each of the following conditions:

(i) Effective Date. The Effective Date shall occur contemporaneously with the New Sewer Warrant Closing.

(ii) Representations, Warranties, and Covenants. The representations and warranties of the County in this Agreement are true and correct in all material respects as of the New Sewer Warrant Closing, and the County has, as of the New Sewer Warrant Closing, duly performed and complied with all of the material obligations, covenants and conditions to be performed or complied with in this Agreement and the Ad Hoc Plan Support Agreement except to the extent such performance or compliance has been waived or cured pursuant to the terms hereof and thereof, as applicable.

(iii) Offering. The Offering shall have been conducted in all respects in accordance with the Ad Hoc Plan Support Agreement. Each Supporting Warrantholder shall have received from the County the deliverables required pursuant to Section 1(g) hereof.

(iv) No Restraint. No Order shall prohibit the consummation of the Plan, the Offering, the New Sewer Warrant Closing, or the other transactions contemplated hereby and thereby.

(v) Officer's Certificate. The lead counsel to the Supporting Warrantholders shall have received a certificate of the President of the County Commission that as of the New Sewer Warrant Closing (A) each condition to closing of the Put has been satisfied and (B) each representation and warranty of the County in this Agreement is true and correct in all material respects.

(vi) Bond Counsel Opinion. Nationally recognized bond counsel shall have rendered its opinion, in customary form, that interest on the New Sewer Warrants will be excluded from gross income for federal income tax purposes.

(vii) New Sewer Warrant Closing by the Lead Underwriter. The sale of New Sewer Warrants, as certified by the Lead Underwriter pursuant to Section 1(c)(i), has been consummated and the County has received the proceeds therefrom.

(viii) Ad Hoc Plan Support Agreement. The Ad Hoc Plan Support Agreement remains in effect and has not been terminated in accordance with its terms.

(b) Conditions to the Right of the County. The right of the County to sell (after the Put has been exercised in accordance herewith) the Put Warrants to the Supporting Warrantholders on the New Sewer Warrant Closing is subject to the satisfaction of the following conditions:

(i) Effective Date. The Effective Date shall occur contemporaneously with the New Sewer Warrant Closing.

(ii) Representations, Warranties, and Covenants. The representations and warranties of each Supporting Warrantholder in this Agreement are true and correct in all material respects as of the New Sewer Warrant Closing, and each Supporting Warrantholder has, as of the New Sewer Warrant Closing, duly performed and complied with all of the material

obligations, covenants and conditions to be performed or complied with by it in this Agreement and the Ad Hoc Plan Support Agreement except to the extent such performance or compliance has been waived or cured pursuant to the terms hereof and thereof, as applicable.

(iii) No Restraint. No Order shall prohibit the consummation of the Plan, the Offering, the New Sewer Warrant Closing, or the other transactions hereby and thereby contemplated.

(c) Mutual Understanding. For the avoidance of doubt and notwithstanding any other provision of this Agreement to the contrary, the parties recognize and agree that (i) the Put Premium is deemed earned by the Supporting Warrantholders upon execution of this Agreement; (ii) the Put Premium is payable on the New Sewer Warrant Closing Date solely from the proceeds of the Offering; (iii) the Put Premium is payable without regard to whether the Put is exercised; and (iv) each Supporting Warrantholder shall be paid the Put Premium only if such Supporting Warrantholder has delivered the Warrantholder Notice as specified in Section 1(b) hereof.

Section 6. Termination.

(a) Automatic Termination. This Agreement shall automatically terminate if:

(i) Unenforceability. The Bankruptcy Court, or any other court of competent jurisdiction, enters an order declaring that this Agreement is unenforceable.

(ii) Ad Hoc Plan Support Agreement. The Ad Hoc Plan Support Agreement is terminated.

(b) Termination by Mutual Consent. This Agreement may be terminated at any time prior to the New Sewer Warrant Closing upon the mutual written consent of the County and the Majority Eligible Warrantholders.

(c) Termination by Supporting Warrantholders. Prior to the New Sewer Warrant Closing, the Majority Eligible Warrantholders may terminate this Agreement upon written notice to the County if the County violates, breaches, or fails to perform any of its representations, warranties, or covenants contained in this Agreement, such breach or failure to perform would give rise to the failure of any condition to the exercise of the Put set forth herein, and such breach is not remedied by the County by the earlier of (i) fifteen (15) calendar days after receiving written notice of such breach from the Supporting Warrantholders and (ii) the New Sewer Warrant Closing.

(d) Effect of Termination. Upon termination of this Agreement the obligations and agreements of each party hereto shall terminate and be of no further force and effect other than those obligations and agreements that by their terms expressly survive the termination of this Agreement.

Section 7. Transfers, Successors and Assigns. This Agreement is intended to bind and inure to the benefit of the parties hereto and their respective successors and permitted assigns. The County and each Supporting Warrantholder agree that the obligations of each Supporting

Warrantholder hereunder are intended to adhere to the Eligible Sewer Warrants held by such Supporting Warrantholder and shall transfer to and bind any transferee of such Eligible Sewer Warrants. Accordingly, each Supporting Warrantholder shall, in connection with any transfer of an Eligible Sewer Warrant to a holder that is not already a Supporting Warrantholder, cause its transferee to agree to be bound by this Agreement, either by executing a Joinder hereto in the form attached as Exhibit C (the “Joinder”) or by including the terms of such Joinder in the Joinder to the Ad Hoc Plan Support Agreement executed by such transferee, and delivering the same to the County, the transferor, and lead counsel to the Supporting Warrantholders at least three (3) Business Days prior to the settlement of the transfer. In addition, lead counsel to the Supporting Warrantholders shall provide the County with an updated version of Schedule 1 as of the Distribution Record Date. Upon receipt of any such Joinder, the transferring Supporting Warrantholder shall be released of its obligation to purchase the Purchased Warrants hereunder in respect of, and only to the extent of, the Eligible Sewer Warrants so transferred.

Section 8. Miscellaneous Terms.

(a) No Third-Party Beneficiaries. Nothing in this Agreement, express or implied, shall give to any Person or entity, other than the parties hereto and their respective successors, assigns, and representatives, any benefit or any legal or equitable right, remedy, or claim under this Agreement.

(b) Role of Supporting Warrantholders. The County acknowledges that (x) the Supporting Warrantholders are not (and none of them individually is) acting as an underwriter of the Offering, or in any other capacity with respect to the Offering other than solely as a potential purchaser of New Sewer Warrants pursuant to the proper exercise of the Put granted hereunder, (y) the Supporting Warrantholders are not (and none of them individually is) acting as municipal advisors, financial advisors or fiduciaries to the County or any other Person and (z) the only obligations the Supporting Warrantholders have to the County or to any other Person with respect to the transactions contemplated by this Agreement are set forth in this Agreement and the Ad Hoc Plan Support Agreement.

(c) Complete Agreement; Interpretation; Amendment, Modification and Waiver.

(i) This Agreement, together with the Ad Hoc Plan Support Agreement and agreements among the Supporting Warrantholders and all exhibits and schedules attached hereto and thereto, constitutes the complete agreement among the parties hereto with respect to the subject matter hereof and supersedes all prior agreements, oral or written, between or among the parties with respect to the subject matter hereof. The provisions contained in Sections 9.3, 9.7, 9.10, 9.16 and 9.17 of the Ad Hoc Plan Support Agreement are incorporated herein by reference and shall apply to this Agreement, *mutatis mutandis*. In the event of any conflict between this Agreement and the Ad Hoc Plan Support Agreement, this Agreement shall govern.

(ii) This Agreement is the product of negotiation by and among the parties hereto. Any party enforcing or interpreting this Agreement shall interpret it in a neutral manner. There shall be no presumption concerning whether to interpret this Agreement for or against any party hereto by reason of that party having drafted this Agreement, or any portion thereof, or caused it or any portion thereof to be drafted.

(iii) This Agreement may not be modified, amended, or supplemented except in a writing signed by the County and the Majority Eligible Warranholders; provided, that any modification of, or amendment or supplement to, this Agreement that (a) has a disproportionate material adverse effect on any Supporting Warranholder or (b) imposes any additional obligation, cost or liability on any Supporting Warranholder, shall require the written consent of such Supporting Warranholder so affected.

(iv) No waiver of any provision of this Agreement or any default, misrepresentation, or breach of any representation, warranty, or covenant hereunder, whether intentional or not, shall be valid unless that waiver is made in a writing signed by the party or parties making such waiver, nor will such waiver be deemed to extend to any prior or subsequent default, misrepresentation, or breach of any representation, warranty, or covenant hereunder, or affect in any manner any rights arising by virtue of any prior or subsequent default, misrepresentation, or breach of any representation, warranty, or covenant.

(v) The headings of all sections of this Agreement are inserted solely for the convenience of reference and are not a part of and are not intended to govern, limit, or aid in the construction or interpretation of any term or provision hereof.

(vi) “Person” means any natural person, general partnership, limited partnership, limited liability company, association, joint stock company, business trust, or corporation.

(d) Execution of the Agreement. This Agreement may be executed and delivered (by facsimile, PDF, or otherwise) in any number of counterparts, each of which, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same agreement. Delivery of an executed signature page of this Agreement by telecopier or email shall be as effective as delivery of a manually executed signature page of this Agreement. Each party hereto represents that each individual executing this Agreement on behalf of such party has been duly authorized and empowered to execute and deliver this Agreement on behalf of such party.

(e) Several Liability; Individual Status. All obligations and liabilities of the parties hereunder are several and not joint, and no party to this Agreement shall be liable for any breach or non-performance by any other party to this Agreement. Each Supporting Warranholder hereby agrees that it is (i) executing and delivering this Agreement in its individual capacity and (ii) making its own determination as to whether to execute this Agreement. Neither the execution nor delivery of this Agreement by the Supporting Warranholders, nor the terms and conditions contained herein, shall provide a basis for the establishment or formation of a “group” under section 13(d)(3) of the Securities Exchange Act of 1934, as amended. Each Supporting Warranholder disclaims the beneficial ownership of any securities of the County held by any other Supporting Warranholder and its affiliates. It is understood and agreed that no Supporting Warranholder has any duty of trust or confidence in any form with any other Supporting Warranholder. In this regard, it is understood and agreed that, subject to Sections 3 and 7 of the Ad Hoc Plan Support Agreement, any Supporting Warranholder may trade in the Sewer Warrants or other debt securities of the County without the consent of the County or any other Person, as the case may be, or any other Supporting Warranholder, subject to all applicable

securities laws and the terms of this Agreement and the Ad Hoc Plan Support Agreement; provided, further, that no Supporting Warrantholder shall have any responsibility for any such trading by any other entity by virtue of this Agreement. No prior history, pattern or practice of sharing confidences among or between the Supporting Warrantholders shall in any way affect or negate this understanding and agreement.

(f) Choice of Law. **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ALABAMA, WITHOUT REGARD TO THE “CHOICE OF LAW” PRINCIPLES OF THAT OR ANY OTHER JURISDICTION.** By its execution and delivery of this Agreement, each of the Parties hereby irrevocably and unconditionally agrees that any dispute with respect to this Agreement shall be resolved by the Bankruptcy Court, which shall have non-exclusive jurisdiction and power to enforce the terms of this Agreement. Each of the Parties irrevocably consents to service of process by mail at the addresses listed for such Party in Section 9(h) hereof. Each of the Parties agrees that its submission to jurisdiction and consent to service of process by mail is made for the sole and express benefit of the other Party to this Agreement.

(g) Notices. All notices hereunder shall be given and deemed received in accordance with the provisions of (and to the addresses specified in) the Ad Hoc Plan Support Agreement. A copy of each notice shall be delivered by email to:

Kramer Levin Naftalis & Frankel, LLP
1177 Avenue of the Americas
New York, New York 10036
Attention:
Thomas Moers Mayer, Esq.,
tmayer@kramerlevin.com
Shari Krouner, Esq.,
skrouner@kramerlevin.com

or to any firm retained in place of such firm by the Majority Eligible Warrantholders as lead counsel to the Supporting Warrantholders for which the Supporting Warrantholders have given the County notice in compliance with the Ad Hoc Plan Support Agreement;

to special counsel to the County:

Balch & Bingham LLP
1901 Sixth Avenue North
Suite 1500
Birmingham, Alabama 35203
Attention:
J. Foster Clark, Esq.
fclark@balch.com
J. Thomas Longino, Esq.
tlongino@balch.com

or to any firm retained in place of such firm by the County for which the County has given the Supporting Warranholders notice in compliance with the Ad Hoc Plan Support Agreement.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first written above.

JEFFERSON COUNTY, ALABAMA

By: _____
Name:
Title:

Jefferson County, Alabama
Signature Page to Put Agreement

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first written above.

[Insert signature pages for Supporting Warrantholders]

Jefferson County, Alabama
Signature Page to Put Agreement

IN WITNESS WHEREOF, the undersigned has executed and delivered this Agreement as of the date first written above, solely with respect to Sections 1(a), 1(c), 1(d), 1(f), and 1(g) of this Agreement.

[Underwriter's signature block]

Jefferson County, Alabama
Signature Page to Put Agreement

Schedule 1
Supporting Warrantholders

Exhibit A

Warrantholder Notice

[], 2013

Jefferson County, Alabama
Attn: County Manager
Room 251, Jefferson County Courthouse
716 Richard Arrington Jr. Boulevard North
Birmingham, Alabama 35203

Balch & Bingham
1901 Sixth Avenue North
Suite 1500
Birmingham, Alabama 35204
Attention: J. Foster Clark
J. Thomas Longino

Counsel for Jefferson County, Alabama

Re: Jefferson County, Alabama (the “**County**”) –
Warrantholder Notice under the Put Agreement

Reference is made to that certain Put Agreement (the “Put Agreement”), dated as of _____, 2013, by and among the County and the Supporting Warrantholders. Each capitalized term used but not defined herein has the meaning ascribed to it (or incorporated by reference) in the Put Agreement.

Under the Put Agreement, the Supporting Warrantholders must be paid the Put Premium on the later of (a) the New Sewer Warrant Closing or (b) three (3) Business Days following the receipt of this Warrantholder Notice.

Under Sections 1(e) and 5(c) of the Put Agreement, the Supporting Warrantholders are required to provide this Warrantholder Notice to the County (for the delivery to the New Sewer Warrant Trustee) specifying wire instructions and the calculation of its Share of the Put Premium.

In accordance with the Put Agreement, set forth below are:

1. Wire instructions for the undersigned where the Put Premium should be paid:

2. The calculation of the undersigned’s Share of the Put Premium:

[THE FOLLOWING TO BE INCLUDED IF THE COUNTY EXERCISES THE PUT]

We have received the Notice of Exercise from the County specifying that the County has elected to exercise the Put. In accordance with Section 1(e) of the Put Agreement, attached hereto are:

1. Schedule 1 setting forth the Eligible Sewer Warrants held by the undersigned as of the Distribution Date that should be exchanged for the Purchased Warrants in accordance with the Put Agreement, representing Eligible Sewer Warrants valued at 80% of the Adjusted Sewer Warrant Principal Amount; and

2. Schedule 2 setting forth the Eligible Sewer Warrants held by the undersigned as of the Distribution Date on account of which the undersigned should receive cash distribution under the Plan in amount equal to 80% of the Adjusted Sewer Warrant Principal Amount of the Eligible Sewer Warrants reflected in Schedule 2.

Sincerely,

[Supporting Warrantholder]

By: _____
Name:
Title:

CC:

[New Sewer Warrant Trustee]

Schedule 2
Eligible Warrants to Receive Distribution under the Plan

<u>DTC</u> <u>Nominee</u>	<u>Nominee</u> <u>ID</u>	<u>Account #</u>	<u>Warrantholder</u> <u>Name</u>	<u>CUSIP# for</u> <u>Eligible</u> <u>Sewer</u> <u>Warrants</u>	<u>Adjusted Sewer Warrant</u> <u>Principal Amount</u>	<u>Amount of Cash to be</u> <u>Distributed under the</u> <u>Plan</u>

Exhibit B
Notice of Exercise

[], 2013

Kramer Levin Naftalis & Frankel LLP
1177 Avenue of the Americas
New York, New York 10036
Attention: Thomas Moers Mayer, Esq.

Re: Jefferson County, Alabama (the "County") –
Notice of Exercise under the Put Agreement

Reference is made to that certain Put Agreement (the "Put Agreement"), dated as of _____, 2013, by and among the County and the Supporting Warrantholders. Each capitalized term used but not defined herein has the meaning ascribed to it (or incorporated by reference) in the Put Agreement.

The County hereby (i) represents that all conditions specified in Section 1(c) of the Put Agreement have been satisfied and (ii) exercises the Put with respect to the Put Warrants in the amount and for the CUSIPs specified on Schedule 1 hereto.

Sincerely,

[County]

By: _____

Name:

Title:

CC:

[New Sewer Warrant Trustee]

Schedule 1

<u>CUSIP# for New Sewer Warrants</u>	<u>Aggregate Principal Amount of New Sewer Warrants</u>

Exhibit C
Form of Joinder

JOINDER TO PUT AGREEMENT

This is a Joinder (“Joinder”) is executed and delivered by _____ (the “Joining Party”) as of _____, _____. Reference is made to the Put Agreement dated as of _____, 2013, by and among Jefferson County, Alabama (the “County”) and Supporting Warrantholders signatory thereto (the “Put Agreement”). Each capitalized term used but not defined in this Joinder shall have the meaning given to it (or incorporated by reference) in the Put Agreement.

The Joining Party agrees with and for the benefit of the County and the transferring Supporting Warrantholder identified in Schedule 1 hereto (the “Transferor”) that the Joining Party has received a transfer of the Eligible Sewer Warrants described in Schedule 1 hereto and that, in consideration of such transfer, the Joining Party hereby agrees to be bound by and perform the obligations of the Transferor under the Put Agreement with respect to the Eligible Sewer Warrants so transferred to the Joining Party by the Transferor.

TRANSFeree:

[affix signature block and signature]

Exhibit 4

Initial Schedule of Assumed Agreements

Attached is the initial list of pre-petition unexpired leases and executory contracts (the “Assumed Agreements”) the County intends to assume pursuant to the Plan. As set forth in the Plan, unless otherwise stated, each Assumed Agreement listed herein includes any and all modifications, amendments, supplements, restatements, or other agreements made directly or indirectly by any agreement, instrument or other document that in any manner affects such Assumed Agreement, without regard to whether such agreement, instrument, or other document is also listed herein. This Initial Schedule of Assumed Agreements does *not* include executory contracts and unexpired leases that the County entered into after the Petition Date (“Post-Petition Agreements”), as the Plan provides that such Post-Petition Agreements will be assumed and retained by the County and will remain in full force and effect following the Effective Date of the Plan.

The County reserves the right to amend the Schedule of Assumed Agreements at any time prior to the Effective Date (i) to delete any executory contract or unexpired lease and provide for its rejection under the Plan or otherwise, or (ii) to add any executory contract or unexpired lease and provide for its assumption under the Plan. The County will provide notice of any amendment to the Schedule of Assumed Agreements to the party or parties to those agreements affected by the amendment.

The County reserves all rights, claims, and defenses with respect to proofs of claim, motions, or other filings filed by any counterparty to the Assumed Agreements, including the right to object to proofs of claim filed by such counterparties.

Name of Creditor	Creditor's Mailing Address	City	State	Zip Code	Contract Date	Contract Name	Cure Payment
BOARD OF EQUALIZATION							
E-ring Inc.	6703 Odyssey Drive NW Suite 104	Huntsville	AL	35806	10/1/2010	Integrated Tax System Services Contract (0001555)	\$0.00
PROBATE COURT							
American Cadastre LLC (AmCad)	220 Spring Street, Suite 150	Herndon	VA	20170	9/23/2010	Amcad Software Maintenance & Update Agreement	\$0.00
American Cadastre LLC (AmCad)	220 Spring Street, Suite 150	Herndon	VA	20170	8/28/2010	Jefferson County Probate Court AMCAD System/Services Contract	\$22,442.00
University of AL/Care of Mentally Ill	UAB MEB 300 619 19th Street South	Birmingham	AL	35294	2/1/2011	Professional Services Contract Inter-cooperation Agreement for Care of the Mentally Ill	\$0.00
GENERAL SERVICES							
City of Center Point	PO Box 9847	Center Point	AL	35220	1/5/2009	License Agreement	\$0.00
Corner Community Park Association	1992 Mayfield Road	Warrior	AL	35180	1/13/1987	Lease Agreement	\$0.00
Jefferson County Board of Education	2100 18th Street South	Birmingham	AL	35209	7/12/2005	Lease Agreement	\$0.00
Lion's Den Club, Inc.	3116 Hillcrest Trace	Adamsville	AL	35005	7/20/2010	License Agreement	\$0.00
Town of Morris	Attn: Mayor 8304 Stouts Rd	Morris	AL	35116	10/20/1997	Lease Agreement	\$0.00
ENVIRONMENTAL SERVICES							
AAA Solutions, Inc.	PO Box 170215	Birmingham	AL	35217	10/15/2009	Portable Toilet Rental Contract	\$0.00
Alabama Department of Transportation	1020 Bankhead Highway West PO Box 2745	Birmingham	AL	35202	8/19/2008	Reimbursable Agreement for the Relocation of Utility Facilities	\$0.00
Alabama Department of Transportation	1020 Bankhead Highway West PO Box 2745	Birmingham	AL	35202	9/16/2011	Supplemental Agreement for Utility Relocation Cost	\$0.00
Alabama Institute for Deaf and Blind	PO Box 698	Talladega	AL	35161-0698	6/28/2011	Conditional Consent to Encroachment and Release of Damages	\$0.00
Alabama Power Company	600 North 18th Street/3S-1635	Birmingham	AL	35203	6/27/2011	Contract for Electric Service (Village Creek Waste Water Facility)	\$0.00
Alabama Power Company	600 North 18th Street/3S-1635	Birmingham	AL	35203	6/13/2008	Contract for Electric Service (Five Mile Creek Waste Water Facility)	\$0.00
Alabama Power Company	600 North 18th Street/3S-1635	Birmingham	AL	35203	6/13/2008	Standby Generator Program Agreement	\$0.00
Alabama Power Company	600 North 18th Street/3S-1635	Birmingham	AL	35203	6/27/2011	Standby Generator Program Agreement (Village Creek Waste Water Facility)	\$0.00
Almon Associates	2008 12th Street	Tuscaloosa	AL	35403	8/11/2009	ADOT Agreement for Engineering Services by Consultant on on Utility Projects (Rex Lake Road)	\$0.00
Azteca Systems Inc.	11075 South State St #24	Sandy	UT	84070	2/2/2010	Cityworks Update & Support Agreement (Contract Number 154-08R)	\$0.00
Azteca System Inc.	11075 South State St #24	Sandy	UT	84070	11/27/2012	Contract Amendment 3	\$0.00
Braswell Mccalla Properties LLC	PO Box 248	Warrior	AL	35180	9/13/2011	Agreement	\$0.00
City of Bessemer, Alabama d/b/a Bessemer Water Service	Attn: Mayor 1600 1st Avenue North	Bessemer	AL	35021	3/1/1978	Agreement related to sewer billing	\$0.00

Name of Creditor	Creditor's Mailing Address	City	State	Zip Code	Contract Date	Contract Name	Cure Payment
City of Bessemer, Alabama d/b/a Bessemer Water Service	Paden & Coleman 1813 3rd Avenue North, Suite 200 Bessemer, AL 35020 Attn: R. Shan Paden	Bessemer	AL	35020	3/1/1978	Agreement related to sewer billing	\$0.00
City of Irondale, Alabama	Attn: Mayor P.O. Box 100188	Irondale	AL	35210	6/2/2009	Agreement related to sewer billing	\$0.00
City of Irondale, Alabama	Attn: Greg Morris P.O. Box 100188	Irondale	AL	35210	6/2/2009	Agreement related to sewer billing	\$0.00
City of Trussville	Attn: Mayor P.O. Box 159	Trussville	AL	35173	10/2/2007	Agreement dated related to sewer billing	\$0.00
CH2M Hill	2112 Eleventh Avenue South Suite 320	Birmingham	AL	35205	2/16/2010	ADOT Agreement for Engineering Services by Consultant on Utility Projects (Chapel Lane Extension)	\$29,680.67
Cox Landscaping	6208 Lupre Circle	Birmingham	AL	35111	9/21/2011	Contract for Grounds Keeping Services at Shades Valley Facility Pump Stations and Miscellaneous	\$5,000.00
Davlin, LLC	305 Misty Water Drive	Columbiana	AL	35051	7/19/2011	Contract for Grounds Keeping Services at the Village Creek WWTP	\$8,500.00
Enersolv Corporation	PO Box 1646 2220 Beltline Road SW	Decatur	AL	35601	1/26/2010	Agreement (Contract No. 16-10)	\$12,892.00
Engineering Services Associates, Inc.	2 Perimeter Park South, Suite 160 East	Birmingham	AL	35243	5/13/2011	Agreement (Engineering Design Services for Fairmont, Halls Branch and Harriman Pump Station Upgrades)	\$0.00
Engineering Services Associates, Inc.	2 Perimeter Park South, Suite 160 East	Birmingham	AL	35243	7/17/2012	Amendment No. 1 to Agreement to Provide Engineering Design Services for Fairmont, Halls Branch and Harriman Pump Station Upgrades	\$0.00
Engineers of the South, LLC	2025 First Avenue North Suite 100	Birmingham	AL	35203	1/5/2011	Agreement (Professional Engineering Services for Tin Mill Road Sanitary Sewer Study and Replacement)	\$23,085.50
Gary L. Owen and Associates, Inc.	510 Emery Drive West	Hoover	AL	35244	1/5/2011	Agreement (Valley Creek Wastewater Treatment Plant Improvements Phase VIII Construction Review)	\$0.00
Gresham Smith and Partners	3595 Grandview Parkway Suite 300	Birmingham	AL	35243	8/16/2011	Agreement (Professional Engineering Services for Cahaba 4 Television Inspection -- Specification, Bidding, and Construction Management)	\$0.00
Gresham Smith and Partners	3595 Grandview Parkway Suite 300	Birmingham	AL	35243	12/10/2012	Amendment No. 1 to Agreement to Provide Engineering Design Services for Cahaba 4 Television Inspection -- Specification, Bidding, and Construction Management Services	\$4,953.26
Haren Construction Company, Inc.	1715 Highway 411 North PO Box 350	Etowah	TN	37331	10/11/2011	Contract (Cahaba River WWTP Influent Pump Station Upgrades)	\$54,923.48

Name of Creditor	Creditor's Mailing Address	City	State	Zip Code	Contract Date	Contract Name	Cure Payment
Hazen and Sawyer, P.C.	5775 Peachtree Dunwoody Rd. Suite D-520	Atlanta	GA	30342	4/19/2011	Agreement to Provide Professional Engineering Services for the Village Creek Wastewater Treatment Plant Waste Gas Energy Recovery and Plant Optimization Improvements Project	\$242,423.56
Hazen and Sawyer, P.C.	5775 Peachtree Dunwoody Rd. Suite D-520	Atlanta	GA	30342	8/29/2011	Agreement to Provide Professional Engineering Services for the Jefferson County Wastewater Treatment Plant Air Permitting Assistance Project	\$10,401.48
Hazen and Sawyer, P.C.	5775 Peachtree Dunwoody Rd. Suite D-520	Atlanta	GA	30342	9/11/2012	Amendment No. 1	\$0.00
Huynh Centerpoint, LLC	1411 Legacy Lane	Birmingham	AL	35242	10/19/2010	Agreement	\$0.00
Insituform Technologies, Inc.	17988 Edison Avenue	Chesterfield	MO	63005	5/5/2011	Contract (2011 Annual Collection System Rehabilitation, Contract 1)	\$0.00
Insituform Technologies, Inc.	17988 Edison Avenue	Chesterfield	MO	63005	8/17/2010	Contract (2010 Annual Collection System Rehabilitation, Contract 1)	\$178,919.64
Jordan Excavating, Inc.	740 Volare Drive	Birmingham	AL	35244	10/20/2011	Contract (Chapel Lane Extension Sewer Relocation Project)	\$0.00
P.F. Moon & Company, Inc.	PO Box 346	West Point	GA	31833	6/8/2011	Contract (Valley Creek Wastewater Treatment Plant Improvements Phase VIII)	\$38,103.89
Schneider Electric	30000 Mill Creek Avenue Ste 300	Alpharetta	GA	30022	6/9/2011	Software Support Contract	\$0.00
The City of Birmingham	710 North 20th Street 2nd Floor City Hall	Birmingham	AL	35203	9/14/2010	Sanitary Sewer Easement Encroachment Agreement	\$0.00
The Hollywood, LLC	3104 Blue Lake Drive Suite 200	Birmingham	AL	35243	6/29/2010	Agreement	\$0.00
Utilities Board of the City of Trussville, Alabama	Attn: General Manager P.O. Box 819	Trussville	AL	35173	10/2/2007	Agreement related to sewer billing	\$0.00
Utilities Board of the City of Trussville, Alabama	Bishop, Colvin, Johnson & Kent Attn: Burgin H. Kent 1910 First Avenue North	Birmingham	AL	35203	10/2/2007	Agreement related to sewer billing	\$0.00
Utilities Board of the City of Trussville, Alabama	Bishop, Colvin, Johnson & Kent Attn: Carl Johnson 1910 First Avenue North	Birmingham	AL	35203	10/2/2007	Agreement related to sewer billing	\$0.00
Veolia ES Solid Waste Southeast, Inc.	3301 Acmar Road	Moody	AL	35004	3/22/2007	Residential Solid Waste Collection Franchise Agreement	\$0.00
Vision Landscapes, Inc.	PO Box 101324	Irondale	AL	35210	7/19/2011	Contract for Grounds Keeping Services at Leeds and Trussville WWTPs, Cahaba River WWTP, Five Mile Creek WWTP and Valley Creek WWTP	\$33,909.77
Water Works Board of the City of Birmingham, Alabama	Attn: Mac Underwood 3600 First Avenue North	Birmingham	AL	35283-0110	8/22/1961 and amendment dated 11/29/1994	Agreements related to sewer billing	\$0.00
W. H. Capital, LLC	5986 Financial Drive	Norcross	GA	30071	1/25/2011	Agreement	\$0.00

Name of Creditor	Creditor's Mailing Address	City	State	Zip Code	Contract Date	Contract Name	Cure Payment
COOPER GREEN							
3M	575 West Murray Boulevard	Murray	UT	84123	8/10/2010	Software License and Services Agreement	\$0.00
Abbott Laboratories Inc.	100 Abbott Park Road D-943, AP8C	Abbott Park	IL	60064-6095	6/16/2011	Equipment Service Program Agreement	\$0.00
Fisher Health Care	Thermo Fisher Financial Services 81 Wyman Street	Waltham	MA	02454	6/15/2011	Master Agreement	\$124.00
Intersystem Corporation	One Memorial Drive	Cambridge	MA	02142	2/1/2011	Software Support Contract	\$0.00
Morris and Dickson Co, LLC	1776 Woodstead Court Suite 125	The Woodlands	TX	77380	3/1/2011	Pharmaceutical Distribution Services for Cooper Green Mercy Hospital	\$379,819.46
Thermo Fisher Financial Services, Inc.	81 Wyman Street	Waltham	MA	02454	6/16/2011	Master Lease Agreement	\$0.00
IT DEPARTMENT							
Alagasco	605 Richard Arrington	Birmingham	AL	35203	6/23/1992	Revocable License Agreement	\$0.00
American Tower Management, LLC	Attn: Contracts Manager 10 Presidential Way	Woburn	MA	01801	12/27/2005	License Agreement	\$914.63
AT&T	3196 Hwy 280 E	Birmingham	AL	35243	6/29/2010	Contracted Services Agreement	\$9,142.36
Crown Castle South, LLC	200 Corporate Drive	Canonsburg	PA	15317	10/25/2005	Government Entity Tower License Agreement	\$0.00
Southern Communications Services, Inc.	Attn: Manager of Operations 600 North 18th Strret	Birmingham	AL	35203	5/22/1995	Lease Agreement	\$0.00
Unisys	11720 Plaza America Drive Tower 3, Mailstop 13-537	Reston	VA	20190	4/26/2011	Libra 450 Production System Comprehensive Implementation Service Statement of Work	\$42,480.72
Xerox Corporation	1000 Urban Center Drive, Suite 600	Birmingham	AL	35242	2/2/2010	Lease Agreement	\$0.00
ROADS & TRANSPORTATION							
City of Adamsville	Attn: City Clerk 4828 Main Street	Adamsville	AL	35005	2/24/1993	Agreement Between Jefferson County, Alabama and the City of Adamsville for Traffic Signal Maintenance Services	\$0.00
City of Fairfield	Attn: Mayor 4701 Gary Avenue	Fairfield	AL	35064	12/26/1989	Agreement Between Jefferson County, Alabama and the City of Fairfield for Traffic Signal Maintenance Services	\$0.00
City of Fultondale	Attn: Mayor Post Office Box 699	Fultondale	AL	35068	12/26/1989	Agreement Between Jefferson County, Alabama and the City of Fultondale for Traffic Signal Maintenance Services	\$0.00
City of Gardendale	Attn: Mayor 960 Main Street	Gardendale	AL	35071	12/26/1989	Agreement Between Jefferson County, Alabama and the City of Gardendale for Traffic Signal Maintenance Services	\$0.00
City of Graysville	Attn: Mayor 246 South Main Street	Graysville	AL	35073	12/26/1989	Agreement Between Jefferson County, Alabama and the City of Graysville for Traffic Signal Maintenance Services	\$0.00

Name of Creditor	Creditor's Mailing Address	City	State	Zip Code	Contract Date	Contract Name	Cure Payment
City of Homewood	Attn: Mayor 2850 19th Street South	Homewood	AL	35209	12/26/1989	Agreement Between Jefferson County, Alabama and the City of Homewood for Traffic Signal Maintenance Services	\$0.00
City of Hoover	Attn: Mayor 100 Municipal Lane	Hoover	AL	35216	12/26/1989	Agreement Between Jefferson County, Alabama and the City of Hoover for Traffic Signal Maintenance Services	\$0.00
City of Hueytown	Attn: Mayor 1318 Hueytown Road	Hueytown	AL	35023	4/24/1989	Agreement Between Jefferson County, Alabama and the City of Hueytown for Traffic Signal Maintenance Services	\$0.00
City of Irondale	Attn: Mayor 101 20th Street South	Irondale	AL	35210	1/2/1990	Agreement Between Jefferson County, Alabama and the City of Irondale for Traffic Signal Maintenance Services	\$0.00
City of Midfield	Attn: Mayor 725 Bessemer Superhighway	Midfield	AL	35228	6/23/1905	Agreement Between Jefferson County, Alabama and the City of Midfield for Traffic Signal Maintenance Services	\$0.00
Town of Morris	Attn: Mayor 8304 Stouts Rd	Morris	AL	35116	4/16/1997	Agreement Between Jefferson County, Alabama and the Town of Morris for Traffic Signal Maintenance Services	\$0.00
City of Mountain Brook	PO Box 130009	Mountain Brook	AL	35213	5/11/2011	Memorandum of Understanding Between the Jefferson County Commission and the City of Mountain Brook, Alabama Regarding Request for Assistance with Debris Removal	\$0.00
City of Mountain Brook	Attn: Mayor 56 Church Street	Mountain Brook	AL	35213	6/26/1989	Agreement Between Jefferson County, Alabama and the City of Mountain Brook for Traffic Signal Maintenance Services	\$0.00
Town of Mulga	Attn: Mayor 505 Mulga Loop Road	Mulga	AL	35118	12/26/1989	Agreement Between Jefferson County, Alabama and the Town of Mulga for Traffic Signal Maintenance Services	\$0.00
City of Pleasant Grove	501 Park Road	Pleasant Grove	AL	35127	5/5/2011	Memorandum of Understanding Between the Jefferson County Commission and the City of Pleasant Grove, Alabama Regarding Request for Assistance with Debris Removal	\$0.00
City of Pleasant Grove	Attn: Mayor 501 Park Road	Pleasant Grove	AL	35127	7/31/1991	Agreement Between Jefferson County, Alabama and the City of Pleasant Grove for Traffic Signal Maintenance Services	\$0.00
City of Trussville	Attn: Mayor 131 Main Street	Trussville	AL	35173	1/24/1995	Agreement Between Jefferson County, Alabama and the City of Trussville for Traffic Signal Maintenance Services	\$0.00

Name of Creditor	Creditor's Mailing Address	City	State	Zip Code	Contract Date	Contract Name	Cure Payment
City of Vestavia Hills	Attn: Mayor 513 Montgomery Hwy	Vestavia Hills	AL	35216	12/26/1989	Agreement Between Jefferson County, Alabama and the City of Vestavia Hills for Traffic Signal Maintenance Services	\$0.00
City of Vestavia Hills	PO Box 660854	Vestavia	AL	35266	5/12/2011	Memorandum of Understanding Between the Jefferson County Commission and the City of Vestavia Hills, Alabama Regarding Request for Assistance with Debris Removal	\$0.00
City of Warrior	215 Main Street	Warrior	AL	35180	5/18/2011	Memorandum of Understanding Between the Jefferson County Commission and the City of Warrior, Alabama Regarding Request for Assistance with Debris Removal	\$0.00
City of Warrior	Attn: Mayor 215 Main Street	Warrior	AL	35180	4/4/1989	Agreement Between Jefferson County, Alabama and the City of Warrior for Traffic Signal Maintenance Services	\$0.00
Donald Mulvehill, Licensee	8224 Mulvehill Road	Morris	AL	35116	5/10/2011	License	\$0.00
COMMUNITY & ECONOMIC DEVELOPMENT							
Civil Engineering Associates (CE Associates)	5229 Airport Hwy	Birmingham	AL	35212	7/26/2011	Agreement for Provision of Engineering Services, Project: Edgewater Community Park, Project ID: CDBG10-03F-U03-EDG	\$9,605.25
Engineering Service Associates, Inc.	Two Perimeter Park South 160 East	Birmingham	AL	35243	9/28/2010	Agreement for Provision of Engineering Services, Project: Gardendale New Castle Park Improvements, Project ID: CD09-03F-UM04-GNP	\$0.00
Hatch McDonald	2320 Highland Avenue South Ste. 175	Birmingham	AL	35233	8/23/2011	Agreement for Provision of Engineering Services, Project: Murphree Road Improvements, Project ID: CDBG10-03K-U04-MRI	\$3,686.50
Hatch McDonald	2320 Highland Avenue South Ste. 175	Birmingham	AL	35233	9/27/2011	Agreement for Provision of Engineering Services, Project: Crest Oval Mountain West Highland Water Line, Project ID: CDBG10-03J-U02-WHL	\$10,308.65
Thompson Architecture	1314 Cobb Lane	Birmingham	AL	35205	6/29/2010	Abbreviated Standard Form of Agreement between Owner and Architect	\$1,200.00
YWCA	309 North 23rd Street	Birmingham	AL	35203	5/25/2010	Safe Havens: Supervised Visitation and Safe Exchange Grant Program Agreement	\$37,112.92

Name of Creditor	Creditor's Mailing Address	City	State	Zip Code	Contract Date	Contract Name	Cure Payment
PUBLIC FINANCE AGREEMENTS							
Beneficial Owners of the Jefferson County, Alabama General Obligation Capital Improvement and Refunding Warrants Series 2003-A	N/A	N/A	N/A	N/A	3/1/2003	Continuing Disclosure Agreement	\$0.00
Board of Education of Jefferson County	2100 18th Street South	Birmingham	AL	35209	7/1/2001	Lease Agreement	\$0.00
Holder of Limited Obligation School Warrants, Series 2004-A	Charles S. Hodges Vice President U.S. Bank Corporate Trust Services 214 North Tryon Street, 27th Floor	Charlotte	NC	28202	12/29/2004	Disclosure Dissemination Agent Agreement	\$0.00
Holder of Limited Obligation School Warrants, Series 2005-A	Charles S. Hodges Vice President U.S. Bank Corporate Trust Services 214 North Tryon Street, 27th Floor	Charlotte	NC	28202	2/2/2005	Disclosure Dissemination Agent Agreement	\$0.00
Holder of Lease Revenue Warrants, Series 2006	First Commercial Bank Attn: Dean Matthews P. O. Box 11746	Birmingham	AL	35202	12/29/2004	Disclosure Dissemination Agent Agreement	\$0.00
PROFESSIONAL SERVICE AGREEMENTS							
Balch & Bingham LLP	1901 Sixth Avenue North, Suite 1500	Birmingham	AL	35203	2/6/2008	Letter of Engagement	\$0.00
Bradley Arant Boult Cummings LLP	1819 Fifth Avenue North	Birmingham	AL	35203	2/26/2008	Letter of Engagement	\$0.00
Bradley Arant Boult Cummings LLP	1819 Fifth Avenue North	Birmingham	AL	35203	11/24/2009	Letter of Engagement	\$0.00
ERS Group	c/o Janet R. Thornton, Ph.D. 4901 Tower Court	Tallahassee	FL	32303	7/25/2006	Letter of Engagement	\$0.00
Klee, Tuchin, Bogdanoff & Stern LLP	1999 Avenue of the Stars, 39th Floor	Los Angeles	CA	90067	7/23/2011	Retention Agreement	\$0.00

Exhibit 5

School Warrant Second Supplemental Indenture

SECOND SUPPLEMENTAL INDENTURE

This SECOND SUPPLEMENTAL INDENTURE (the “*Second Supplemental Indenture*”) dated as of the Effective Date of the Amended Plan (as defined below), is entered into between JEFFERSON COUNTY, ALABAMA, a political subdivision of the State of Alabama (the “*County*”), and U.S. BANK NATIONAL ASSOCIATION, a national banking association, as successor to SouthTrust Bank and Wachovia Bank, National Association, in its capacity as Trustee (the “*Trustee*”).

WHEREAS, the County and the Trustee are parties to that certain Trust Indenture dated as of December 1, 2004 (the “*Original Indenture*”), as amended by that certain First Supplemental Indenture dated as of January 1, 2005 (the “*First Supplemental Indenture*,” and together with the Original Indenture, the “*Indenture*”) pursuant to which the Limited Obligation School Warrants, Series 2004-A, Series 2005-A and Series 2005-B (collectively, the “*School Warrants*”) were issued;

WHEREAS, on November 9, 2011, the County filed a petition under Chapter 9 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Alabama (the “*Bankruptcy Court*”);

WHEREAS, on June 30, 2013, the County filed its Chapter 9 Plan of Adjustment (the “*Plan*”), and on July 29, 2013, the County filed an amended version of the Plan (the “*Amended Plan*”);

WHEREAS, after notice and hearing, on [November __], 2013, the Bankruptcy Court entered an order confirming the Amended Plan;

WHEREAS, the Amended Plan provides, among other things, that pursuant to section 1123(a)(5)(F) of the Bankruptcy Code, on the Effective Date of the Amended Plan the Indenture shall be modified to reflect that (a) all Events of Default occurring prior to the Effective Date of the Amended Plan shall be deemed waived and of no further force or effect, (b) all Events of Default under the Indenture due to the occurrence of certain events relating to Ambac Assurance Corporation and Ambac Financial Group Inc. shall be deemed waived and of no further force or effect, (c) to the extent the County receives or holds future excess tax proceeds, the County shall exercise its discretion and powers under the Indenture to direct the Trustee to use such excess tax proceeds to redeem the Series 2005-B School Warrants (and not the Series 2004-A or Series 2005-A School Warrants), (d) notwithstanding any provision to the contrary in the Indenture, including Section 2.1(f) of the First Supplemental Indenture, the County shall not direct the Trustee to credit any portion of the Series 2005-B School Warrants redeemed pursuant to the Excess Tax Proceeds Mandatory Redemption against the principal amount of Series 2005 Warrants scheduled for redemption under Section 2.1(f) of the First Supplemental Indenture or otherwise, and (e) prior to the first interest payment date after the Effective Date of the Amended Plan, the aggregate outstanding principal balance of the Series 2005-B School Warrants will be reduced by an amount equal to the True-Up Amount (as defined in the Amended Plan); and

WHEREAS, in order to memorialize the foregoing modifications to the terms of the Indenture, which modifications shall be effective as of the Effective Date of the Amended Plan, the County and the Trustee are entering into this Second Supplemental Indenture.

NOW, THEREFORE, this Second Supplemental Indenture witnesseth that, for and in consideration of the premises contained herein, it is mutually covenanted and agreed, for the equal and proportionate benefit of all holders of the School Warrants, as follows:

1. Ratification of Indenture; Supplemental Indentures Part of Indenture. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed by the County, and all the terms, conditions and provisions thereof shall remain in full force and effect including, without limitation, the pledge made by the County in the Indenture with respect to the Education Tax Proceeds and the other moneys pledged to secure the payment of the School Warrants. This Second Supplemental Indenture shall form a part of the Indenture for all purposes, and every holder of the School Warrants heretofore or hereafter authenticated and delivered shall be bound hereby.

2. Amendments to Indenture.

(a) Section 9.1 of the Indenture is amended by adding the following at the end of the first paragraph to the subsection titled "Excess Tax Proceeds Mandatory Redemption":

For so long as any of the Series 2005-B Warrants remain outstanding, the County shall exercise its discretion and powers under this section to direct the Trustee to redeem the Series 2005-B Warrants and not the Series 2004 Warrants or the Series 2005-A Warrants, until all Series 2005-B Warrants are fully redeemed and satisfied; provided, however, that if the County has caused a remarketing or restructuring of no less than 100% of the outstanding Series 2005-B Warrants and the Initial Liquidity Facility is no longer in effect due to such remarketing or restructuring, the County shall direct the Trustee to redeem the Series 2004 Warrants or the Series 2005 Warrants at its discretion pursuant to this section.

(b) The last sentence of the second full paragraph of Section 2.1(f) of the First Supplemental Indenture is deleted in its entirety and replaced with the following:

In any event the County may, upon direction delivered to the Trustee not less than 60 days prior to such scheduled mandatory redemption date, direct that any or all of the following amounts be credited against the principal amount of Series 2005 Warrants of a particular series scheduled for redemption on such date: (i) the principal amount of Series 2005 Warrants of the same series delivered by the County to the Trustee for cancellation and not previously claimed as a credit; and (ii) the principal amount of Series 2005 Warrants of the same series previously redeemed and not previously claimed as a credit, other than (a) the Series 2005 Warrants redeemed pursuant to this paragraph, and (b) the Series 2005-B Warrants redeemed pursuant to the Excess Tax Proceeds Mandatory Redemption. The County shall not direct the Trustee to credit any portion of the Series 2005-B Warrants redeemed

pursuant to the Excess Tax Proceeds Mandatory Redemption against the principal amount of Series 2005 Warrants scheduled for redemption under this Section 2.1(f); provided, however, that if the County has caused a remarketing or restructuring of no less than 100% of the outstanding Series 2005-B Warrants and the Initial Liquidity Facility is no longer in effect due to such remarketing or restructuring, the County may direct that any or all of the following amounts be credited against the principal amount of Series 2005-B Warrants scheduled for redemption on such date: (i) the principal amount of Series 2005-B Warrants delivered by the County to the Trustee for cancellation and not previously claimed as a credit; and (ii) the principal amount of Series 2005-B Warrants previously redeemed and not previously claimed as a credit, other than the Series 2005-B Warrants redeemed pursuant to this paragraph.

3. Waiver of all Past Events of Default.

(a) The County represents that, as of the date hereof, no Events of Default have occurred or are continuing other than those Events of Default waived pursuant to subsections (ii)-(iii) of Section 2.3(i) of the Amended Plan.

(b) Notwithstanding anything in the Indenture to the contrary, pursuant to the terms of the Amended Plan, and subject to the County being current on all payments due under the Indenture through the Effective Date of the Amended Plan, all Events of Default occurring prior to the Effective Date of the Amended Plan shall be deemed waived and of no further force or effect, without any further action by the County; provided, however, that nothing herein shall give rise to any argument or claim that any future occurrence or recurrence of any Events of Default that may occur under the Indenture after the Effective Date of the Amended Plan have been excused or waived. For the avoidance of doubt, pursuant to the terms of the Amended Plan, none of the following events shall constitute Events of Default under the Indenture at any point in time: (a) the pendency of a proceeding regarding the “Segregated Account” of Ambac Assurance Corporation in Wisconsin state court; (b) the pendency of a chapter 11 bankruptcy case regarding Ambac Financial Group Inc.; and (c) other than with respect to the Series 2005-B School Warrants, the subsequent filing of any bankruptcy case or proceeding under any other insolvency regime regarding either of Ambac Assurance Corporation or Ambac Financial Group Inc., including the appointment of any “orderly liquidation authority” under 12 U.S.C. §§ 5381-5394.

4. Reduction in Principal Balance of the Series 2005-B School Warrants. Notwithstanding anything in the Indenture to the contrary, pursuant to Section 2.3(i)(v) of the Amended Plan, prior to the first interest payment date following the Effective Date of the Amended Plan (i) the aggregate outstanding principal balance of the Series 2005-B School Warrants will be reduced by an amount equal to the True-Up Amount (as defined in the Amended Plan) rounded down to the nearest authorized denomination of the Series 2005-B School Warrants and (ii) the remainder of the True-Up Amount (after giving effect to the principal reduction referenced in clause (i) of this sentence) will be subtracted from the interest

otherwise payable on such interest payment date on account of the Series 2005-B School Warrants, all as more particularly described in Section 2.3(i)(v) of the Amended Plan.

5. Release of the Retained Amount. On the Effective Date, or as soon thereafter as practicable, the County will release any hold on the Retained Amount (as defined in the Amended Plan), and the Retained Amount shall thereafter be available for distribution in accordance with the provisions of the Indenture.

6. Remarketing and/or Restructuring of Series 2005-B School Warrants. If the County causes a remarketing of or restructuring of any of the outstanding Series 2005-B School Warrants under the Indenture, such remarketing or restructuring shall be for no less than 100% of such outstanding Series 2005-B School Warrants and the Initial Liquidity Facility shall be replaced or cancelled contemporaneously with the closing of such remarketing or restructuring, thereby relieving Depfa Bank PLC from its obligations to provide liquidity support with respect to the Series 2005-B School Warrants. For the avoidance of doubt, the preceding sentence is intended to prohibit the County from remarketing or restructuring a portion of the Series 2005-B Warrants and leaving the Initial Liquidity Facility in place; further, the preceding sentence is intended to require the County to remarket or restructure the Series 2005-B School Warrants on an all or none basis.

7. Miscellaneous.

(a) Defined Terms. Capitalized terms used in this Second Supplemental Indenture and not otherwise defined herein shall have the meanings assigned to such terms in the Indenture or in the Amended Plan.

(b) Recitals. The statements set forth in the recitals in this Second Supplemental Indenture shall not be deemed made by the Trustee and the Trustee shall not be responsible for the accuracy of any statement set forth therein.

(c) Governing Law. This Second Supplemental Indenture shall be governed by the laws of the State of Alabama.

(d) Effective Date of the Amended Plan. The term “Effective Date,” as used in this Second Supplemental Indenture, shall mean the Effective Date of the Amended Plan (as defined therein).

(e) Counterparts. This Second Supplemental Indenture may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument. Signatures received via facsimile or PDF documents shall be deemed to be originals.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Second Supplemental Indenture to be duly executed, all as of the date first written above.

JEFFERSON COUNTY, ALABAMA

By: _____
Name:
Title:

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name:
Title:

Exhibit 6

Tail Risk Payment Agreement – Assured

TAIL RISK PAYMENT AGREEMENT

THIS TAIL RISK PAYMENT AGREEMENT (this “**Agreement**”) is dated as of _____, 2013, among Jefferson County, Alabama, a political subdivision of the State of Alabama (the “**County**”), Assured Guaranty Municipal Corp., as successor to Financial Security Assurance, Inc. (“**Assured**”), and [Full Name of Escrow Agent], _____ (the “**Escrow Agent**”).

WHEREAS, pursuant to a Trust Indenture, dated as of February 1, 1997 (as amended, modified or supplemented from time to time), between the County and the Bank of New York Mellon Trust Company, N.A., as indenture trustee and successor to AmSouth Bank of Alabama, the County issued approximately \$3.6 billion original principal amount of warrants secured by a pledge of revenues from the County’s sanitary sewer system (the “**Sewer Warrants**”);

WHEREAS, on November 9, 2011, the County filed a petition for relief under Chapter 9 of Title 11 of the United States Code, thereby commencing Bankruptcy Case No. 11-05736-TBB9 before the United States Bankruptcy Court for the Northern District of Alabama, Southern Division (the “**Bankruptcy Court**”);

WHEREAS, the County and Assured along with Financial Guaranty Insurance Company (“**FGIC**”) and Syncora Guarantee Inc. (“**Syncora**”, and together with Assured and FGIC, the “**Insurers**”) have entered into that certain Plan Support Agreement, dated as of June 6, 2013 (the “**Plan Support Agreement**”), pursuant to which the Insurers have agreed to support a chapter 9 plan of adjustment for the County pursuant to the terms set forth in the Plan Support Agreement;

WHEREAS, on July 29, 2013, the County filed the *Chapter 9 Plan of Adjustment for Jefferson County, Alabama (Dated July 29, 2013)* (as it may be amended, supplemented, or modified from time to time by the County in accordance with the terms thereof and Bankruptcy Code section 942, the “**Plan**”) in the Bankruptcy Court;

WHEREAS, the Plan includes a commutation election (the “**Commutation Election**”) whereby holders of the Sewer Warrants may elect (or, in certain circumstances, may be deemed to elect) to commute claims that could be asserted against the Insurers under the applicable Sewer Warrant insurance policies issued by the Insurers (the “**Wrap Policies**”);

WHEREAS, upon the effective date of the Plan (the “**Plan Effective Date**”), the Insurers are exposed to claims for payments of principal and/or interest under their respective Wrap Policies from holders of the applicable insured Sewer Warrants that elect to not make, or are not deemed to make, the Commutation Election (such exposure, after giving effect to the County’s payment of the Non-Commutation True-Up Amount (as defined in the Plan) to the Insurers, is referred to herein as “**Tail Risk**”);

WHEREAS, based on the results of the solicitation of votes on and elections with respect to the Plan, (i) the aggregate amount of Tail Risk related to all the Wrap Policies provided by the Insurers is calculated to be \$_____ (the “**Tail Risk Amount**”), and (ii) the aggregate allocated Tail Risk related to all the Wrap Policies provided by Assured is calculated to be \$_____ (the “**Allocable Tail Risk Amount**”);

WHEREAS, pursuant to the Plan Support Agreement and the Plan, the County has agreed to establish and fund three separate escrow accounts with respect to each Insurer’s Tail Risk on the Plan Effective Date in the aggregate amount of the Insurers’ Tail Risk (subject to reallocation among the Insurers), not to exceed \$25 million in the aggregate;

WHEREAS, it is a condition precedent to the Plan Effective Date that the aggregate amount of the Insurers’ Tail Risk not exceed \$25 million and that Assured will not be subject to any Tail Risk on or after the Plan Effective Date in an amount in excess of its Allocable Tail Risk Amount;

WHEREAS, an irrevocable trust fund (together with interest and investment returns thereon, the “**Escrow Fund**”) will be established by the Escrow Agent pursuant to this Agreement, to provide for timely payments of Tail Risk to partially reimburse Assured for payments of principal and/or interest made under the Wrap Policies (including, in Assured’s sole discretion, on an accelerated basis) to holders of Assured insured Sewer Warrants that elect to not make, or are not deemed to make, the Commutation Election (such payments, the “**Tail Risk Payments**”);

WHEREAS, this Agreement provides the process for disbursement of amounts to reimburse Assured on account of Tail Risk Payments from the Escrow Fund for payments made by Assured to holders of the Assured insured Sewer Warrants that elect to not make, or are not deemed to make, the Commutation Election and (subject to reallocation among the Insurers in accordance with this Agreement) the return of any remaining funds in the Escrow Fund to the County if such funds are no longer required to make Tail Risk Payments (i) over the entire term that any Tail Risk claims can be presented for payment to Assured (including any additional or subsequent cash payments that may be due to Assured on account of previously submitted Tail Risk claims that received prior payments) or (ii) in Assured’s sole discretion, on an accelerated basis; and

WHEREAS, the establishment of the Escrow Fund in an amount equal to the Allocable Tail Risk Amount pursuant to the terms and conditions of this Agreement is a condition to the Plan Effective Date.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Definitions.** Capitalized terms used but not defined herein have the respective meanings ascribed to them in the Plan.

2. **Appointment.** The County and Assured hereby appoint the Escrow Agent as their escrow agent for the purposes set forth herein, and the Escrow Agent hereby accepts such appointment under the terms and conditions set forth herein.

3. **Escrow.** Simultaneously with the execution and delivery of this Agreement on the Plan Effective Date, the County shall deposit cash in an amount equal to the Allocable Tail Risk Amount into the Escrow Fund established by the Escrow Agent to be held in irrevocable trust pursuant to this Agreement; the balance of such funds (including interest and any investment return thereon) held at any time by the Escrow Agent pursuant to this Agreement shall be referred to herein as the “**Assured Escrow**”.

The Escrow Agent shall hold the Assured Escrow (as such amount may be reduced by releases therefrom in accordance with the provisions contained herein) and, subject to the terms and conditions hereof, shall invest and reinvest the Assured Escrow as specified in Section 4.

4. **Investment of Fund.** During the term of this Agreement, the Assured Escrow shall be invested as instructed in writing executed by an Authorized Representative (as defined in Section 13 below) of each of Assured and the County; provided, however, that such investments shall be limited to the following “**Permitted Investments**”:

- (a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America), in each case maturing within ninety (90) calendar days from the date of acquisition thereof;
- (b) investments in commercial paper maturing within ninety (90) calendar days from the date of acquisition thereof and having, at such date of acquisition, a commercial paper credit rating of A-1 from Standard & Poor’s or a short-term rating of P-1 from Moody’s; or
- (c) money market funds having a rating in the highest investment category granted thereby by a recognized credit rating agency at the time of acquisition, including any fund for which the Escrow Agent, or an affiliate of the Escrow Agent serves as an investment advisor, administrator, shareholder servicing agent, custodian or sub-custodian, notwithstanding that the Escrow Agent or an affiliate of the Escrow Agent charges and collects fees and expenses from such funds for services rendered (provided that such charges, fees, and expenses are on terms consistent with terms negotiated at arm’s length).

In the event the County and Assured determine, from time to time, that the Termination Date (as defined in Section 6 below) is not expected to occur within one year from the date of any such determination, the County and Assured may agree to allow investments otherwise authorized in Sections 4(a) and (b) hereof to have longer maturity periods than ninety (90) calendar days, and such investments will be Permitted Investments.

In the absence of written instructions, or in the event such written instructions are not executed by an Authorized Representative of each of Assured and the County, the Assured Escrow will be invested in direct obligations of the United States of America in accordance with Section 4(a) herein.

5. **Disbursements.** Disbursements from the Escrow Fund shall be governed by the following provisions, and the Escrow Agent shall make disbursements from the Escrow Fund only as provided in this Section 5.

(a) **Claim Certificate.** Not less than seven (7) Business Days (as defined below) prior to (i) the date upon which Assured is required, or otherwise elects, to make a Tail Risk Payment as set forth in Schedule 1 attached hereto or (ii) the date upon which Assured shall, in Assured's sole discretion, make payment in full, of all claims that could be asserted under its Wrap Policies on an accelerated basis (each such date, a "**Payment Date**"), Assured or a paying agent designated by Assured (the "**Paying Agent**") shall deliver to the Escrow Agent a certificate substantially in the form of Schedule 2 attached hereto (the "**Claim Certificate**") (x) setting forth the intention to make a Tail Risk Payment in the applicable amount set forth therein on the Payment Date and (y) directing the Escrow Agent to deliver funds in the same specified amount to Assured or its Paying Agent no later than two (2) Business Days prior to the Payment Date.

(b) **Claim Payment.** If at any time the Escrow Agent shall have received a Claim Certificate from Assured or its Paying Agent, then the Escrow Agent shall promptly, and in no event later than two (2) Business Days prior to the Payment Date, release to Assured or its Paying Agent, if applicable, from the Escrow Fund, and remit to the Assured account specified in Section 13(c) herein, funds in the amount specified in such Claim Certificate.

(c) **County's Rights.** Prior to the Termination Date specified in Section 6 herein, any and all amounts contained in the Escrow Fund shall not constitute property of the County. The County shall not be entitled to disbursements from the Escrow Fund; provided, however, that disbursements may be made to the County in the event of a surplus in the Escrow Fund after (i) payment in full of all claims for payments of principal and/or interest under the Wrap Policies from holders of the applicable insured Sewer Warrants that elect to not make, or are not deemed to make, the Commutation Election, under Assured's Wrap Policies and (ii) all reallocations have been made pursuant to Section 16 herein.

(d) **Escrow Agent Report.** On March 31 of each calendar year, Escrow Agent shall submit to Assured and the County a report regarding the status of the Escrow Fund containing (i) the opening and closing balances of the Escrow Fund, (ii) a schedule of all distributions made from the Escrow Fund during the calendar year, (iii) the total amount earned in the preceding year from investment of the Assured Escrow, and (iv) the list of Permitted Investments in which funds in the Escrow Fund are then invested.

6. **Termination.**

(a) This Agreement shall terminate on the earlier of (i) the date that each of the County and Assured designate in writing as the termination date, or (ii) the date on which Assured provides written notice to the County, the Escrow Agent, Syncora and FGIC that

Assured no longer requires any remaining funds in the Escrow Fund, including any interest and/or investment return thereon, to make Tail Risk Payments (A) over the entire term that any Tail Risk claims can be presented for payment to Assured (including any additional or subsequent cash payments that may be due to Assured on account of previously submitted Tail Risk claims that received prior payments) or (B) in Assured's sole discretion, on an accelerated basis (the "**Termination Date**").

(b) Following the Termination Date, the Escrow Agent shall release the Excess Funds (as defined in Section 16 hereof), if any, in accordance with Section 16 hereof.

7. **Escrow Agent.**

(a) The Escrow Agent shall have only those duties as are specifically and expressly provided in this Agreement, which shall be deemed purely ministerial in nature, and no other duties shall be implied. The Escrow Agent shall neither be responsible for, nor chargeable with, knowledge of, nor have any requirements to comply with, the terms and conditions of any other agreement, instrument or document between the County and Assured, in connection herewith, if any, including without limitation the Plan Support Agreement, nor shall the Escrow Agent be required to determine if any person or entity has complied with any such agreements, nor shall any additional obligations of the Escrow Agent be inferred from the terms of such agreements, even though reference thereto may be made in this Agreement. As between the County and Assured on the one hand, and the Escrow Agent on the other hand, in the event of any conflict between the terms and provisions of this Agreement and those of the Plan, the Plan Support Agreement or any other agreement among the County and Assured, the terms and conditions of this Agreement shall control; provided that as between the County and Assured (but not the Escrow Agent), in the event of any conflict between the terms and provisions of this Agreement and those of the Plan or Plan Support Agreement, the terms and conditions of the Plan or Plan Support Agreement, as applicable, shall control. The Escrow Agent may rely upon and shall not be liable for acting or refraining from acting upon any written notice, document, instruction or request furnished to it hereunder and believed by it in good faith to be genuine and to have been signed or presented by an Authorized Representative of the County or Assured, as applicable, without inquiry and without requiring substantiating evidence of any kind. The Escrow Agent shall be under no duty to inquire into or investigate the validity, accuracy or content of any such document, notice, instruction or request. The Escrow Agent shall have no duty to solicit any payments which may be due it or the Assured Escrow, including, without limitation, the Allocable Tail Risk Amount nor shall the Escrow Agent have any duty or obligation to confirm or verify the accuracy or correctness of any amounts deposited with it hereunder. The Escrow Agent shall have no obligation to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder.

(b) The Escrow Agent shall not be liable for any action taken, suffered or omitted to be taken by it in good faith except to the extent that a court of competent jurisdiction determines pursuant to a final, non-appealable judgment that the Escrow Agent's gross negligence or willful misconduct was the primary cause of any loss to either the County or Assured. The Escrow Agent may consult with counsel, accountants and other skilled persons to be selected and retained by it. The Escrow Agent shall not be liable for any action taken, suffered or omitted to

be taken by it in accordance with, or in reliance upon, the advice or opinion of any such counsel. In the event that the Escrow Agent shall be uncertain or believe there is some ambiguity as to its duties or rights hereunder or shall receive instructions, claims or demands from any party hereto which, in its opinion, conflict with any of the provisions of this Agreement, it shall be entitled to refrain from taking any action and its sole obligation shall be to keep safely all property held in escrow until it shall be given a direction in writing signed by an Authorized Representative of each of the County and Assured which eliminates such ambiguity or uncertainty to the satisfaction of the Escrow Agent or by a final and non-appealable order or judgment of a court of competent jurisdiction. The County and Assured agree to pursue any redress or recourse in connection with any dispute without making the Escrow Agent a party to the same. Anything in this Agreement to the contrary notwithstanding, in no event shall the Escrow Agent be liable for special, incidental, punitive, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

8. **Succession.** The Escrow Agent may resign and be discharged from its duties or obligations hereunder by giving 60 calendar days advance notice in writing of such resignation to the County and Assured specifying a date when such resignation shall take effect. If the County and Assured have failed to appoint a successor escrow agent prior to the expiration of such 60-day notice period, the Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor escrow agent or for other appropriate relief, and any such resulting appointment shall be binding upon all of the parties hereto. Any resignation of the Escrow Agent and appointment of a successor escrow agent pursuant to any of the provisions of this Section 8 shall become effective upon acceptance of appointment by the successor escrow agent. The Escrow Agent's sole responsibility after a successor escrow agent is appointed shall be to hold the Assured Escrow (without any obligation to reinvest the same) and to deliver the same to a designated substitute escrow agent, if any, or in accordance with the directions of a final order or judgment of a court of competent jurisdiction, at which time of delivery the Escrow Agent's obligations hereunder shall cease and terminate, subject to the provisions of Sections 8 and 9 hereunder. The Escrow Agent shall have the right to withhold an amount equal to any amount due and owing to the Escrow Agent, plus any costs and expenses the Escrow Agent shall reasonably believe may be incurred by the Escrow Agent in connection with the termination of this Agreement. Any entity into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any entity to which all or substantially all the escrow business may be transferred, shall be the Escrow Agent under this Agreement without further act.

9. **Compensation and Reimbursement.** The Escrow Agent shall be paid reasonable compensation for the services to be rendered hereunder, as described in Schedule 3 attached hereto. [Open item to be determined]

10. **Indemnity.** The County and Assured shall jointly and severally indemnify, defend (with counsel approved by the Escrow Agent) and save harmless the Escrow Agent and its affiliates and their respective successors, assigns, agents and employees (the "Indemnitees") from and against any and all losses, damages, claims, liabilities, penalties, judgments, settlements, litigation, investigations, costs or expenses (including, without limitation, the fees and expenses of outside counsel) (collectively "Indemnitee Losses") arising out of or in connection with (a) the

Escrow Agent's execution and performance of this Agreement, tax reporting or withholding, the enforcement of any rights or remedies under or in connection with this Agreement, or as may arise by reason of any act, omission or error of the Indemnitee, except in the case of any Indemnitee to the extent that such Indemnitee Losses are adjudicated by a court of competent jurisdiction, pursuant to a final, non-appealable judgment, to have been primarily caused by the gross negligence or willful misconduct of such Indemnitee, or (b) its following any instructions or other directions, whether joint or singular, from the County and Assured that are expressly permitted to be given under this Agreement. The County and Assured acknowledge that the foregoing indemnities shall survive the resignation, replacement or removal of the Escrow Agent or the termination of this Agreement.

11. **Patriot Act Disclosure/Taxpayer Identification Numbers/Tax Reporting.** [To be provided by Escrow Agent]

12. **Notices.** Any notices, demands and communications to a party hereunder shall be executed by an Authorized Representative, and shall be delivered in accordance with the terms of this Agreement by facsimile, email or overnight courier only to the appropriate fax number, email address, or notice address set forth for each party as follows on Schedule 4 hereto (or such other address as it may from time to time designate in writing to the other parties hereto). In the event that the Escrow Agent, in its sole discretion, shall determine that an emergency exists, the Escrow Agent may use such other means of communication as the Escrow Agent deems appropriate. "**Business Day**" shall mean any day other than a Saturday, Sunday or any other day on which the Escrow Agent located at the notice address set forth on Schedule 4 hereto is authorized or required by law or executive order to remain closed.

13. **Security Procedures.**

(a) Notwithstanding anything to the contrary as set forth in Section 12, any instructions setting forth, claiming, containing, objecting to, or in any way related to the transfer or distribution of funds, including but not limited to any such funds transfer instructions that may otherwise be set forth in a written instruction in a Portable Document Format ("**PDF**"), executed by the County and/or Assured as evidenced by the signatures of the person or persons signing this Agreement or one of their designated persons as set forth in Schedule 5 (each an "**Authorized Representative**"), permitted pursuant to Section 5 of this Agreement, may be given to the Escrow Agent only by confirmed facsimile or attached to an email on a Business Day only at the fax number or email address set forth in accordance with Section 12. Each of the County and Assured shall have delivered to the Escrow Agent, on or before the effective date of this Agreement, a fully executed incumbency certificate, substantially in the form of the attached Schedule 6.

(b) In the event funds transfer instructions are given whether in writing or by facsimile or otherwise, the Escrow Agent is authorized to seek confirmation of such instructions by telephone call-back to the Authorized Representative designated on Schedule 5, and the Escrow Agent may rely upon the confirmation of any Authorized Representative purporting to be the person or persons so designated. Each funds transfer instruction shall be executed by an authorized signatory, and a list of such authorized signatories is set forth on Schedule 5 hereto.

The persons and telephone numbers for call-backs may be changed only in a writing executed by an Authorized Representative of (i) the County or (ii) Assured actually received and acknowledged by the Escrow Agent. The Escrow Agent and the beneficiary's bank in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by the County or Assured to identify (a) the beneficiary, (b) the beneficiary's bank, or (c) an intermediary bank. The Escrow Agent may apply any of the escrowed funds for any payment order it executes using any such identifying number, even when its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank or an intermediary bank designated. The parties to this Agreement acknowledge that these security procedures are commercially reasonable.

(c) The County acknowledges that the Escrow Agent is authorized to use the following funds transfer instructions to disburse any funds due to the County under this Agreement without a verifying call-back as set forth in Section 13(b) above:

The County's Bank account information:

Bank name:
Bank Address:
ABA number:
Account name:
Account number:

Assured acknowledges that the Escrow Agent is authorized to use the following funds transfer instructions to disburse any funds due to Assured under this Agreement without a verifying call-back as set forth in Section 13(b) above:

Assured's Bank account information:

Bank name:
Bank Address:
ABA number:
Account name:
Account number:

14. **Compliance with Court Orders.** In the event that any escrow property shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court order affecting the property deposited under this Agreement, the Escrow Agent is hereby expressly authorized, in its sole discretion, to obey and comply with all writs, orders or decrees so entered or issued, which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction, and in the event that the Escrow Agent obeys or complies with any such writ, order or decree it shall not be liable to any of the parties hereto or to any other person, entity, firm or corporation, by reason of such compliance notwithstanding such writ, order or decree be subsequently reversed, modified, annulled, set aside or vacated.

15. **Transaction Statements.** The Escrow Agent shall furnish to Assured and the County periodic cash transaction statements which include detail for all investment transactions effected by the Escrow Agent or brokers selected by the applicable parties hereto or any investment advisor.

16. **Reallocation Among the Insurers.** On the date that is fifteen (15) calendar days following the Termination Date (the “**Release Date**”),

(a) In the event there are funds in the Escrow Fund on the Release Date other than funds then subject to a Claim Certificate for which payment has not yet been made (collectively, the “**Excess Funds**”), such Excess Funds shall be released from the Escrow Fund and distributed by the Escrow Agent as follows:

i. If neither Syncora’s nor FGIC’s Tail Risk Payment Agreement has been terminated in accordance with its terms prior to the Release Date, then the Excess Funds shall be released from the Escrow Fund and deposited into each of Syncora’s and FGIC’s respective escrow accounts, *pro rata* based on the ratio that (A) the applicable Allocable Tail Risk Amount under each of Syncora’s and FGIC’s Tail Risk Payment Agreement bears to (B) the sum of both applicable Allocable Tail Risk Amounts under the Tail Risk Payment Agreements for both Syncora and FGIC, with such funds to be applied in accordance with each such Insurer’s Tail Risk Payment Agreement.

ii. If only one, but not both, of Syncora and FGIC’s Tail Risk Payment Agreements has been terminated in accordance with its terms prior to the Release Date, and the Insurer whose Tail Risk Payment Agreement has terminated has asserted a Deficiency Claim (as defined in such Insurer’s Tail Risk Payment Agreement) in accordance with such agreement that remains unreimbursed, then the Excess Funds shall be released from the Escrow Fund first to such Insurer to reimburse its Deficiency Claim Amount (as defined in such Insurer’s Tail Risk Payment Agreement) and, to the extent of any remaining Excess Funds, second to be deposited into the escrow account of the Insurer whose Tail Risk Payment Agreement has not yet been terminated to be applied in accordance with such Insurer’s Tail Risk Payment Agreement.

iii. If only one, but not both, of Syncora and FGIC’s Tail Risk Payment Agreements has been terminated in accordance with its terms prior to the Release Date and no Insurer has asserted any Deficiency Claim that remains unreimbursed, then all Excess Funds shall be released from the Escrow Fund and deposited into the escrow account of the Insurer whose Tail Risk Payment Agreement has not been terminated to be applied in accordance with such Insurer’s Tail Risk Payment Agreement.

iv. If both of Syncora’s and FGIC’s Tail Risk Payment Agreements have been terminated in accordance with their respective terms prior to the Release Date and both Syncora and FGIC have asserted a Deficiency Claim that remains unreimbursed, then the Excess Funds shall be released from the Escrow Fund and distributed to Syncora and FGIC *pro rata* based on the ratio that each such Insurer’s unreimbursed Deficiency

Claim Amount bears to the aggregate of both Insurers' unreimbursed Deficiency Claim Amounts.

v. If both of Syncora's and FGIC's Tail Risk Payment Agreements have been terminated in accordance with their respective terms prior to the Release Date and only one, but not both, of Syncora and FGIC has asserted a Deficiency Claim that remains unreimbursed, then the Excess Funds shall be released from the Escrow Fund first to such Insurer to reimburse its Deficiency Claim Amount (as defined in such Insurer's Tail Risk Payment Agreement) and, to the extent of any remaining Excess Funds, second to be returned to the County in accordance with this Agreement.

vi. If both of Syncora's and FGIC's Tail Risk Payment Agreements have been terminated in accordance with their respective terms prior to the Release Date and neither Insurer has asserted a Deficiency Claim that remains unreimbursed, then all Excess Funds shall be released from the Escrow Fund and returned to the County in accordance with this Agreement.

(b) In the event that there are no remaining funds in the Escrow Fund on the Release Date and the funds that were in the Escrow Fund were insufficient to provide for payment in full of the Tail Risk claims required to be paid by Assured, then, no later than fifteen (15) calendar days after the Termination Date, Assured shall provide written notice to the County, the Escrow Agent, Syncora and FGIC (such notice being a "**Deficiency Claim**") setting forth the dollar amount of such shortfall (the "**Deficiency Claim Amount**"). Assured shall be entitled to be reimbursed for such Deficiency Claim Amount solely from any Excess Funds in Syncora's and/or FGIC's escrow accounts in accordance with the procedures set forth in Section 16(a) of Syncora's and/or FGIC's Tail Risk Payment Agreement, as applicable. Assured shall retain a contingent claim as against the excess funds in the escrow accounts established under the other Insurers' Tail Risk Payment Agreements solely to the extent and as expressly set forth in such agreements. For the avoidance of doubt, the County will have no liability for, or any responsibility to pay, fund or otherwise provide for, any Deficiency Claim other than from the Tail Risk Amount deposited on the Plan Effective Date in the escrow accounts established under this Agreement and the Tail Risk Payment Agreements between the County and each of Syncora and FGIC. Syncora and FGIC shall be third party beneficiaries of the provisions in this Section 16.

17. **Miscellaneous.**

(a) The provisions of this Agreement may be waived, altered, amended or supplemented, in whole or in part, only by a writing signed by the County, Assured and the Escrow Agent. Neither this Agreement nor any right or interest hereunder may be assigned in whole or in part by any party hereto, except as provided in Section 8 hereof, without the prior consent of the County and Assured (in the case of the Escrow Agent), Assured (in the case of the County), the County (in the case of Assured) or the Escrow Agent (to the extent required under the Patriot Act).

(b) This Agreement shall be governed by and construed under the laws of the State of _____. Each party hereto irrevocably waives any objection on the grounds of venue, forum non-convenience or any similar grounds and irrevocably consents to service of process by mail or in any other manner permitted by applicable law and consents to the jurisdiction of the courts located in the State of _____. The parties further hereby waive any right to a trial by jury with respect to any lawsuit or judicial proceeding arising or relating to this Agreement.

(c) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. All signatures of the parties to this Agreement may be transmitted by facsimile or by other electronic means, and such facsimile or other electronic transmission will, for all purposes, be deemed to be the original signature of such party whose signature it reproduces, and will be binding upon such party.

(d) If any provision of this Agreement is determined to be prohibited or unenforceable by reason of any applicable law of a jurisdiction, then such provision shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions thereof, and any such prohibition or unenforceability in such jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction.

(e) Except as otherwise expressly set forth herein, a person who is not a party to this Agreement shall have no right to enforce any term of this Agreement. Except as otherwise expressly set forth herein, nothing in this Agreement, whether express or implied, shall be construed to give to any person or entity other than the Escrow Agent, the County, and Assured any legal or equitable right, remedy, interest or claim under or in respect of this Agreement or any funds escrowed hereunder.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

[ESCROW AGENT], as Escrow Agent

By:

Name: _____

Title: _____

JEFFERSON COUNTY, ALABAMA

By:

Name: _____

Title: _____

ASSURED GUARANTY
MUNICIPAL CORP.

By:

Name: _____

Title: _____

Schedule 1

[Payment Schedule to be attached]

Schedule 2

[Claim Certificate to be attached]

Schedule 3

[See attached]

Schedule 4

Assured Guaranty Municipal Corp.

Notice Address:

Jefferson County, Alabama

Notice Address:

Escrow deposit: \$ _____

Escrow Agent notice address

[Escrow Agent], as Escrow Agent

Schedule 5

Telephone Number(s) and Authorized Signature(s) for
Person(s) Designated to Give and Confirm Funds Transfer Instructions

If to Assured:

	<u>Name</u>	<u>Telephone Number</u>	<u>Signature</u>
1.	_____		
2.	_____		

If to the County:

	<u>Name</u>	<u>Telephone Number</u>	<u>Signature</u>
1.	_____		
2.	_____		

All instructions, including but not limited to funds transfer instructions, whether transmitted by facsimile or set forth in a PDF attached to an email, must include the signature of the Authorized Representative authorizing said funds transfer on behalf of Assured or the County, as applicable.

Schedule 6

[Form of Incumbency Certificate]

Escrow Fund Signing Authority

Authorized Representative(s) of [_____]

The undersigned certifies that each of the individuals listed below is an authorized representative of [_____] with respect to any instruction or other action to be taken in connection with the Tail Risk Payment Agreement and [Escrow Agent] shall be entitled to rely on such list until a new list is furnished to [Escrow Agent].

Signature: _____
Print: _____
Title: _____
Phone: _____
Fax: _____
Email: _____

Signature: _____
Print: _____
Title: _____
Phone: _____
Fax: _____
Email: _____

The undersigned further certifies that he or she is duly authorized to sign this Escrow Fund Signing Authority.

Signature: _____ **
Name: _____
Its: _____
Date: _____

**To be signed by corporate secretary/assistant secretary. When the secretary is among those authorized above, the president must sign in the additional signature space provided below. For entities other than corporations, an authorized signatory not signing above should sign this Escrow Fund Signing Authority.

(Additional signature, if required)

Signature: _____
Name: _____
Its: _____
Date: _____

Exhibit 7

Tail Risk Payment Agreement – FGIC

TAIL RISK PAYMENT AGREEMENT

THIS TAIL RISK PAYMENT AGREEMENT (this “**Agreement**”) is dated as of _____, 2013, among Jefferson County, Alabama, a political subdivision of the State of Alabama (the “**County**”), Financial Guaranty Insurance Company, an insurance company organized under the laws of the State of New York (“**FGIC**”), and [Full Name of Escrow Agent], _____ (the “**Escrow Agent**”).

WHEREAS, pursuant to a Trust Indenture, dated as of February 1, 1997 (as amended, modified or supplemented from time to time), between the County and the Bank of New York Mellon Trust Company, N.A., as indenture trustee and successor to AmSouth Bank of Alabama, the County issued approximately \$3.6 billion original principal amount of warrants secured by a pledge of revenues from the County’s sanitary sewer system (the “**Sewer Warrants**”);

WHEREAS, on November 9, 2011, the County filed a petition for relief under Chapter 9 of Title 11 of the United States Code, thereby commencing Bankruptcy Case No. 11-05736-TBB9 before the United States Bankruptcy Court for the Northern District of Alabama, Southern Division (the “**Bankruptcy Court**”);

WHEREAS, the County and FGIC along with Assured Guaranty Municipal Corp. (“**Assured**”) and Syncora Guarantee Inc. (“**Syncora**”, and together with Assured and FGIC, the “**Insurers**”) have entered into that certain Plan Support Agreement, dated as of June 6, 2013 (the “**Plan Support Agreement**”), pursuant to which the Insurers have agreed to support a chapter 9 plan of adjustment for the County pursuant to the terms set forth in the Plan Support Agreement;

WHEREAS, on July 29, 2013, the County filed the *Chapter 9 Plan of Adjustment for Jefferson County, Alabama (Dated July 29, 2013)* (as it may be amended, supplemented, or modified from time to time by the County in accordance with the terms thereof and Bankruptcy Code section 942, the “**Plan**”) in the Bankruptcy Court;

WHEREAS, the Plan includes a commutation election (the “**Commutation Election**”) whereby holders of the Sewer Warrants may elect (or, in certain circumstances, may be deemed to elect) to commute claims that could be asserted against the Insurers under the applicable Sewer Warrant insurance policies issued by the Insurers (the “**Wrap Policies**”);

WHEREAS, upon the effective date of the Plan (the “**Plan Effective Date**”), the Insurers are exposed to claims for payments of principal and/or interest under their respective Wrap Policies from holders of the applicable insured Sewer Warrants that elect to not make, or are not deemed to make, the Commutation Election (such exposure, after giving effect to the County’s payment of the Non-Commutation True-Up Amount (as defined in the Plan) to the Insurers, but without taking into account any restructuring of FGIC’s payment obligations

pursuant to FGIC's First Amended Plan of rehabilitation, dated June 4, 2013 (as may be amended or modified, the "**FGIC Plan**"), is referred to herein as "**Tail Risk**";

WHEREAS, based on the results of the solicitation of votes on and elections with respect to the Plan, (i) the aggregate amount of Tail Risk related to all the Wrap Policies provided by the Insurers is calculated to be \$_____ (the "**Tail Risk Amount**"), and (ii) the aggregate allocated Tail Risk related to all the Wrap Policies provided by FGIC is calculated to be \$_____ (the "**Allocable Tail Risk Amount**");

WHEREAS, pursuant to the Plan Support Agreement and the Plan, the County has agreed to establish and fund three separate escrow accounts with respect to each Insurer's Tail Risk on the Plan Effective Date in the aggregate amount of the Insurers' Tail Risk (subject to reallocation among the Insurers), not to exceed \$25 million in the aggregate;

WHEREAS, it is a condition precedent to the Plan Effective Date that the aggregate amount of the Insurers' Tail Risk not exceed \$25 million and that FGIC will not be subject to any Tail Risk on or after the Plan Effective Date in an amount in excess of its Allocable Tail Risk Amount;

WHEREAS, an irrevocable trust fund (together with interest and investment returns thereon, the "**Escrow Fund**") will be established by the Escrow Agent pursuant to this Agreement, to timely reimburse FGIC for payments of principal and/or interest made by or on behalf of FGIC under the Wrap Policies (including, in FGIC's sole discretion, on an accelerated basis), subject to the terms and conditions of the FGIC Plan, to holders of FGIC insured Sewer Warrants that elect to not make, or are not deemed to make, the Commutation Election (such payments by or on behalf of FGIC, the "**Tail Risk Payments**");

WHEREAS, this Agreement provides the process for disbursement of amounts to reimburse FGIC on account of Tail Risk Payments, subject to the terms and provisions of the FGIC Plan, from the Escrow Fund to reimburse FGIC for payments made by FGIC to holders of the FGIC insured Sewer Warrants that elect to not make, or are not deemed to make, the Commutation Election and (subject to reallocation among the Insurers in accordance with this Agreement) the return of any remaining funds in the Escrow Fund to the County if such funds are no longer required to make Tail Risk Payments over the entire term that, pursuant to the FGIC Plan, FGIC makes initial and additional or subsequent cash payments under FGIC's Wrap Policies (including, in FGIC's sole discretion, on an accelerated basis) to holders of the FGIC insured Sewer Warrants that elect to not make, or are deemed to not make, the Commutation Election; and

WHEREAS, the establishment of the Escrow Fund in an amount equal to the Allocable Tail Risk Amount pursuant to the terms and conditions of this Agreement is a condition to the Plan Effective Date.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Definitions.** Capitalized terms used but not defined herein have the respective meanings ascribed to them in the Plan.
2. **Appointment.** The County and FGIC hereby appoint the Escrow Agent as their escrow agent for the purposes set forth herein, and the Escrow Agent hereby accepts such appointment under the terms and conditions set forth herein.
3. **Escrow.** Simultaneously with the execution and delivery of this Agreement on the Plan Effective Date, the County shall deposit cash in an amount equal to the Allocable Tail Risk Amount into the Escrow Fund established by the Escrow Agent to be held in irrevocable trust pursuant to this Agreement; the balance of such funds (including interest and any investment return thereon) held at any time by the Escrow Agent pursuant to this Agreement shall be referred to herein as the “**FGIC Escrow**”.

The Escrow Agent shall hold the FGIC Escrow (as such amount may be reduced by releases therefrom in accordance with the provisions contained herein) and, subject to the terms and conditions hereof, shall invest and reinvest the FGIC Escrow as specified in Section 4.

4. **Investment of Fund.** During the term of this Agreement, the FGIC Escrow shall be invested as instructed in writing executed by an Authorized Representative (as defined in Section 13 below) of each of FGIC and the County; provided, however, that such investments shall be limited to the following “**Permitted Investments**”:
 - (a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America), in each case maturing within ninety (90) calendar days from the date of acquisition thereof;
 - (b) investments in commercial paper maturing within ninety (90) calendar days from the date of acquisition thereof and having, at such date of acquisition, a commercial paper credit rating of A-1 from Standard & Poor’s or a short-term rating of P-1 from Moody’s; or
 - (c) money market funds having a rating in the highest investment category granted thereby by a recognized credit rating agency at the time of acquisition, including any fund for which the Escrow Agent, or an affiliate of the Escrow Agent serves as an investment advisor, administrator, shareholder servicing agent, custodian or sub-custodian, notwithstanding that the Escrow Agent or an affiliate of the Escrow Agent charges and collects fees and expenses from such funds for services rendered (provided that such charges, fees, and expenses are on terms consistent with terms negotiated at arm’s length).

In the event the County and FGIC determine, from time to time, that the Termination Date (as defined in Section 6 below) is not expected to occur within one year from the date of any such determination, the County and FGIC may agree to allow investments otherwise

authorized in Sections 4(a) and (b) hereof to have longer maturity periods than ninety (90) calendar days, and such investments will be Permitted Investments.

In the absence of written instructions, or in the event such written instructions are not executed by an Authorized Representative of each of FGIC and the County, the FGIC Escrow will be invested in direct obligations of the United States of America in accordance with Section 4(a) herein.

5. **Disbursements.** Disbursements from the Escrow Fund shall be governed by the following provisions, and the Escrow Agent shall make disbursements from the Escrow Fund only as provided in this Section 5.

(a) Claim Certificate. Not less than seven (7) Business Days (as defined below) prior to the date upon which FGIC is required, or otherwise elects, subject to the terms and conditions of the FGIC Plan, to make a Tail Risk Payment, including any additional or subsequent cash payments that may be due by FGIC pursuant to the FGIC Plan on account of previously submitted claims for principal and or interest under FGIC's Wrap Policies that received prior payment from FGIC (each such date, a "**Payment Date**"), FGIC or a paying agent designated by FGIC (the "**Paying Agent**") shall deliver to the Escrow Agent a certificate substantially in the form of Schedule 1 attached hereto (the "**Claim Certificate**") (x) setting forth the intention to make a Tail Risk Payment in the applicable amount set forth therein on the Payment Date and (y) directing the Escrow Agent to deliver funds in the same specified amount to FGIC or its Paying Agent no later than two (2) Business Days prior to the Payment Date.

(b) Claim Payment. If at any time the Escrow Agent shall have received a Claim Certificate from FGIC or its Paying Agent, then the Escrow Agent shall promptly, and in no event later than two (2) Business Days prior to the Payment Date, release to FGIC or its Paying Agent, if applicable, from the Escrow Fund, and remit to the FGIC account specified in Section 13(c) herein, funds in the amount specified in such Claim Certificate.¹

(c) County's Rights. Prior to the Termination Date specified in Section 6 herein, any and all amounts contained in the Escrow Fund shall not constitute property of the County. The County shall not be entitled to disbursements from the Escrow Fund; provided, however, that disbursements may be made to the County in the event of a surplus in the Escrow Fund after (i) payment in full of all claims for payments of principal and/or interest under the Wrap Policies from holders of the applicable insured Sewer Warrants that elect to not make, or are not deemed to make, the Commutation Election, subject to the terms and provisions of the FGIC Plan, under FGIC's Wrap Policies and (ii) all reallocations have been made pursuant to Section 16 herein.

¹ For the avoidance of doubt, notwithstanding the payment by the County of the Non-Commutation True-Up Amount to FGIC or the definition of "Tail Risk" under the Plan and this Agreement, or the calculations of the Tail Risk Amount and the Allocable Tail Risk Amount stated herein, FGIC may present Claim Certificates to the Escrow Agent with respect to, and shall be reimbursed from the Escrow Fund as provided herein for, all payments of principal and interest due under the FGIC Wrap Policies (as modified by and subject to the terms and provisions of the FGIC Plan) up to the amount of the FGIC Escrow.

(d) Escrow Agent Report. On March 31 of each calendar year, Escrow Agent shall submit to FGIC and the County a report regarding the status of the Escrow Fund containing (i) the opening and closing balances of the Escrow Fund, (ii) a schedule of all distributions made from the Escrow Fund during the calendar year, (iii) the total amount earned in the preceding year from investment of the FGIC Escrow, and (iv) the list of Permitted Investments in which funds in the Escrow Fund are then invested.

6. Termination.

(a) This Agreement shall terminate on the earlier of (i) the date that each of the County and FGIC designate in writing as the termination date, or (ii) the date on which FGIC provides written notice to the County, the Escrow Agent, Syncora and Assured that FGIC no longer requires any remaining funds in the Escrow Fund, including any interest and/or investment return thereon, to make Tail Risk Payments over the entire term that, pursuant to the FGIC Plan, FGIC makes initial and additional or subsequent cash payments under FGIC's Wrap Policies (including, in FGIC's sole discretion, on an accelerated basis) to holders of the FGIC insured Sewer Warrants that elect to not make, or are deemed to not make, the Commutation Election (the "**Termination Date**").

(b) Following the Termination Date, the Escrow Agent shall release the Excess Funds (as defined in Section 16 hereof), if any, in accordance with Section 16 hereof.

7. Escrow Agent.

(a) The Escrow Agent shall have only those duties as are specifically and expressly provided in this Agreement, which shall be deemed purely ministerial in nature, and no other duties shall be implied. The Escrow Agent shall neither be responsible for, nor chargeable with, knowledge of, nor have any requirements to comply with, the terms and conditions of any other agreement, instrument or document between the County and FGIC, in connection herewith, if any, including without limitation the Plan Support Agreement, nor shall the Escrow Agent be required to determine if any person or entity has complied with any such agreements, nor shall any additional obligations of the Escrow Agent be inferred from the terms of such agreements, even though reference thereto may be made in this Agreement. As between the County and FGIC on the one hand, and the Escrow Agent on the other hand, in the event of any conflict between the terms and provisions of this Agreement and those of the Plan, the Plan Support Agreement or any other agreement among the County and FGIC, the terms and conditions of this Agreement shall control; provided that as between the County and FGIC (but not the Escrow Agent), in the event of any conflict between the terms and provisions of this Agreement and those of the Plan or Plan Support Agreement, the terms and conditions of the Plan or Plan Support Agreement, as applicable, shall control. The Escrow Agent may rely upon and shall not be liable for acting or refraining from acting upon any written notice, document, instruction or request furnished to it hereunder and believed by it in good faith to be genuine and to have been signed or presented by an Authorized Representative of the County or FGIC, as applicable, without inquiry and without requiring substantiating evidence of any kind. The Escrow Agent shall be under no duty to inquire into or investigate the validity, accuracy or content of any such document, notice, instruction or request. The Escrow Agent shall have no duty to solicit any payments which may be due it or the FGIC Escrow, including, without limitation, the Allocable

Tail Risk Amount nor shall the Escrow Agent have any duty or obligation to confirm or verify the accuracy or correctness of any amounts deposited with it hereunder. The Escrow Agent shall have no obligation to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder.

(b) The Escrow Agent shall not be liable for any action taken, suffered or omitted to be taken by it in good faith except to the extent that a court of competent jurisdiction determines pursuant to a final, non-appealable judgment that the Escrow Agent's gross negligence or willful misconduct was the primary cause of any loss to either the County or FGIC. The Escrow Agent may consult with counsel, accountants and other skilled persons to be selected and retained by it. The Escrow Agent shall not be liable for any action taken, suffered or omitted to be taken by it in accordance with, or in reliance upon, the advice or opinion of any such counsel. In the event that the Escrow Agent shall be uncertain or believe there is some ambiguity as to its duties or rights hereunder or shall receive instructions, claims or demands from any party hereto which, in its opinion, conflict with any of the provisions of this Agreement, it shall be entitled to refrain from taking any action and its sole obligation shall be to keep safely all property held in escrow until it shall be given a direction in writing signed by an Authorized Representative of each of the County and FGIC which eliminates such ambiguity or uncertainty to the satisfaction of the Escrow Agent or by a final and non-appealable order or judgment of a court of competent jurisdiction. The County and FGIC agree to pursue any redress or recourse in connection with any dispute without making the Escrow Agent a party to the same. Anything in this Agreement to the contrary notwithstanding, in no event shall the Escrow Agent be liable for special, incidental, punitive, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

8. **Succession.** The Escrow Agent may resign and be discharged from its duties or obligations hereunder by giving 60 calendar days advance notice in writing of such resignation to the County and FGIC specifying a date when such resignation shall take effect. If the County and FGIC have failed to appoint a successor escrow agent prior to the expiration of such 60-day notice period, the Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor escrow agent or for other appropriate relief, and any such resulting appointment shall be binding upon all of the parties hereto. Any resignation of the Escrow Agent and appointment of a successor escrow agent pursuant to any of the provisions of this Section 8 shall become effective upon acceptance of appointment by the successor escrow agent. The Escrow Agent's sole responsibility after a successor escrow agent is appointed shall be to hold the FGIC Escrow (without any obligation to reinvest the same) and to deliver the same to a designated substitute escrow agent, if any, or in accordance with the directions of a final order or judgment of a court of competent jurisdiction, at which time of delivery the Escrow Agent's obligations hereunder shall cease and terminate, subject to the provisions of Sections 8 and 9 hereunder. The Escrow Agent shall have the right to withhold an amount equal to any amount due and owing to the Escrow Agent, plus any costs and expenses the Escrow Agent shall reasonably believe may be incurred by the Escrow Agent in connection with the termination of this Agreement. Any entity into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any entity to which all or substantially all the escrow business may be transferred, shall be the Escrow Agent under this Agreement without further act.

9. **Compensation and Reimbursement.** The Escrow Agent shall be paid reasonable compensation for the services to be rendered hereunder, as described in Schedule 2 attached hereto. [Open item to be determined]

10. **Indemnity.** The County and FGIC shall jointly and severally indemnify, defend (with counsel approved by the Escrow Agent) and save harmless the Escrow Agent and its affiliates and their respective successors, assigns, agents and employees (the “Indemnitees”) from and against any and all losses, damages, claims, liabilities, penalties, judgments, settlements, litigation, investigations, costs or expenses (including, without limitation, the fees and expenses of outside counsel) (collectively “Indemnatee Losses”) arising out of or in connection with (a) the Escrow Agent’s execution and performance of this Agreement, tax reporting or withholding, the enforcement of any rights or remedies under or in connection with this Agreement, or as may arise by reason of any act, omission or error of the Indemnatee, except in the case of any Indemnatee to the extent that such Indemnatee Losses are adjudicated by a court of competent jurisdiction, pursuant to a final, non-appealable judgment, to have been primarily caused by the gross negligence or willful misconduct of such Indemnatee, or (b) its following any instructions or other directions, whether joint or singular, from the County and FGIC that are expressly permitted to be given under this Agreement. The County and FGIC acknowledge that the foregoing indemnities shall survive the resignation, replacement or removal of the Escrow Agent or the termination of this Agreement.

11. **Patriot Act Disclosure/Taxpayer Identification Numbers/Tax Reporting.** [To be provided by Escrow Agent]

12. **Notices.** Any notices, demands and communications to a party hereunder shall be executed by an Authorized Representative, and shall be delivered in accordance with the terms of this Agreement by facsimile, email or overnight courier only to the appropriate fax number, email address, or notice address set forth for each party as follows on Schedule 3 hereto (or such other address as it may from time to time designate in writing to the other parties hereto). In the event that the Escrow Agent, in its sole discretion, shall determine that an emergency exists, the Escrow Agent may use such other means of communication as the Escrow Agent deems appropriate. “**Business Day**” shall mean any day other than a Saturday, Sunday or any other day on which the Escrow Agent located at the notice address set forth on Schedule 3 hereto is authorized or required by law or executive order to remain closed.

13. **Security Procedures.**

(a) Notwithstanding anything to the contrary as set forth in Section 12, any instructions setting forth, claiming, containing, objecting to, or in any way related to the transfer or distribution of funds, including but not limited to any such funds transfer instructions that may otherwise be set forth in a written instruction in a Portable Document Format (“**PDF**”), executed by the County and/or FGIC as evidenced by the signatures of the person or persons signing this Agreement or one of their designated persons as set forth in Schedule 4 (each an “**Authorized Representative**”), permitted pursuant to Section 5 of this Agreement, may be given to the Escrow Agent only by confirmed facsimile or attached to an email on a Business Day only at the

fax number or email address set forth in accordance with Section 12. Each of the County and FGIC shall have delivered to the Escrow Agent, on or before the effective date of this Agreement, a fully executed incumbency certificate, substantially in the form of the attached Schedule 5.

(b) In the event funds transfer instructions are given whether in writing or by facsimile or otherwise, the Escrow Agent is authorized to seek confirmation of such instructions by telephone call-back to the Authorized Representative designated on Schedule 4, and the Escrow Agent may rely upon the confirmation of any Authorized Representative purporting to be the person or persons so designated. Each funds transfer instruction shall be executed by an authorized signatory, and a list of such authorized signatories is set forth on Schedule 4 hereto. The persons and telephone numbers for call-backs may be changed only in a writing executed by an Authorized Representative of (i) the County or (ii) FGIC actually received and acknowledged by the Escrow Agent. The Escrow Agent and the beneficiary's bank in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by the County or FGIC to identify (a) the beneficiary, (b) the beneficiary's bank, or (c) an intermediary bank. The Escrow Agent may apply any of the escrowed funds for any payment order it executes using any such identifying number, even when its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank or an intermediary bank designated. The parties to this Agreement acknowledge that these security procedures are commercially reasonable.

(c) The County acknowledges that the Escrow Agent is authorized to use the following funds transfer instructions to disburse any funds due to the County under this Agreement without a verifying call-back as set forth in Section 13(b) above:

The County's Bank account information:

Bank name:
Bank Address:
ABA number:
Account name:
Account number:

FGIC acknowledges that the Escrow Agent is authorized to use the following funds transfer instructions to disburse any funds due to FGIC under this Agreement without a verifying call-back as set forth in Section 13(b) above:

FGIC's Bank account information:

Bank name:
Bank Address:
ABA number:
Account name:
Account number:

14. **Compliance with Court Orders.** In the event that any escrow property shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court order affecting the property deposited under this Agreement, the Escrow Agent is hereby expressly authorized, in its sole discretion, to obey and comply with all writs, orders or decrees so entered or issued, which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction, and in the event that the Escrow Agent obeys or complies with any such writ, order or decree it shall not be liable to any of the parties hereto or to any other person, entity, firm or corporation, by reason of such compliance notwithstanding such writ, order or decree be subsequently reversed, modified, annulled, set aside or vacated.

15. **Transaction Statements.** The Escrow Agent shall furnish to FGIC and the County periodic cash transaction statements which include detail for all investment transactions effected by the Escrow Agent or brokers selected by the applicable parties hereto or any investment advisor.

16. **Reallocation Among the Insurers.** On the date that is fifteen (15) calendar days following the Termination Date (the “**Release Date**”),

(a) In the event there are funds in the Escrow Fund on the Release Date other than funds then subject to a Claim Certificate for which payment has not yet been made (collectively, the “**Excess Funds**”), such Excess Funds shall be released from the Escrow Fund and distributed by the Escrow Agent as follows:

i. If neither Syncora’s nor Assured’s Tail Risk Payment Agreement has been terminated in accordance with its terms prior to the Release Date, then the Excess Funds shall be released from the Escrow Fund and deposited into each of Syncora’s and Assured’s respective escrow accounts, *pro rata* based on the ratio that (A) the applicable Allocable Tail Risk Amount under each of Syncora’s and Assured’s Tail Risk Payment Agreement bears to (B) the sum of both applicable Allocable Tail Risk Amounts under the Tail Risk Payment Agreements for both Syncora and Assured, with such funds to be applied in accordance with each such Insurer’s Tail Risk Payment Agreement.

ii. If only one, but not both, of Syncora and Assured’s Tail Risk Payment Agreements has been terminated in accordance with its terms prior to the Release Date, and the Insurer whose Tail Risk Payment Agreement has terminated has asserted a Deficiency Claim (as defined in such Insurer’s Tail Risk Payment Agreement) in accordance with such agreement that remains unreimbursed, then the Excess Funds shall be released from the Escrow Fund first to such Insurer to reimburse its Deficiency Claim Amount (as defined in such Insurer’s Tail Risk Payment Agreement) and, to the extent of any remaining Excess Funds, second to be deposited into the escrow account of the Insurer whose Tail Risk Payment Agreement has not yet been terminated to be applied in accordance with such Insurer’s Tail Risk Payment Agreement.

iii. If only one, but not both, of Syncora and Assured’s Tail Risk Payment Agreements has been terminated in accordance with its terms prior to the Release Date

and no Insurer has asserted any Deficiency Claim that remains unreimbursed, then all Excess Funds shall be released from the Escrow Fund and deposited into the escrow account of the Insurer whose Tail Risk Payment Agreement has not been terminated to be applied in accordance with such Insurer's Tail Risk Payment Agreement.

iv. If both of Syncora's and Assured's Tail Risk Payment Agreements have been terminated in accordance with their respective terms prior to the Release Date and both Syncora and Assured have asserted a Deficiency Claim that remains unreimbursed, then the Excess Funds shall be released from the Escrow Fund and distributed to Syncora and Assured *pro rata* based on the ratio that each such Insurer's unreimbursed Deficiency Claim Amount bears to the aggregate of both Insurers' unreimbursed Deficiency Claim Amounts.

v. If both of Syncora's and Assured's Tail Risk Payment Agreements have been terminated in accordance with their respective terms prior to the Release Date and only one, but not both, of Syncora and Assured has asserted a Deficiency Claim that remains unreimbursed, then the Excess Funds shall be released from the Escrow Fund first to such Insurer to reimburse its Deficiency Claim Amount (as defined in such Insurer's Tail Risk Payment Agreement) and, to the extent of any remaining Excess Funds, second to be returned to the County in accordance with this Agreement.

vi. If both of Syncora's and Assured's Tail Risk Payment Agreements have been terminated in accordance with their respective terms prior to the Release Date and neither Insurer has asserted a Deficiency Claim that remains unreimbursed, then all Excess Funds shall be released from the Escrow Fund and returned to the County in accordance with this Agreement.

(b) In the event that there are no remaining funds in the Escrow Fund on the Release Date and the funds that were in the Escrow Fund were insufficient to provide for payment in full of the Tail Risk claims required to be paid by FGIC, then, no later than fifteen (15) calendar days after the Termination Date, FGIC shall provide written notice to the County, the Escrow Agent, Syncora and Assured (such notice being a "**Deficiency Claim**") setting forth the dollar amount of such shortfall (the "**Deficiency Claim Amount**"). FGIC shall be entitled to be reimbursed for such Deficiency Claim Amount solely from any Excess Funds in Syncora's and/or Assured's escrow accounts in accordance with the procedures set forth in Section 16(a) of Syncora's and/or Assured's Tail Risk Payment Agreement, as applicable. FGIC shall retain a contingent claim as against the excess funds in the escrow accounts established under the other Insurers' Tail Risk Payment Agreements solely to the extent and as expressly set forth in such agreements. For the avoidance of doubt, the County will have no liability for, or any responsibility to pay, fund or otherwise provide for, any Deficiency Claim other than from the Tail Risk Amount deposited on the Plan Effective Date in the escrow accounts established under this Agreement and the Tail Risk Payment Agreements between the County and each of Syncora and Assured. Syncora and Assured shall be third party beneficiaries of the provisions in this Section 16.

17. **Miscellaneous.**

(a) The provisions of this Agreement may be waived, altered, amended or supplemented, in whole or in part, only by a writing signed by the County, FGIC and the Escrow Agent. Neither this Agreement nor any right or interest hereunder may be assigned in whole or in part by any party hereto, except as provided in Section 8 hereof, without the prior consent of the County and FGIC (in the case of the Escrow Agent), FGIC (in the case of the County), the County (in the case of FGIC) or the Escrow Agent (to the extent required under the Patriot Act).

(b) This Agreement shall be governed by and construed under the laws of the State of _____. Each party hereto irrevocably waives any objection on the grounds of venue, forum non-convenience or any similar grounds and irrevocably consents to service of process by mail or in any other manner permitted by applicable law and consents to the jurisdiction of the courts located in the State of _____. The parties further hereby waive any right to a trial by jury with respect to any lawsuit or judicial proceeding arising or relating to this Agreement.

(c) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. All signatures of the parties to this Agreement may be transmitted by facsimile or by other electronic means, and such facsimile or other electronic transmission will, for all purposes, be deemed to be the original signature of such party whose signature it reproduces, and will be binding upon such party.

(d) If any provision of this Agreement is determined to be prohibited or unenforceable by reason of any applicable law of a jurisdiction, then such provision shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions thereof, and any such prohibition or unenforceability in such jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction.

(e) Except as otherwise expressly set forth herein, a person who is not a party to this Agreement shall have no right to enforce any term of this Agreement. Except as otherwise expressly set forth herein, nothing in this Agreement, whether express or implied, shall be construed to give to any person or entity other than the Escrow Agent, the County, and FGIC any legal or equitable right, remedy, interest or claim under or in respect of this Agreement or any funds escrowed hereunder.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

[ESCROW AGENT], as Escrow Agent

By:

Name: _____

Title: _____

JEFFERSON COUNTY, ALABAMA

By:

Name: _____

Title: _____

FINANCIAL GUARANTY
INSURANCE COMPANY

By:

Name: _____

Title: _____

Schedule 1

[Claim Certificate to be attached]

Schedule 2

[See attached]

Schedule 3

Financial Guaranty Insurance Company

Notice Address:

Jefferson County, Alabama

Notice Address:

Escrow deposit: \$ _____

Escrow Agent notice address

[Escrow Agent], as Escrow Agent

Schedule 4

Telephone Number(s) and Authorized Signature(s) for
Person(s) Designated to Give and Confirm Funds Transfer Instructions

If to FGIC:

	<u>Name</u>	<u>Telephone Number</u>	<u>Signature</u>
1.	_____		
2.	_____		

If to the County:

	<u>Name</u>	<u>Telephone Number</u>	<u>Signature</u>
1.	_____		
2.	_____		

All instructions, including but not limited to funds transfer instructions, whether transmitted by facsimile or set forth in a PDF attached to an email, must include the signature of the Authorized Representative authorizing said funds transfer on behalf of FGIC or the County, as applicable.

Schedule 5

[Form of Incumbency Certificate]

Escrow Fund Signing Authority

Authorized Representative(s) of [_____]

The undersigned certifies that each of the individuals listed below is an authorized representative of [_____] with respect to any instruction or other action to be taken in connection with the Tail Risk Payment Agreement and [Escrow Agent] shall be entitled to rely on such list until a new list is furnished to [Escrow Agent].

Signature: _____
Print:
Title:
Phone:
Fax:
Email:

Signature: _____
Print:
Title:
Phone:
Fax:
Email:

The undersigned further certifies that he or she is duly authorized to sign this Escrow Fund Signing Authority.

Signature: _____ **
Name:
Its:
Date:

**To be signed by corporate secretary/assistant secretary. When the secretary is among those authorized above, the president must sign in the additional signature space provided below. For entities other than corporations, an authorized signatory not signing above should sign this Escrow Fund Signing Authority.

(Additional signature, if required)

Signature: _____
Name:
Its:
Date:

Exhibit 8

Tail Risk Payment Agreement – Syncora

TAIL RISK PAYMENT AGREEMENT

THIS TAIL RISK PAYMENT AGREEMENT (this “**Agreement**”) is dated as of _____, 2013, among Jefferson County, Alabama, a political subdivision of the State of Alabama (the “**County**”), Syncora Guarantee Inc., f/k/a XL Capital Assurance Inc. (“**Syncora**”), and [Full Name of Escrow Agent], _____ (the “**Escrow Agent**”).

WHEREAS, pursuant to a Trust Indenture, dated as of February 1, 1997 (as amended, modified or supplemented from time to time), between the County and the Bank of New York Mellon Trust Company, N.A., as indenture trustee and successor to AmSouth Bank of Alabama, the County issued approximately \$3.6 billion original principal amount of warrants secured by a pledge of revenues from the County’s sanitary sewer system (the “**Sewer Warrants**”);

WHEREAS, on November 9, 2011, the County filed a petition for relief under Chapter 9 of Title 11 of the United States Code, thereby commencing Bankruptcy Case No. 11-05736-TBB9 before the United States Bankruptcy Court for the Northern District of Alabama, Southern Division (the “**Bankruptcy Court**”);

WHEREAS, the County and Syncora along with Financial Guaranty Insurance Company (“**FGIC**”) and Assured Guaranty Municipal Corp., as successor to Financial Security Assurance, Inc. (“**Assured**”, and together with Syncora and FGIC, the “**Insurers**”) have entered into that certain Plan Support Agreement, dated as of June 6, 2013 (the “**Plan Support Agreement**”), pursuant to which the Insurers have agreed to support a chapter 9 plan of adjustment for the County pursuant to the terms set forth in the Plan Support Agreement;

WHEREAS, on July 29, 2013, the County filed the *Chapter 9 Plan of Adjustment for Jefferson County, Alabama (Dated July 29, 2013)* (as it may be amended, supplemented, or modified from time to time by the County in accordance with the terms thereof and Bankruptcy Code section 942, the “**Plan**”) in the Bankruptcy Court;

WHEREAS, the Plan includes a commutation election (the “**Commutation Election**”) whereby holders of the Sewer Warrants may elect (or, in certain circumstances, may be deemed to elect) to commute claims that could be asserted against the Insurers under the applicable Sewer Warrant insurance policies issued by the Insurers (the “**Wrap Policies**”);

WHEREAS, upon the effective date of the Plan (the “**Plan Effective Date**”), the Insurers are exposed to claims for payments of principal and/or interest under their respective Wrap Policies from holders of the applicable insured Sewer Warrants that elect to not make, or are not deemed to make, the Commutation Election (such exposure, after giving effect to the County’s payment of the Non-Commutation True-Up Amount (as defined in the Plan) to the Insurers, is referred to herein as “**Tail Risk**”);

WHEREAS, based on the results of the solicitation of votes on and elections with respect to the Plan, (i) the aggregate amount of Tail Risk related to all the Wrap Policies provided by the Insurers is calculated to be \$_____ (the “**Tail Risk Amount**”), and (ii) the aggregate allocated Tail Risk related to all the Wrap Policies provided by Syncora is calculated to be \$_____ (the “**Allocable Tail Risk Amount**”);

WHEREAS, pursuant to the Plan Support Agreement and the Plan, the County has agreed to establish and fund three separate escrow accounts with respect to each Insurer’s Tail Risk on the Plan Effective Date in the aggregate amount of the Insurers’ Tail Risk (subject to reallocation among the Insurers), not to exceed \$25 million in the aggregate;

WHEREAS, it is a condition precedent to the Plan Effective Date that the aggregate amount of the Insurers’ Tail Risk not exceed \$25 million and that Syncora will not be subject to any Tail Risk on or after the Plan Effective Date in an amount in excess of its Allocable Tail Risk Amount;

WHEREAS, an irrevocable trust fund (together with interest and investment returns thereon, the “**Escrow Fund**”) will be established by the Escrow Agent pursuant to this Agreement, to provide for timely payments of Tail Risk to partially reimburse Syncora for payments of principal and/or interest made under the Wrap Policies (including, in Syncora’s sole discretion, on an accelerated basis) to holders of Syncora insured Sewer Warrants that elect to not make, or are not deemed to make, the Commutation Election (such payments, the “**Tail Risk Payments**”);

WHEREAS, this Agreement provides the process for disbursement of amounts on account of Tail Risk Payments from the Escrow Fund to reimburse Syncora for payments made by Syncora to holders of the Syncora insured Sewer Warrants that elect to not make, or are not deemed to make, the Commutation Election and (subject to reallocation among the Insurers in accordance with this Agreement) the return of any remaining funds in the Escrow Fund to the County if such funds are no longer required to make Tail Risk Payments (i) over the entire term that any Tail Risk claims can be presented for payment to Syncora (including any additional or subsequent cash payments that may be due to Syncora on account of previously submitted Tail Risk claims that received prior payments) or (ii) in Syncora’s sole discretion, on an accelerated basis; and

WHEREAS, the establishment of the Escrow Fund in an amount equal to the Allocable Tail Risk Amount pursuant to the terms and conditions of this Agreement is a condition to the Plan Effective Date.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Definitions.** Capitalized terms used but not defined herein have the respective meanings ascribed to them in the Plan.

2. **Appointment.** The County and Syncora hereby appoint the Escrow Agent as their escrow agent for the purposes set forth herein, and the Escrow Agent hereby accepts such appointment under the terms and conditions set forth herein.

3. **Escrow.** Simultaneously with the execution and delivery of this Agreement on the Plan Effective Date, the County shall deposit cash in an amount equal to the Allocable Tail Risk Amount into the Escrow Fund established by the Escrow Agent to be held in irrevocable trust pursuant to this Agreement; the balance of such funds (including interest and any investment return thereon) held at any time by the Escrow Agent pursuant to this Agreement shall be referred to herein as the “**Syncora Escrow**”.

The Escrow Agent shall hold the Syncora Escrow (as such amount may be reduced by releases therefrom in accordance with the provisions contained herein) and, subject to the terms and conditions hereof, shall invest and reinvest the Syncora Escrow as specified in Section 4.

4. **Investment of Fund.** During the term of this Agreement, the Syncora Escrow shall be invested as instructed in writing executed by an Authorized Representative (as defined in Section 13 below) of each of Syncora and the County; provided, however, that such investments shall be limited to the following “**Permitted Investments**”:

- (a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America), in each case maturing within ninety (90) calendar days from the date of acquisition thereof;
- (b) investments in commercial paper maturing within ninety (90) calendar days from the date of acquisition thereof and having, at such date of acquisition, a commercial paper credit rating of A-1 from Standard & Poor’s or a short-term rating of P-1 from Moody’s; or
- (c) money market funds having a rating in the highest investment category granted thereby by a recognized credit rating agency at the time of acquisition, including any fund for which the Escrow Agent, or an affiliate of the Escrow Agent serves as an investment advisor, administrator, shareholder servicing agent, custodian or sub-custodian, notwithstanding that the Escrow Agent or an affiliate of the Escrow Agent charges and collects fees and expenses from such funds for services rendered (provided that such charges, fees, and expenses are on terms consistent with terms negotiated at arm’s length).

In the event the County and Syncora determine, from time to time, that the Termination Date (as defined in Section 6 below) is not expected to occur within one year from the date of any such determination, the County and Syncora may agree to allow investments otherwise authorized in Sections 4(a) and (b) hereof to have longer maturity periods than ninety (90) calendar days, and such investments will be Permitted Investments.

In the absence of written instructions, or in the event such written instructions are not executed by an Authorized Representative of each of Syncora and the County, the Syncora Escrow will be invested in direct obligations of the United States of America in accordance with Section 4(a) herein.

5. **Disbursements.** Disbursements from the Escrow Fund shall be governed by the following provisions, and the Escrow Agent shall make disbursements from the Escrow Fund only as provided in this Section 5.

(a) **Claim Certificate.** Not less than seven (7) Business Days (as defined below) prior to (i) the date upon which Syncora is required, or otherwise elects, to make a Tail Risk Payment as set forth in Schedule 1 attached hereto or (ii) the date upon which Syncora shall, in Syncora's sole discretion, make payment in full, of all claims that could be asserted under its Wrap Policies on an accelerated basis (each such date, a "**Payment Date**"), Syncora or a paying agent designated by Syncora (the "**Paying Agent**") shall deliver to the Escrow Agent a certificate substantially in the form of Schedule 2 attached hereto (the "**Claim Certificate**") (x) setting forth the intention to make a Tail Risk Payment in the applicable amount set forth therein on the Payment Date and (y) directing the Escrow Agent to deliver funds in the same specified amount to Syncora or its Paying Agent no later than two (2) Business Days prior to the Payment Date.

(b) **Claim Payment.** If at any time the Escrow Agent shall have received a Claim Certificate from Syncora or its Paying Agent, then the Escrow Agent shall promptly, and in no event later than two (2) Business Days prior to the Payment Date, release to Syncora or its Paying Agent, if applicable, from the Escrow Fund, and remit to the Syncora account specified in Section 13(c) herein, funds in the amount specified in such Claim Certificate.

(c) **County's Rights.** Prior to the Termination Date specified in Section 6 herein, any and all amounts contained in the Escrow Fund shall not constitute property of the County. The County shall not be entitled to disbursements from the Escrow Fund; provided, however, that disbursements may be made to the County in the event of a surplus in the Escrow Fund after (i) payment in full of all claims for payments of principal and/or interest under the Wrap Policies from holders of the applicable insured Sewer Warrants that elect to not make, or are not deemed to make, the Commutation Election, under Syncora's Wrap Policies and (ii) all reallocations have been made pursuant to Section 16 herein.

(d) **Escrow Agent Report.** On March 31 of each calendar year, Escrow Agent shall submit to Syncora and the County a report regarding the status of the Escrow Fund containing (i) the opening and closing balances of the Escrow Fund, (ii) a schedule of all distributions made from the Escrow Fund during the calendar year, (iii) the total amount earned in the preceding year from investment of the Syncora Escrow, and (iv) the list of Permitted Investments in which funds in the Escrow Fund are then invested.

6. **Termination.**

(a) This Agreement shall terminate on the earlier of (i) the date that each of the County and Syncora designate in writing as the termination date, or (ii) the date on which Syncora provides written notice to the County, the Escrow Agent, Assured and FGIC that

Syncora no longer requires any remaining funds in the Escrow Fund, including any interest and/or investment return thereon, to make Tail Risk Payments (A) over the entire term that any Tail Risk claims can be presented for payment to Syncora (including any additional or subsequent cash payments that may be due to Syncora on account of previously submitted Tail Risk claims that received prior payments) or (B) in Syncora's sole discretion, on an accelerated basis (the "**Termination Date**").

(b) Following the Termination Date, the Escrow Agent shall release the Excess Funds (as defined in Section 16 hereof), if any, in accordance with Section 16 hereof.

7. **Escrow Agent.**

(a) The Escrow Agent shall have only those duties as are specifically and expressly provided in this Agreement, which shall be deemed purely ministerial in nature, and no other duties shall be implied. The Escrow Agent shall neither be responsible for, nor chargeable with, knowledge of, nor have any requirements to comply with, the terms and conditions of any other agreement, instrument or document between the County and Syncora, in connection herewith, if any, including without limitation the Plan Support Agreement, nor shall the Escrow Agent be required to determine if any person or entity has complied with any such agreements, nor shall any additional obligations of the Escrow Agent be inferred from the terms of such agreements, even though reference thereto may be made in this Agreement. As between the County and Syncora on the one hand, and the Escrow Agent on the other hand, in the event of any conflict between the terms and provisions of this Agreement and those of the Plan, the Plan Support Agreement or any other agreement among the County and Syncora, the terms and conditions of this Agreement shall control; provided that as between the County and Syncora (but not the Escrow Agent), in the event of any conflict between the terms and provisions of this Agreement and those of the Plan or Plan Support Agreement, the terms and conditions of the Plan or Plan Support Agreement, as applicable, shall control. The Escrow Agent may rely upon and shall not be liable for acting or refraining from acting upon any written notice, document, instruction or request furnished to it hereunder and believed by it in good faith to be genuine and to have been signed or presented by an Authorized Representative of the County or Syncora, as applicable, without inquiry and without requiring substantiating evidence of any kind. The Escrow Agent shall be under no duty to inquire into or investigate the validity, accuracy or content of any such document, notice, instruction or request. The Escrow Agent shall have no duty to solicit any payments which may be due it or the Syncora Escrow, including, without limitation, the Allocable Tail Risk Amount nor shall the Escrow Agent have any duty or obligation to confirm or verify the accuracy or correctness of any amounts deposited with it hereunder. The Escrow Agent shall have no obligation to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder.

(b) The Escrow Agent shall not be liable for any action taken, suffered or omitted to be taken by it in good faith except to the extent that a court of competent jurisdiction determines pursuant to a final, non-appealable judgment that the Escrow Agent's gross negligence or willful misconduct was the primary cause of any loss to either the County or Syncora. The Escrow Agent may consult with counsel, accountants and other skilled persons to be selected and retained by it. The Escrow Agent shall not be liable for any action taken, suffered or omitted to

be taken by it in accordance with, or in reliance upon, the advice or opinion of any such counsel. In the event that the Escrow Agent shall be uncertain or believe there is some ambiguity as to its duties or rights hereunder or shall receive instructions, claims or demands from any party hereto which, in its opinion, conflict with any of the provisions of this Agreement, it shall be entitled to refrain from taking any action and its sole obligation shall be to keep safely all property held in escrow until it shall be given a direction in writing signed by an Authorized Representative of each of the County and Syncora which eliminates such ambiguity or uncertainty to the satisfaction of the Escrow Agent or by a final and non-appealable order or judgment of a court of competent jurisdiction. The County and Syncora agree to pursue any redress or recourse in connection with any dispute without making the Escrow Agent a party to the same. Anything in this Agreement to the contrary notwithstanding, in no event shall the Escrow Agent be liable for special, incidental, punitive, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

8. **Succession.** The Escrow Agent may resign and be discharged from its duties or obligations hereunder by giving 60 calendar days advance notice in writing of such resignation to the County and Syncora specifying a date when such resignation shall take effect. If the County and Syncora have failed to appoint a successor escrow agent prior to the expiration of such 60-day notice period, the Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor escrow agent or for other appropriate relief, and any such resulting appointment shall be binding upon all of the parties hereto. Any resignation of the Escrow Agent and appointment of a successor escrow agent pursuant to any of the provisions of this Section 8 shall become effective upon acceptance of appointment by the successor escrow agent. The Escrow Agent's sole responsibility after a successor escrow agent is appointed shall be to hold the Syncora Escrow (without any obligation to reinvest the same) and to deliver the same to a designated substitute escrow agent, if any, or in accordance with the directions of a final order or judgment of a court of competent jurisdiction, at which time of delivery the Escrow Agent's obligations hereunder shall cease and terminate, subject to the provisions of Sections 8 and 9 hereunder. The Escrow Agent shall have the right to withhold an amount equal to any amount due and owing to the Escrow Agent, plus any costs and expenses the Escrow Agent shall reasonably believe may be incurred by the Escrow Agent in connection with the termination of this Agreement. Any entity into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any entity to which all or substantially all the escrow business may be transferred, shall be the Escrow Agent under this Agreement without further act.

9. **Compensation and Reimbursement.** The Escrow Agent shall be paid reasonable compensation for the services to be rendered hereunder, as described in Schedule 3 attached hereto. [Open item to be determined]

10. **Indemnity.** The County and Syncora shall jointly and severally indemnify, defend (with counsel approved by the Escrow Agent) and save harmless the Escrow Agent and its affiliates and their respective successors, assigns, agents and employees (the "Indemnitees") from and against any and all losses, damages, claims, liabilities, penalties, judgments, settlements, litigation, investigations, costs or expenses (including, without limitation, the fees and expenses of outside counsel) (collectively "Indemnitee Losses") arising out of or in connection with (a) the

Escrow Agent's execution and performance of this Agreement, tax reporting or withholding, the enforcement of any rights or remedies under or in connection with this Agreement, or as may arise by reason of any act, omission or error of the Indemnitee, except in the case of any Indemnitee to the extent that such Indemnitee Losses are adjudicated by a court of competent jurisdiction, pursuant to a final, non-appealable judgment, to have been primarily caused by the gross negligence or willful misconduct of such Indemnitee, or (b) its following any instructions or other directions, whether joint or singular, from the County and Syncora that are expressly permitted to be given under this Agreement. The County and Syncora acknowledge that the foregoing indemnities shall survive the resignation, replacement or removal of the Escrow Agent or the termination of this Agreement.

11. **Patriot Act Disclosure/Taxpayer Identification Numbers/Tax Reporting.** [To be provided by Escrow Agent]

12. **Notices.** Any notices, demands and communications to a party hereunder shall be executed by an Authorized Representative, and shall be delivered in accordance with the terms of this Agreement by facsimile, email or overnight courier only to the appropriate fax number, email address, or notice address set forth for each party as follows on Schedule 4 hereto (or such other address as it may from time to time designate in writing to the other parties hereto). In the event that the Escrow Agent, in its sole discretion, shall determine that an emergency exists, the Escrow Agent may use such other means of communication as the Escrow Agent deems appropriate. "**Business Day**" shall mean any day other than a Saturday, Sunday or any other day on which the Escrow Agent located at the notice address set forth on Schedule 4 hereto is authorized or required by law or executive order to remain closed.

13. **Security Procedures.**

(a) Notwithstanding anything to the contrary as set forth in Section 12, any instructions setting forth, claiming, containing, objecting to, or in any way related to the transfer or distribution of funds, including but not limited to any such funds transfer instructions that may otherwise be set forth in a written instruction in a Portable Document Format ("**PDF**"), executed by the County and/or Syncora as evidenced by the signatures of the person or persons signing this Agreement or one of their designated persons as set forth in Schedule 5 (each an "**Authorized Representative**"), permitted pursuant to Section 5 of this Agreement, may be given to the Escrow Agent only by confirmed facsimile or attached to an email on a Business Day only at the fax number or email address set forth in accordance with Section 12. Each of the County and Syncora shall have delivered to the Escrow Agent, on or before the effective date of this Agreement, a fully executed incumbency certificate, substantially in the form of the attached Schedule 6.

(b) In the event funds transfer instructions are given whether in writing or by facsimile or otherwise, the Escrow Agent is authorized to seek confirmation of such instructions by telephone call-back to the Authorized Representative designated on Schedule 5, and the Escrow Agent may rely upon the confirmation of any Authorized Representative purporting to be the person or persons so designated. Each funds transfer instruction shall be executed by an authorized signatory, and a list of such authorized signatories is set forth on Schedule 5 hereto.

The persons and telephone numbers for call-backs may be changed only in a writing executed by an Authorized Representative of (i) the County or (ii) Syncora actually received and acknowledged by the Escrow Agent. The Escrow Agent and the beneficiary's bank in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by the County or Syncora to identify (a) the beneficiary, (b) the beneficiary's bank, or (c) an intermediary bank. The Escrow Agent may apply any of the escrowed funds for any payment order it executes using any such identifying number, even when its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank or an intermediary bank designated. The parties to this Agreement acknowledge that these security procedures are commercially reasonable.

(c) The County acknowledges that the Escrow Agent is authorized to use the following funds transfer instructions to disburse any funds due to the County under this Agreement without a verifying call-back as set forth in Section 13(b) above:

The County's Bank account information:

Bank name:
Bank Address:
ABA number:
Account name:
Account number:

Syncora acknowledges that the Escrow Agent is authorized to use the following funds transfer instructions to disburse any funds due to Syncora under this Agreement without a verifying call-back as set forth in Section 13(b) above:

Syncora's Bank account information:

Bank name:
Bank Address:
ABA number:
Account name:
Account number:

14. **Compliance with Court Orders.** In the event that any escrow property shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court order affecting the property deposited under this Agreement, the Escrow Agent is hereby expressly authorized, in its sole discretion, to obey and comply with all writs, orders or decrees so entered or issued, which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction, and in the event that the Escrow Agent obeys or complies with any such writ, order or decree it shall not be liable to any of the parties hereto or to any other person, entity, firm or corporation, by reason of such compliance notwithstanding such writ, order or decree be subsequently reversed, modified, annulled, set aside or vacated.

15. **Transaction Statements.** The Escrow Agent shall furnish to Syncora and the County periodic cash transaction statements which include detail for all investment transactions effected by the Escrow Agent or brokers selected by the applicable parties hereto or any investment advisor.

16. **Reallocation Among the Insurers.** On the date that is fifteen (15) calendar days following the Termination Date (the “**Release Date**”),

(a) In the event there are funds in the Escrow Fund on the Release Date other than funds then subject to a Claim Certificate for which payment has not yet been made (collectively, the “**Excess Funds**”), such Excess Funds shall be released from the Escrow Fund and distributed by the Escrow Agent as follows:

i. If neither Assured’s nor FGIC’s Tail Risk Payment Agreement has been terminated in accordance with its terms prior to the Release Date, then the Excess Funds shall be released from the Escrow Fund and deposited into each of Assured’s and FGIC’s respective escrow accounts, *pro rata* based on the ratio that (A) the applicable Allocable Tail Risk Amount under each of Assured’s and FGIC’s Tail Risk Payment Agreement bears to (B) the sum of both applicable Allocable Tail Risk Amounts under the Tail Risk Payment Agreements for both Assured and FGIC, with such funds to be applied in accordance with each such Insurer’s Tail Risk Payment Agreement.

ii. If only one, but not both, of Assured and FGIC’s Tail Risk Payment Agreements has been terminated in accordance with its terms prior to the Release Date, and the Insurer whose Tail Risk Payment Agreement has terminated has asserted a Deficiency Claim (as defined in such Insurer’s Tail Risk Payment Agreement) in accordance with such agreement that remains unreimbursed, then the Excess Funds shall be released from the Escrow Fund first to such Insurer to reimburse its Deficiency Claim Amount (as defined in such Insurer’s Tail Risk Payment Agreement) and, to the extent of any remaining Excess Funds, second to be deposited into the escrow account of the Insurer whose Tail Risk Payment Agreement has not yet been terminated to be applied in accordance with such Insurer’s Tail Risk Payment Agreement.

iii. If only one, but not both, of Assured and FGIC’s Tail Risk Payment Agreements has been terminated in accordance with its terms prior to the Release Date and no Insurer has asserted any Deficiency Claim that remains unreimbursed, then all Excess Funds shall be released from the Escrow Fund and deposited into the escrow account of the Insurer whose Tail Risk Payment Agreement has not been terminated to be applied in accordance with such Insurer’s Tail Risk Payment Agreement.

iv. If both of Assured’s and FGIC’s Tail Risk Payment Agreements have been terminated in accordance with their respective terms prior to the Release Date and both Assured and FGIC have asserted a Deficiency Claim that remains unreimbursed, then the Excess Funds shall be released from the Escrow Fund and distributed to Assured and FGIC *pro rata* based on the ratio that each such Insurer’s unreimbursed Deficiency

Claim Amount bears to the aggregate of both Insurers' unreimbursed Deficiency Claim Amounts.

v. If both of Assured's and FGIC's Tail Risk Payment Agreements have been terminated in accordance with their respective terms prior to the Release Date and only one, but not both, of Assured and FGIC has asserted a Deficiency Claim that remains unreimbursed, then the Excess Funds shall be released from the Escrow Fund first to such Insurer to reimburse its Deficiency Claim Amount (as defined in such Insurer's Tail Risk Payment Agreement) and, to the extent of any remaining Excess Funds, second to be returned to the County in accordance with this Agreement.

vi. If both of Assured's and FGIC's Tail Risk Payment Agreements have been terminated in accordance with their respective terms prior to the Release Date and neither Insurer has asserted a Deficiency Claim that remains unreimbursed, then all Excess Funds shall be released from the Escrow Fund and returned to the County in accordance with this Agreement.

(b) In the event that there are no remaining funds in the Escrow Fund on the Release Date and the funds that were in the Escrow Fund were insufficient to provide for payment in full of the Tail Risk claims required to be paid by Syncora, then, no later than fifteen (15) calendar days after the Termination Date, Syncora shall provide written notice to the County, the Escrow Agent, Assured and FGIC (such notice being a "**Deficiency Claim**") setting forth the dollar amount of such shortfall (the "**Deficiency Claim Amount**"). Syncora shall be entitled to be reimbursed for such Deficiency Claim Amount solely from any Excess Funds in Assured's and/or FGIC's escrow accounts in accordance with the procedures set forth in Section 16(a) of Assured's and/or FGIC's Tail Risk Payment Agreement, as applicable. Syncora shall retain a contingent claim as against the excess funds in the escrow accounts established under the other Insurers' Tail Risk Payment Agreements solely to the extent and as expressly set forth in such agreements. For the avoidance of doubt, the County will have no liability for, or any responsibility to pay, fund or otherwise provide for, any Deficiency Claim other than from the Tail Risk Amount deposited on the Plan Effective Date in the escrow accounts established under this Agreement and the Tail Risk Payment Agreements between the County and each of Assured and FGIC. Assured and FGIC shall be third party beneficiaries of the provisions in this Section 16.

17. **Miscellaneous.**

(a) The provisions of this Agreement may be waived, altered, amended or supplemented, in whole or in part, only by a writing signed by the County, Syncora and the Escrow Agent. Neither this Agreement nor any right or interest hereunder may be assigned in whole or in part by any party hereto, except as provided in Section 8 hereof, without the prior consent of the County and Syncora (in the case of the Escrow Agent), Syncora (in the case of the County), the County (in the case of Syncora) or the Escrow Agent (to the extent required under the Patriot Act).

(b) This Agreement shall be governed by and construed under the laws of the State of _____. Each party hereto irrevocably waives any objection on the grounds of venue, forum non-convenience or any similar grounds and irrevocably consents to service of process by mail or in any other manner permitted by applicable law and consents to the jurisdiction of the courts located in the State of _____. The parties further hereby waive any right to a trial by jury with respect to any lawsuit or judicial proceeding arising or relating to this Agreement.

(c) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. All signatures of the parties to this Agreement may be transmitted by facsimile or by other electronic means, and such facsimile or other electronic transmission will, for all purposes, be deemed to be the original signature of such party whose signature it reproduces, and will be binding upon such party.

(d) If any provision of this Agreement is determined to be prohibited or unenforceable by reason of any applicable law of a jurisdiction, then such provision shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions thereof, and any such prohibition or unenforceability in such jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction.

(e) Except as otherwise expressly set forth herein, a person who is not a party to this Agreement shall have no right to enforce any term of this Agreement. Except as otherwise expressly set forth herein, nothing in this Agreement, whether express or implied, shall be construed to give to any person or entity other than the Escrow Agent, the County, and Syncora any legal or equitable right, remedy, interest or claim under or in respect of this Agreement or any funds escrowed hereunder.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

[ESCROW AGENT], as Escrow Agent

By:

Name: _____

Title: _____

JEFFERSON COUNTY, ALABAMA

By:

Name: _____

Title: _____

SYNCORA GUARANTEE INC.

By:

Name: _____

Title: _____

Schedule 1

[Payment Schedule to be attached]

Schedule 2

[Claim Certificate to be attached]

Schedule 3

[See attached]

Schedule 4

Syncora Guarantee Inc.

Notice Address:

Jefferson County, Alabama

Notice Address:

Escrow deposit: \$ _____

Escrow Agent notice address

[Escrow Agent], as Escrow Agent

Schedule 5

Telephone Number(s) and Authorized Signature(s) for
Person(s) Designated to Give and Confirm Funds Transfer Instructions

If to Syncora:

	<u>Name</u>	<u>Telephone Number</u>	<u>Signature</u>
1.	_____		
2.	_____		

If to the County:

	<u>Name</u>	<u>Telephone Number</u>	<u>Signature</u>
1.	_____		
2.	_____		

All instructions, including but not limited to funds transfer instructions, whether transmitted by facsimile or set forth in a PDF attached to an email, must include the signature of the Authorized Representative authorizing said funds transfer on behalf of Syncora or the County, as applicable.

Schedule 6

[Form of Incumbency Certificate]

Escrow Fund Signing Authority

Authorized Representative(s) of [_____]

The undersigned certifies that each of the individuals listed below is an authorized representative of [_____] with respect to any instruction or other action to be taken in connection with the Tail Risk Payment Agreement and [Escrow Agent] shall be entitled to rely on such list until a new list is furnished to [Escrow Agent].

Signature: _____
Print: _____
Title: _____
Phone: _____
Fax: _____
Email: _____

Signature: _____
Print: _____
Title: _____
Phone: _____
Fax: _____
Email: _____

The undersigned further certifies that he or she is duly authorized to sign this Escrow Fund Signing Authority.

Signature: _____ **
Name: _____
Its: _____
Date: _____

**To be signed by corporate secretary/assistant secretary. When the secretary is among those authorized above, the president must sign in the additional signature space provided below. For entities other than corporations, an authorized signatory not signing above should sign this Escrow Fund Signing Authority.

(Additional signature, if required)

Signature: _____
Name: _____
Its: _____
Date: _____