
NINTH SUPPLEMENTAL INDENTURE

between

JEFFERSON COUNTY, ALABAMA

and

THE BANK OF NEW YORK

Dated as of April 1, 2003

Relating to

\$1,155,765,000

JEFFERSON COUNTY, ALABAMA

**Sewer Revenue Refunding Warrants
Series 2003-B**

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to

NINTH SUPPLEMENTAL INDENTURE

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Appendix I – Form of Series 2003-B Warrants

- Exhibit A – Notice of Change to a _____ Rate
- Exhibit B-1 – Certificate Pursuant to Section 4.1(c)(i)(2) or 4.2(c)(i)(2) of the Ninth Supplemental Indenture
- Exhibit B-2 – Certificate Pursuant to Section 4.1(c)(ii) of the Ninth Supplemental Indenture
- Exhibit B-3 – Notice Regarding Establishment of New Adjustable Rate
- Exhibit B-4 – Notice of Proposed Change in Percentages Used to Determine the All Hold Rate and the Maximum Auction Rate
- Exhibit C – Notice of Failure of Conditions
- Exhibit D – Notice of Proposed Conversion to Fixed Rate
- Exhibit E – Certificate Pursuant to Section 4.2(c)(i)(2) of the Indenture
- Exhibit F – Notice of Failure of Conditions to Fixed Rate Conversion
- Exhibit G – Notice of Election to Tender
- Exhibit H – Notice of Mandatory Tender Upon Expiration, Termination, Substitution or Amendment of Liquidity Facility or Failure to Maintain Rating

NINTH SUPPLEMENTAL INDENTURE between **JEFFERSON COUNTY, ALABAMA**, a political subdivision of the State of Alabama (herein called the "County"), and **THE BANK OF NEW YORK**, a New York banking corporation, in its capacity as successor to AmSouth Bank of Alabama as Trustee under that certain Trust Indenture of the County dated as of February 1, 1997 (said banking corporation in such capacity, as well as any successor trustee under said Trust Indenture, being herein called the "Trustee"),

RECITALS

Under and pursuant to the provisions of the aforesaid Trust Indenture (herein called the "Original Indenture"), the County has heretofore issued \$211,040,000 principal amount of Sewer Revenue Refunding Warrants, Series 1997-A, dated February 1, 1997 (herein called the "Series 1997-A Warrants"), \$48,020,000 principal amount of Taxable Sewer Revenue Refunding Warrants, Series 1997-B, dated February 1, 1997 (herein called the "Series 1997-B Warrants"), and \$52,880,000 principal amount of Taxable Sewer Revenue Refunding Warrants, Series 1997-C, dated February 15, 1997 (herein called the "Series 1997-C Warrants"). The Series 1997-A Warrants, the Series 1997-B Warrants and the Series 1997-C Warrants were issued to refund certain indebtedness of the County that had been incurred to pay the costs of certain capital improvements to the County's sanitary sewer system (herein called the "System"). The Series 1997-B Warrants and Series 1997-C Warrants are no longer outstanding.

Under the provisions of Article X of the Original Indenture, the County reserved the right to issue, upon compliance with the conditions precedent set forth in said Article X, additional warrants, bonds, notes or other forms of indebtedness (herein called "Additional Parity Securities"), to be secured on a parity with securities previously issued under the Indenture, for the purposes of refunding any outstanding obligations of the County issued to finance capital improvements to the System and of financing the costs of acquiring and constructing capital improvements to the System. The County has heretofore issued as Additional Parity Securities its (a) its \$296,395,000 aggregate principal amount of Sewer Revenue Warrants, Series 1997-D, dated March 1, 1997 (herein called the "Series 1997-D Warrants"), which are now outstanding in the principal amount of \$115,740,000, (b) its \$952,695,000 aggregate principal amount of Sewer Revenue Warrants, Series 1999-A, dated March 1, 1999 (herein called the "Series 1999-A Warrants"), which are now outstanding in the principal amount of \$506,910,000, (c) its \$275,000,000 aggregate principal amount of Sewer Revenue Warrants, Series 2001-A, dated March 1, 2001 (herein called the "Series 2001-A Warrants"), which are now outstanding in the principal amount of \$176,840,000, (d) its \$110,000,000 aggregate principal amount of Sewer Revenue Capital Improvement Warrants, Series 2002-A, dated March 6, 2002 (herein called the "Series 2002-A Warrants"), (e) its \$540,000,000 aggregate principal amount of Sewer Revenue Capital Improvement Warrants, Series 2002-B, dated September 1, 2002 (herein called the "Series 2002-B Warrants"), (f) its \$839,500,000 aggregate principal amount of Sewer Revenue Refunding Warrants, Series 2002-C, dated October 25, 2002 (herein called the "Series 2002-C Warrants"), (g) its \$475,000,000 aggregate principal amount of Sewer Revenue Capital

Improvement Warrants, Series 2002-D, dated November 1, 2002 (herein called the "Series 2002-D Warrants), and (h) its \$39,325,000 principal amount Sewer Revenue Refunding Warrant, Series 2003-A (herein called the "Series 2003-A Warrant"). The Series 1997-D Warrants, the Series 1999-A Warrants, the Series 2001-A Warrants, the Series 2002-A Warrants, the Series 2002-B Warrants, the Series 2002-C Warrants, the Series 2002-D Warrants and the Series 2003-A Warrant were issued under the Original Indenture, as supplemented and amended by the First Supplemental Indenture dated as of March 1, 1997 (herein called the "First Supplemental Indenture"), the Second Supplemental Indenture dated as of March 1, 1999 (herein called the "Second Supplemental Indenture"), the Third Supplemental Indenture dated as of March 1, 2001 (herein called the "Third Supplemental Indenture"), the Fourth Supplemental Indenture dated as of February 1, 2002 (herein called the "Fourth Supplemental Indenture"), the Fifth Supplemental Indenture dated as of September 1, 2002 (herein called the "Fifth Supplemental Indenture"), the Sixth Supplemental Indenture dated as of October 1, 2002 (herein called the "Sixth Supplemental Indenture"), the Seventh Supplemental Indenture dated as of November 1, 2002 (herein called the "Seventh Supplemental Indenture"), and the Eighth Supplemental Indenture dated as of January 1, 2003 (herein called the "Eighth Supplemental Indenture"), between the County and the Trustee.

The County proposes to sell and issue the Series 2003-B Warrants hereinafter referred to in order to refund certain of its previously issued sewer revenue warrants and to refund a portion of the interest on certain other sewer revenue warrants. The County has, by proper official action and pursuant to the provisions of the Original Indenture (as heretofore supplemented), duly authorized said Series 2003-B Warrants, which are to be secured by the Original Indenture, as supplemented hereby and by the First, Second, Third, Fourth, Fifth, Sixth, Seventh and Eighth Supplemental Indentures, on a parity with the outstanding Series 1997-A Warrants, Series 1997-D Warrants, Series 1999-A Warrants, Series 2001-A Warrants, Series 2002-A Warrants, Series 2002-B Warrants, Series 2002-C Warrants, Series 2002-D Warrants and Series 2003-A Warrant (herein together called the "Outstanding Parity Securities"). This Ninth Supplemental Indenture has been executed and delivered in order to specify the details with respect to said Series 2003-B Warrants and to provide for certain other matters set forth herein.

NOW, THEREFORE, THIS

NINTH SUPPLEMENTAL INDENTURE

W I T N E S S E T H:

It is hereby agreed among the County, the Trustee and the holders at any time of said Series 2003-B Warrants (the holders of said Series 2003-B Warrants evidencing their consent hereto by the acceptance of said Series 2003-B Warrants), each with each of the others, as follows:

ARTICLE I

DEFINITIONS, FINDINGS AND USE OF PHRASES

Section 1.1 **New Definitions.** Unless the context clearly indicates a different meaning, the following words and phrases, as used in this Ninth Supplemental Indenture, shall have the following respective meanings:

"Adjustable Rate" means a Commercial Paper Rate, an Auction Rate, a Daily Rate, a Weekly Rate or a Term Rate.

"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.

"After-Tax Equivalent Rate" means, on any date of determination with respect to Auction Rate Warrants during an Auction Rate Period, the interest rate per annum equal to the product of (x) the Commercial Paper/Treasury Rate on such date and (y) 1.00 minus the Statutory Corporate Tax Rate on such date.

"Agent Member" means a member of, or participant in, the Securities Depository.

"All Hold Rate" means, on any date of determination with respect to Auction Rate Warrants, the rate per annum equal to 65% (as such percentage may be adjusted pursuant to Section 3.10) of the lesser of (i) the Index on such date and (ii) the After-Tax Equivalent Rate on such date; provided, however, that in no event shall such All Hold Rate exceed the maximum rate, if any, permitted by applicable law.

"Alternate Credit Facility" means any Credit Facility obtained pursuant to the provisions of Section 6.3 in substitution for or in addition to an existing Credit Facility or Facilities. An Alternate Credit Facility shall be an insurance policy or instrument that provides for the payment when due of principal and interest on the Series 2003-B Warrants to substantially the same extent as the initial Policy.

"Alternate Liquidity Facility" means any Liquidity Facility obtained pursuant to the provisions of Section 6.2 in replacement of an existing Liquidity Facility.

"Applicable Percentage" means, on any date of determination, the percentage determined as set forth below (as such percentage may be adjusted for Auction Rate Warrants pursuant to

Section 3.10) based on the prevailing long-term rating of the Auction Rate Warrants in effect at the close of business on the Business Day immediately preceding such date of determination:

<u>Prevailing Rating</u>	<u>Applicable Percentage</u>
AAA/Aaa	125%
AA/Aa	150%
A/A	200%
BBB/Baa	250%
Below BBB/Baa	275%

For purposes of this definition, the "prevailing long-term rating" of the Auction Rate Warrants will be (a) AAA/Aaa if the Auction Rate Warrants have a rating of AAA by S&P and a rating of Aaa by Moody's, or the equivalent of such ratings by a substitute rating agency or agencies selected as provided below, (b) if not AAA/Aaa, then AA/Aa if the Auction Rate Warrants have a rating of AA- or better by S&P and a rating of Aa3 or better by Moody's, or the equivalent of such ratings by a substitute rating agency or agencies selected as provided below, (c) if not AAA/Aaa or AA/Aa, then A/A if the Auction Rate Warrants have a rating of A- or better by S&P and a rating of A3 or better by Moody's, or the equivalent of such ratings by a substitute rating agency or agencies selected as provided below, (d) if not AAA/Aaa, AA/Aa or A/A, then BBB/Baa if the Auction Rate Warrants have a rating of BBB- or better by S&P and a rating of Baa3 or better by Moody's, or the equivalent of such ratings by a substitute rating agency or agencies selected as provided below, and (e) if not AAA/Aaa, AA/Aa, A/A or BBB/Baa, then below BBB/Baa, whether or not the Auction Rate Warrants are rated by any securities rating agency.

If (x) the Auction Rate Warrants are rated by a rating agency or agencies other than Moody's or S&P and (y) the County has delivered to the Trustee and the Auction Agent an instrument designating one or two of such rating agencies to replace Moody's or S&P, or both, then for purposes of the definition of "prevailing rating" Moody's or S&P, or both, will be deemed to have been replaced in accordance with such instrument; provided, however, that such instrument must be accompanied by the consent of the Remarketing Agent. For purposes of this definition, S&P's rating categories of AAA, AA-, A- and BBB-, and Moody's rating categories of Aaa, Aa3, A3 and Baa3, refer to and include the respective rating categories correlative thereto in the event that either or both of such rating agencies have changed or modified their generic rating categories. If the prevailing ratings for the Series 2003-B Warrants are split between the categories set forth above, the lower rating will determine the prevailing rating.

"Auction" means each periodic implementation of the Auction Procedures for Auction Rate Warrants.

"Auction Agency Agreement" means the Auction Agency Agreement dated May 1, 2003, entered into between the County and the Auction Agent with respect to the Auction Rate Warrants, as from time to time amended and supplemented.

"Auction Agent" means any entity appointed as such pursuant to Section 10.7 and its successors and assigns.

"Auction Date" means, with respect to each Auction Period, the last Thursday of the immediately preceding Auction Period (or such other day that the Remarketing Agent shall establish as the Auction Date therefor pursuant to Section 3.5); provided that, if such day is not a Business Day, the Auction Date shall be the next succeeding Business Day.

"Auction Period" means a Standard Auction Period applicable to the Series 2003-B Warrants, provided that each Auction Period shall begin on an Interest Payment Date and end on, but exclude, the next succeeding Interest Payment Date.

"Auction Procedures" means with respect to Auction Rate Warrants the procedures set forth in Sections 3.6 through 3.9.

"Auction Rate" means, with respect to Auction Rate Warrants and each Auction Period for such Auction Rate Warrants, the rate of interest per annum determined for the Warrants pursuant to Article III, which shall not in any case exceed the Maximum Auction Rate.

"Auction Rate Period" means any period during which Series 2003-B Warrants bear interest at an Auction Rate determined pursuant to the implementation of Auction Procedures established under Article III, which period shall commence on the effective date of a Change in the Interest Rate Mode to an Auction Rate and shall extend through the day immediately preceding the earlier of (a) the effective date of a Change in the Interest Rate Mode, (b) the Fixed Rate Conversion Date or (c) the Stated Maturity.

"Auction Rate Period Record Date" means, with respect to each Interest Payment Date during an Auction Rate Period, the Business Day next preceding such Interest Payment Date.

"Auction Rate Warrants" means, with respect to an Auction Rate Period, any Series 2003-B Warrants or subseries of Series 2003-B Warrants which bear the Auction Rate determined pursuant to Article III.

"Authorized Denominations" means (i) for Series 2003-B Warrants bearing interest at the Weekly Rate, the Daily Rate or the Commercial Paper Rate, \$100,000 or any larger amount that is a multiple of \$5,000, (ii) for Series 2003-B Warrants bearing interest at the Auction Rate, \$25,000 or any integral multiple thereof, and (iii) for Series 2003-B Warrants bearing interest at a Term Rate or a Fixed Rate, \$5,000 or any multiple thereof.

"Available Auction Rate Warrants" means, with respect to Auction Rate Warrants, Available Auction Rate Warrants as defined in Section 3.8.

"Bank Warrant" or **"Bank Warrants"** means any Series 2003-B Warrant or Warrants purchased by a Liquidity Provider (or any permitted assignee) pursuant to any Liquidity Facility (other than a surety bond or another instrument issued by a municipal bond or financial guarantee insurance company) for so long as it remains a Bank Warrant pursuant to such facility.

"Bank Warrant Interest Rate" or **"Bank Rate"**, at any date of determination, has the meaning ascribed thereto in any Liquidity Facility (other than a surety bond or another instrument issued by a municipal bond or financial guarantee insurance company), provided that the Bank Warrant Interest Rate shall in no event exceed 18% per annum.

"Beneficial Owner" means, with respect to Auction Rate Warrants, a customer of a Broker-Dealer who is listed on the records of that Broker Dealer as a holder of the Auction Rate Warrants.

"Bid" means, with respect to Auction Rate Warrants, Bid as defined in Section 3.6.

"Bidder" means, with respect to Auction Rate Warrants, Bidder as defined in Section 3.6.

"Bond Insurer" means Financial Guaranty, XL Capital or FSA, as in the context may be appropriate.

"Broker-Dealer" means any broker-dealer (as defined in the Securities Exchange Act of 1934, as amended), commercial bank or other entity permitted by law to perform the functions required of a Broker-Dealer set forth in the Auction Procedures (i) that is an Agent Member (or an affiliate of an Agent Member), (ii) that has been selected by the Auction Agent with the consent of the Remarketing Agent, and (iii) that has entered into a Broker-Dealer Agreement with the Auction Agent that remains effective.

"Broker-Dealer Agreement" means each agreement applicable to Auction Rate Warrants between a Broker-Dealer and the Auction Agent pursuant to which such Broker-Dealer, among other things, agrees to participate in Auctions as set forth in the Auction Procedures, as from time to time amended and supplemented.

"Calculation Period" means (a) during any Commercial Paper Rate Period, the period from and including the effective date of the Change in the Interest Rate Mode to a Commercial Paper Rate Period to but not including any day not more than 270 days thereafter which is a day immediately preceding a Business Day established by the Remarketing Agent pursuant to Section 3.2; (b) during any Daily Rate Period, the period from and including a Business Day to but not including the next succeeding Business Day; (c) during any Weekly Rate Period, initially the period from and including the effective date of the Change in the Interest Rate Mode to a Weekly Period to and including the following Wednesday (but not less than two days) and, thereafter, the period from and including the

Thursday of each week to and including the following Wednesday; provided, however, that, if such Thursday is not a Business Day, the next succeeding Calculation Period shall begin on the Business Day next succeeding such Thursday and shall end on the day before the next succeeding Calculation Period; and (d) during any Term Rate Period, any period of not less than 270 days from and including a Business Day to and including any day (established by the County pursuant to Section 4.1(a)) not later than the day prior to the Stated Maturity of the Series 2003-B Warrants.

"Change in the Interest Rate Mode" means any change in the method of determining the interest rate borne by Series 2003-B Warrants pursuant to Section 4.1 or 4.2.

"Change of Preference Law" means any amendment to the Code or other statute enacted by the Congress of the United States or any temporary, proposed or final regulation promulgated by the United States Treasury, after the date hereof which (a) changes or would change any deduction, credit or other allowance allowable in computing liability for any federal tax with respect to, or (b) imposes, or would impose, reduces or would reduce, or increases or would increase any federal tax (including, but not limited to, preference or excise taxes) upon, any interest earned by any Holder of warrants of the same character as the Series 2003-B Warrants the interest on which is excluded from federal gross income under Section 103 of the Code.

"Closing Date" means the date on which the Series 2003-B Warrants are paid for by and delivered to the Underwriters.

"Commercial Paper Dealers" means J.P. Morgan Securities, Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, or their respective affiliates or successors, provided that any such entity is a commercial paper dealer and, if not, as replaced by a Substitute Commercial Paper Dealer.

"Commercial Paper Period Record Date" means, with respect to each Interest Payment Date for a Commercial Paper Rate Period, the Business Day next preceding such Interest Payment Date.

"Commercial Paper Rate" means, with respect to each Calculation Period during a Commercial Paper Rate Period, a rate of interest equal to the rate of interest per annum, established and certified to the Trustee (with a copy to the County and the Tender Agent) by the Remarketing Agent no later than 9:30 a.m. (New York City time) on and as of the first day of such Calculation Period as the minimum rate of interest per annum which, in the opinion of the Remarketing Agent, would be necessary on and as of such day to remarket the Series 2003-B Warrants in a secondary market transaction at a price equal to the principal amount thereof; provided that such rate of interest shall not exceed 10% per annum.

"Commercial Paper Rate Period" means any period of not more than 270 days during which Series 2003-B Warrants bear interest at one or more Commercial Paper Rates, which period shall commence on the effective date of a Change in the Interest Rate Mode to a Commercial Paper Rate mode and extend through the day immediately preceding the earliest of (a) the effective date of

another Change in the Interest Rate Mode, (b) the Fixed Rate Conversion Date or (c) the Stated Maturity of Series 2003-B Warrants.

"Commercial Paper/Treasury Rate" means, on any date of determination with respect to Auction Rate Warrants, (i) in the case of any Auction Period of less than 49 days, the interest equivalent of the 30-day rate, (ii) in the case of any Auction Period of 49 days or more but less than 70 days, the interest equivalent of the 60-day rate, (iii) in the case of any Auction Period of 70 days or more but less than 85 days, the arithmetic average of the interest equivalent of the 60-day and 90-day rates, (iv) in the case of any Auction Period of 85 days or more but less than 99 days, the interest equivalent of the 90-day rate; (v) in the case of any Auction Period of 99 days or more but less than 120 days, the arithmetic average of the interest equivalent of the 90-day and 120-day rates, (vi) in the case of any Auction Period of 120 days or more but less than 141 days, the interest equivalent of the 120-day rate, (vii) in the case of any Auction Period of 141 days or more but less than 162 days, the arithmetic average of the interest equivalent of the 120-day and 180-day rates, (viii) in the case of any Auction Period of 162 days or more but less than 183 days, the interest equivalent of the 180-day rate, and (ix) in the case of any Auction Period of 183 days or more, the Treasury Rate for such Auction Period. The foregoing rates shall in all cases, except with respect to the Treasury Rate, be rates on commercial paper placed on behalf of issuers whose corporate bonds are rated "AA" by S&P, or the equivalent of such rating by S&P, as made available on a discount basis or otherwise by the Federal Reserve Bank of New York for the Business Day immediately preceding such date of determination, or in the event that the Federal Reserve Bank of New York does not make available any such rate, then the arithmetic average of such rates, as quoted on a discount basis or otherwise, by the Commercial Paper Dealers, to the Auction Agent for the close of business on the Business Day immediately preceding such date of determination.

If any Commercial Paper Dealer does not quote a commercial paper rate required to determine the Commercial Paper/Treasury Rate, the Commercial Paper/Treasury Rate shall be determined on the basis of a commercial paper quotation or quotations furnished by the remaining Commercial Paper Dealer or Dealers and any Substitute Commercial Paper Dealer or Dealers selected by the County to provide such quotation or quotations not being supplied by any Commercial Paper Dealer or Dealers, as the case may be, or if the County does not select any such Substitute Commercial Paper Dealer or Dealers, by the remaining Commercial Paper Dealer or Dealers. For purposes of this definition, the "interest equivalent" of a rate stated on a discount basis (a "discount rate") for commercial paper of a given day's maturity shall be equal to the product of (A) 100 times (B) the quotient (rounded upwards to the next higher one-thousandth (.001) of 1%) of (x) the discount rate (expressed in decimals) divided by (y) the difference between (1) 1.00 and (2) a fraction the numerator of which shall be the product of the discount rate (expressed in decimals) times the number of days in which such commercial paper matures and the denominator of which shall be 360.

"Commission" means the Securities and Exchange Commission.

"Computation Date" means each date which is one Business Day prior to any Determination Date.

"Credit Facility" means any bond insurance policy or other instrument that provides for the payment when due of principal and interest on the Series 2003-B Warrants or any subseries thereof.

"Current Adjustable Rate" means the interest rate or rates borne by Series 2003-B Warrants immediately prior to a Change in the Interest Rate Mode or the establishment of the Fixed Rate.

"Daily Period Record Date" means, with respect to each Interest Payment Date for a Daily Rate Period, the Business Day next preceding such Interest Payment Date.

"Daily Rate" means, with respect to each Calculation Period during a Daily Rate Period, a rate of interest equal to the rate of interest per annum established and certified to the Trustee (with a copy to the County and the Tender Agent) by the Remarketing Agent no later than 9:30 a.m. (New York City time) on and as of the first day of such Calculation Period as the minimum rate of interest per annum which, in the opinion of the Remarketing Agent, would be necessary on and as of such day to remarket Series 2003-B Warrants in a secondary market transaction at a price equal to the principal amount thereof plus accrued interest thereon; provided that such rate of interest shall not exceed 10% per annum.

"Daily Rate Period" means any period during which the Series 2003-B Warrants bear interest at a Daily Rate, which period shall commence on the effective date of the Change in the Interest Rate Mode to a Daily Rate and extend through the day immediately preceding the earlier of (a) the effective date of another Change in the Interest Rate Mode, (b) the Fixed Rate Conversion Date, and (c) the Stated Maturity of Series 2003-B Warrants.

"Determination Date" or **"date of determination"** means, for any Calculation Period (other than the Calculation Period or Periods commencing on and including the Closing Date), the first Business Day occurring during such Calculation Period.

"Existing Holder" means, with respect to Auction Rate Warrants, a Broker-Dealer that is listed as a holder of Auction Rate Warrants in the records of the Auction Agent.

"Failure to Deposit" means any failure to deposit into the Debt Service Fund on or before an Interest Payment Date for Auction Rate Warrants an amount sufficient to pay in full the interest and principal (if any) becoming due and payable on such warrants on such date.

"FGIC Policy" means the municipal bond insurance policy issued by Financial Guaranty on the Closing Date insuring the payment when due of the principal of and interest on the Series 2003-B-1 Warrants as provided therein.

"Financial Guaranty" means Financial Guaranty Insurance Company, or any successor thereto or assignee thereof.

"Fixed Rate" means, with respect to the Fixed Rate Conversion Date for any Series 2003-B Warrants, the rate of interest per annum established and certified to the Trustee (with a copy to the County and the Tender Agent) by the Remarketing Agent no later than 9:30 a.m. (New York City time) on and as of such date as the minimum rate of interest per annum which, in the opinion of the Remarketing Agent, would be necessary on and as of such date to remarket the Series 2003-B Warrants in a secondary market transaction at a price equal to the principal amount thereof; provided that such rate of interest shall not exceed 12% per annum.

"Fixed Rate Conversion Date" shall have the meaning set forth in Section 4.2.

"Fixed Rate Period" means the period, if any, during which Series 2003-B Warrants bear interest at a Fixed Rate, which period shall commence on the Fixed Rate Conversion Date therefor and extend to the Stated Maturity therefor.

"Fixed Rate Record Date" means, with respect to each Interest Payment Date for the Fixed Rate Period, the fifteenth day of the calendar month next preceding such Interest Payment Date.

"FSA" means Financial Security Assurance, Inc., a New York stock insurance company, or any successor thereto or assignee thereof.

"FSA Policy" means the municipal bond insurance policy issued by FSA on the Closing Date insuring the payment when due of the principal of and interest on the Series-B-8 Warrants as provided therein.

"Hold Order" means, with respect to the Auction Rate Warrants, Hold Order as defined in Section 3.6.

"Index" means (i) with respect to Auction Rate Warrants in any Auction Period of thirty-five (35) days or less, the One Month LIBOR Rate, and (ii) with respect to any Auction Rate Warrants in an Auction Period greater than thirty-five (35) days, the Treasury Rate for securities having a maturity which most closely approximates the length of the Auction Period. If either rate is unavailable, the Index for the Auction Rate Warrants shall be an index or rate agreed to by all Broker-Dealers and consented to by the County.

"Initial Banks" means Societe Generale, New York Branch, The Bank of New York, State Street Bank and Trust Company and Lloyds TSB Bank plc.

"Initial Liquidity Facility" means any one of the Standby Warrant Purchase Agreements dated as of April 1, 2003, among the County, the Trustee, JPMorgan Chase Bank, as Liquidity Agent, and one of the Initial Banks, including any extensions thereof or amendments or supplements thereto.

"Interest Payment Date," for any particular Series 2003-B Warrant, means:

(a) for each Commercial Paper Rate Period, the Business Day immediately succeeding any Calculation Period, and for any Calculation Period of more than 180 days, also the Business Day immediately following the 180th day of such Calculation Period;

(b) during an Auction Rate Period (i) for an Auction Period of 91 days or less, the Business Day immediately succeeding such Auction Period and (ii) for an Auction Period of more than 91 days, each 13th Friday after the first day of such Auction Period and the Business Day immediately succeeding such Auction Period;

(c) for each Daily Rate Period, the first Business Day of each month;

(d) for each Weekly Rate Period, the first Business Day of each month;

(e) for each Term Rate Period, (i) the first day of the sixth calendar month following the month in which the first day of such Term Rate Period occurred, (ii) each anniversary of the date so determined, (iii) each anniversary of the first day of the first month of such Term Rate Period, and (iv) the Business Day immediately succeeding such Term Rate Period;

(f) for the Fixed Rate Period, the February 1 or August 1 next succeeding the Fixed Rate Conversion Date and each February 1 and August 1 thereafter; but if the February 1 or August 1 next succeeding the Fixed Rate Conversion Date occurs less than 21 days after the Fixed Rate Conversion Date, the first Interest Payment Date shall be the second such date following the Fixed Rate Conversion Date;

(g) the Fixed Rate Conversion Date;

(h) any day on which Series 2003-B Warrants are subject to mandatory tender for purchase pursuant to Section 5.3 or 5.4 or redemption pursuant to Section 5.1;

(i) the Stated Maturity of the Series 2003-B Warrants; and

(j) with respect to Bank Warrants, the first Business Day of each month and the date on which such Bank Warrants are remarketed and cease to be Bank Warrants;

but if any such date, other than a date specified in clause (e), (f) or (i) above, determined in any of the foregoing clauses is not a Business Day, the Interest Payment Date shall be the next succeeding day which is a Business Day. If a date specified in clause (e), (f) or (i) above is not a Business Day,

the Interest Payment Date shall be the next succeeding day which is a Business Day and the payment on such postponed Interest Payment Date shall include interest accrued only to the originally scheduled Interest Payment Date.

"Interest Rate Mode" means the method of determining the interest rate applicable to Series 2003-B Warrants as provided in this Ninth Supplemental Indenture.

"Issuance Costs" means the costs and expenses of issuing and selling the Series 2003-B Warrants, including, without limitation, the fees and expenses of Bond Counsel to the County, the acceptance fee of the Trustee, the fees of any Rating Agency rating the Series 2003-B Warrants, bond insurance premiums, fees of Liquidity Providers, accounting fees, financial advisory fees, underwriters' commissions and discounts, the costs of printing the Official Statement for the Series 2003-B Warrants, and other usual and customary expenses.

"Liquidity Facility" means any Initial Liquidity Facility and each Alternate Liquidity Facility.

"Liquidity Facility Amendment" shall have the meaning set forth in Section 6.2(a).

"Liquidity Provider" means each provider of a Liquidity Facility.

"Maximum Auction Rate" means on any Auction Date the lesser of 18% or the following: (i) in all cases other than as provided in (ii) or (iii) below, the interest rate per annum equal to the Applicable Percentage of the higher of the After-Tax Equivalent Rate and the Index, as each is determined on such date with respect to a Standard Auction Period; (ii) with respect to any change in an Auction Period and/or the Standard Auction Period pursuant to Section 3.4, including any automatic reversion to a Standard Auction Period pursuant to Section 3.3, the interest rate per annum equal to the highest of (a) the Applicable Percentage of the higher of the After-Tax Equivalent Rate and the Index, as each is determined on such date with respect to a Standard Auction Period, (b) the Applicable Percentage of the higher of the After-Tax Equivalent Rate and the Index, as each is determined on such date with respect to the Auction Period which is proposed to be established and (c) the Applicable Percentage of the higher of the After-Tax Equivalent Rate and the Index, as each is determined on such date with respect to the Auction Period in effect immediately prior to such proposed change in the Auction Period; or (iii) with respect to any Change in the Interest Rate Mode from an Auction Rate pursuant to Section 4.1 or any change from an Auction Rate to a Fixed Rate pursuant to Section 4.2, the interest rate per annum equal to the higher of (a) the Applicable Percentage of the higher of the After-Tax Equivalent Rate and the Index, as each is determined on such date with respect to a Standard Auction Period and (b) the Applicable Percentage of the higher of the After-Tax Equivalent Rate and the Index, as each is determined on such date with respect to the Auction Period in effect immediately prior to such proposed change.

"Ninth Supplemental Indenture" or **"this Ninth Supplemental Indenture"** means this Ninth Supplemental Indenture.

"Notice of Election to Tender" means the notice given by a Holder of Series 2003-B Warrants pursuant to Section 5.2.

"Notice of Fee Rate Change" means a notice of a change in the Auction Agent Fee Rate (as defined in the Auction Agency Agreement) or the Broker-Dealer Fee Rate (as defined in the Auction Agency Agreement) given to the Auction Agent and the Trustee at the time of any Change in the Interest Rate Mode to an Auction Rate.

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

"Option to Convert" means the County's right and option to convert the rate of interest payable on Series 2003-B Warrants from an Adjustable Rate to a Fixed Rate as provided in Section 4.2.

"Order" means, with respect to Auction Rate Warrants, an Order as defined in Section 3.6.

"Overdue Rate" means on any date of determination 300% of the Index on such date of determination; provided that in no event shall the Overdue Rate exceed the maximum rate, if any, permitted by applicable law.

"Potential Beneficial Owner" means, with respect to any Auction Rate Warrants, a customer of a Broker-Dealer that is not a Beneficial Owner of Auction Rate Warrants but that wishes to purchase Auction Rate Warrants, or that is a Beneficial Owner of Auction Rate Warrants that wishes to purchase an additional principal amount of Auction Rate Warrants.

"Potential Holder" means a Broker-Dealer that is not an Existing Holder or that is an Existing Holder that wishes to become an Existing Holder of an additional principal amount of Auction Rate Warrants.

"Purchase Price" means the purchase price of Series 2003-B Warrants tendered or deemed tendered for purchase pursuant to Section 5.2, 5.3 or 5.4 of this Ninth Supplemental Indenture, consisting of the principal amount of such Series 2003-B Warrants plus accrued and unpaid interest, if any, and premium, if any.

"Record Date" means each Commercial Paper Period Record Date during a Commercial Paper Rate Period, each Auction Rate Period Record Date during an Auction Rate Period, each Daily Period Record Date during a Daily Rate Period, each Weekly Period Record Date during a Weekly Rate Period, each Term Period Record Date during a Term Rate Period and each Fixed Rate Record Date during the Fixed Rate Period.

"Remarketing Agent" means any remarketing agent or remarketing agents appointed pursuant to Section 10.5, and its or their successors or assigns, including, without limitation, any "market agent" or "broker-dealer" appointed in connection with Auction Rate Warrants.

"Remarketing Agreement" means each remarketing agreement with a Remarketing Agent, as from time to time amended and supplemented.

"Securities Depository" means The Depository Trust Company and its nominees, successors and assigns or if (i) the then Securities Depository resigns from its functions as depository of the Series 2003-B Warrants or (ii) the County discontinues use of the then Securities Depository pursuant to Section 10.3, any other securities depository (and its nominees), which agrees to follow the procedures required to be followed by a Securities Depository in connection with the Series 2003-B Warrants and which is selected by the County, with the consent of the Trustee, the Auction Agent and the Remarketing Agent.

"Securities Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Sell Order" means, with respect to Auction Rate Warrants, a Sell Order as defined in Section 3.6.

"Series 2003-B Warrants" means the County's Sewer Revenue Refunding Warrants, Series 2003-B, authorized to be issued in the aggregate principal amount of \$1,155,765,000.

"Standard Auction Period" initially means an Auction Period of thirty-five (35) days, and, after the establishment of a different Standard Auction Period pursuant to Section 3.4, shall mean such different Standard Auction Period; provided that, so long as the Standard Auction Period is 35 days and ends initially on a Thursday, in the event the last Thursday of the Auction Period is not a Business Day, with the result that the Auction Date is the next succeeding Business Day, the Standard Auction Period following such Auction Date shall be reduced to a shorter number of days so that the last day of the Auction Period following such Auction Date is the fifth Thursday following such Auction Date.

"Stated Maturity" means, with respect to the Series 2003-B Warrants (other than the Series 2003-B-8 Warrants), February 1, 2042.

"Statutory Corporate Tax Rate" means, as of any date of determination, the highest tax rate bracket (expressed in decimals) now or thereafter applicable in each taxable year on the taxable income of every corporation as set forth in Section 11 of the Code or any successor section without regard to any minimum additional tax provision or provisions regarding changes in rates during a taxable year, which on the date hereof is 35%. Any change in the Statutory Corporate Tax Rate shall be evidenced by a certificate of an Authorized County Representative and delivered to the Trustee.

"Submission Deadline" means 1:00 p.m., New York City time, on the applicable Auction Date or such other time on the Auction Date by which Broker-Dealers are required to submit Orders to the Auction Agent as specified by the Auction Agent from time to time.

"Submitted Bid" means, with respect to Auction Rate Warrants, a Submitted Bid as defined in Section 3.8.

"Submitted Hold Order" means, with respect to Auction Rate Warrants, a Submitted Hold Order as defined in Section 3.8.

"Submitted Order" means, with respect to Auction Rate Warrants, a Submitted Order as defined in Section 3.8.

"Submitted Sell Order" means, with respect to Auction Rate Warrants, a Submitted Sell Order as defined in Section 3.8.

"Substitute Commercial Paper Dealer" means Lehman Brothers Inc., or its affiliates or successors, if such person is a commercial paper dealer, provided that no such person nor any of its affiliates or successors shall be the same entity as the initial Commercial Paper Dealer.

"Substitute U.S. Government Securities Dealer" means the dealer or dealers in U.S. government securities specified by the County at any time when the initial U.S. Government Securities Dealer is unable or unwilling to perform in such capacity hereunder, provided that any such substitute shall be a dealer in U.S. government securities and shall not be the same entity as the initial U.S. Government Securities Dealer.

"Sufficient Clearing Bids" means, with respect to Auction Rate Warrants, Sufficient Clearing Bids as defined in Section 3.8.

"Support Facility" means each Credit Facility and each Liquidity Facility in effect at the time of determination.

"Support Facility Issuer" means the provider of any Support Facility.

"Tender Agent" means The Bank of New York, in its separate capacity as Tender Agent for the Series 2003-B Warrants, or its successors or assigns in such capacity.

"Tender Date" means an Optional Tender Date or a Mandatory Tender Date, as the case may be.

"Tendered Warrants" means Series 2003-B Warrants tendered for purchase pursuant to the Optional or Mandatory Tender provisions of this Indenture.

"Term Period Record Date" means, with respect to each Interest Payment Date for a Term Rate Period, the fifteenth day of the calendar month next preceding such Interest Payment Date.

"Term Rate" means, with respect to each Calculation Period for a Term Rate Period, a rate of interest equal to the rate of interest per annum established and certified to the Trustee (with a copy to the County and the Tender Agent) by the Remarketing Agent no later than 9:30 a.m. (New York City time) on and as of the first day of such Calculation Period as the minimum rate of interest per annum which, in the opinion of the Remarketing Agent, would be necessary on and as of such day to remarket Series 2003-B Warrants in a secondary market transaction at a price equal to the principal amount thereof; provided that such rate of interest shall not exceed 12% per annum.

"Term Rate Period" means any period during which Series 2003-B Warrants bear interest at a Term Rate which period shall commence with the effective date of the Change in the Interest Rate Mode to a Term Rate and shall extend through the day immediately preceding the earlier of (a) the effective date of a succeeding Change in the Interest Rate Mode and (b) the Stated Maturity of the Series 2003-B Warrants.

"Terminating Event" means any event or events under the terms of a Support Facility or any agreement providing for the issuance of such Support Facility (provided such Support Facility is not a financial guaranty insurance policy) which would cause the termination or expiration of such Support Facility but would specifically allow for the mandatory tender of Series 2003-B Warrants pursuant to Section 5.4 with a draw on or borrowing or payment under such Support Facility prior to such termination or expiration.

"Treasury Rate" means, on any date, (i) the yield, calculated in accordance with prevailing industry convention, of the rate on the most recently auctioned direct obligations of the U.S. Government having a maturity at the time of issuance of 364 days or less with a remaining maturity closest to the length of the applicable Auction Period, as quoted in The Wall Street Journal on such date for the Business Day next preceding such date; or (ii) in the event that any such rate is not published in The Wall Street Journal, then the bond equivalent yield, calculated in accordance with prevailing industry convention, as calculated by reference to the arithmetic average of the bid price quotations of the most recently auctioned direct obligation of the U.S. Government having a maturity at the time of issuance of 364 days or less with a remaining maturity closest to the length of such Auction Period, based on bid price quotations on such date obtained by the Auction Agent from at least three U.S. Government Securities Dealers. If any U.S. Government Securities Dealer does not quote a rate required to determine the Treasury Rate, the Treasury Rate shall be determined on the basis of the quotation or quotations furnished by the remaining U.S. Government Securities Dealer or Dealers and any Substitute U.S. Government Securities Dealer or Dealers selected by the County to provide such rate or rates not being supplied by any U.S. Government Securities Dealer or Dealers, as the case may be, or, if the County does not select any such Substitute U.S. Government Securities Dealer or Dealers, by the remaining U.S. Government Securities Dealer or Dealers.

"Underwriter" means J. P. Morgan Securities, Inc.

"U.S. Government Securities Dealer" means J. P. Morgan Securities, Inc., or, in lieu thereof, its affiliates or successors, provided that any such entity is a U.S. Government securities dealer.

"Warrant Purchase Fund" means the fund established pursuant to Section 8.1.

"Weekly Period Record Date" means, with respect to each Interest Payment Date for a Weekly Rate Period, the Business Day next preceding such Interest Payment Date.

"Weekly Rate" means, with respect to each Calculation Period during a Weekly Rate Period, a rate of interest equal to the rate of interest per annum established and certified to the Trustee (with a copy to the County and the Tender Agent) by the Remarketing Agent no later than 9:30 a.m. (New York City time) on and as of the first day of such Calculation Period as the minimum rate of interest per annum which, in the opinion of the Remarketing Agent, would be necessary on and as of such day to remarket Series 2003-B Warrants in a secondary market transaction at a price equal to the principal amount thereof plus accrued interest thereon; provided that such rate of interest shall not exceed 10% per annum.

"Weekly Rate Period" means any period during which Series 2003-B Warrants bear interest at a Weekly Rate, which period shall commence with the effective date of a Change in the Interest Rate Mode to the Weekly Rate and shall extend through the day immediately preceding the earlier of (a) the effective date of another Change in the Interest Rate Mode and (b) the Stated Maturity of Series 2003-B Warrants.

"Winning Bid Rate" means, with respect to Auction Rate Warrants, the Winning Bid Rate as defined in Section 3.8.

"XL Capital" or **"XLCA"** means XL Capital Assurance Inc., a New York stock insurance company, or any successor thereto or assignee thereof.

"XLCA Policy" means the municipal bond insurance policy issued by XL Capital on the Closing Date insuring the payment when due of the principal of and interest on the Series 2003-B-2 through 2003-B-7 Warrants as provided therein.

Section 1.2 **Findings.** The Governing Body has ascertained and does hereby find and declare as follows:

(a) Purposes for which Additional Parity Securities may be Issued. In the Original Indenture, the County has reserved the right to issue, upon compliance with the conditions precedent set forth therein, additional warrants, bonds, notes or other obligations that are secured on a parity with the Outstanding Parity Securities, as respects the pledge of the revenues derived by the County from the operation of the System, for the purposes of financing the costs of constructing or acquiring any System Improvements and refunding or retiring all or any portion of anyone or more series of Parity

Securities then outstanding under the Indenture or any other obligations of the County issued to finance System Improvements.

(b) Purpose of the Series 2003-B Warrants. It is desirable and in the public interest for the County to issue the Series 2003-B Warrants to refund certain of its previously issued Parity Securities, namely, (i) \$29,855,000 principal amount of those of the Series 1997-A Warrants that mature on February 1, 2022, and \$98,915,000 principal amount of those of the Series 1997-A Warrants that mature on February 1, 2027, (ii) those of the Series 1997-D Warrants that mature on February 1, 2019, and February 1, 2020, and \$23,000,000 principal amount of those of the Series 1997-D Warrants that mature on February 1, 2022, (iii) those of the Series 1999-A Warrants that mature on February 1, 2029, and February 1, 2039, and \$147,650,000 principal amount of those of the Series 1999-A Warrants that mature on February 1, 2033, (iv) \$6,490,000 principal amount of those of the Series 2001-A Warrants that mature on February 1, 2031, and \$107,375,000 principal amount of those of the Series 2001-A Warrants that mature on February 1, 2041, (v) \$115,680,000 principal amount of those of the Series 2002-B Warrants that mature on February 1, 2041, and \$91,240,000 principal amount of those of the Series 2002-B Warrants that mature on February 1, 2042, and (vi) \$27,780,000 principal amount of those of the Series 2002-D Warrants that mature on February 1, 2038 (herein together called the "Refunded Warrants") and to refund certain interest on certain of the Outstanding Parity Securities other than the Refunded Warrants (the interest payments to be so refunded being herein called the "Refunded Interest").

(c) No Default. No Event of Default and no event which, with the giving of notice or the passage of time or both, would constitute such an Event of Default, has occurred and is continuing.

(d) Additional Parity Securities Previously Issued. No Parity Securities, other than the Outstanding Parity Securities, have heretofore been issued by the County under the Indenture, and the County now has no outstanding obligations payable from the revenues derived by the County from the operation of the System except the Outstanding Parity Securities and certain related Qualified Swap transactions.

Section 1.3 **Use of Phrases.** "Herein", "hereby", "hereunder", "hereof", "hereinbefore", "hereinafter" and other equivalent words refer to this Ninth Supplemental Indenture as an entirety and not solely to the particular portion thereof in which any such word is used. The terms used herein include both singular and plural. Whenever used herein, any pronoun shall be deemed to include both singular and plural and to cover all genders.

Section 1.4 **Definitions Contained in the Original Indenture.** Unless the context clearly indicates a different meaning, any words, terms or phrases that are used in this Ninth Supplemental Indenture as defined terms without being herein defined shall have the meanings respectively given them in the Original Indenture (subject to any amendments thereto made in the First, Second, Third, Fourth, Fifth, Sixth, Seventh or Eighth Supplemental Indenture).

Section 1.5 **References to the Parity Securities and the Indenture.** The County and the Trustee acknowledge and agree that, from and after the issuance by the County of the Series 2003-B Warrants, any reference in the Original Indenture or in this Ninth Supplemental Indenture to the "Parity Securities" shall, unless the context clearly and unequivocally indicates otherwise, be construed to include the Outstanding Parity Securities, the Series 2003-B Warrants and any Additional Parity Securities hereafter issued.

The County and the Trustee further acknowledge and agree that, from and after the execution and delivery of this Ninth Supplemental Indenture, any reference in the Original Indenture or in this Ninth Supplemental Indenture to the "Indenture" shall, unless the context clearly and unequivocally indicates otherwise, be construed to refer to the Original Indenture as supplemented and amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture and this Ninth Supplemental Indenture. The provisions of the Original Indenture (as heretofore supplemented and amended), to the extent they are not inconsistent with the provisions hereof, shall also apply to this Ninth Supplemental Indenture.

ARTICLE II

AUTHORIZATION OF SERIES 2003-B WARRANTS

Section 2.1 **Authorization of Series 2003-B Warrants.** (a) There is hereby created and established under the Indenture a series of Parity Securities of the County, which shall be issued and designated as "Sewer Revenue Refunding Warrants, Series 2003-B" in the principal amount of \$1,155,765,000. In order to distinguish between Series 2003-B Warrants which are subject to different interest rate determination methods and other features or covered by different Liquidity Facilities and to distinguish the portion of the Series 2003-B Warrants to be remarketed by any particular Remarketing Agent, the Series 2003-B Warrants may be designated and redesignated from time to time by the County in such a way as to identify one or more subseries of the Series 2003-B Warrants. Such subseries may be designated as subseries B-1, subseries B-2, or may be further redesignated as subseries B-1-A, subseries B-1-B, and so forth. Each Series 2003-B Warrant shall bear upon the face thereof such designation or redesignation, if any. In the event any portion of the Series 2003-B Warrants is designated as one or more subseries, unless the context otherwise requires, any reference to the Series 2003-B Warrants in this Ninth Supplemental Indenture shall be deemed (to the extent applicable) to refer to each such subseries and any reference to the Liquidity Facility or the Liquidity Provider shall be deemed (to the extent applicable) to refer to the Liquidity Facility or Liquidity Provider pertaining to each such subseries.

(b) The Series 2003-B Warrants shall be issued under this Ninth Supplemental Indenture for the purpose of refunding the Outstanding Refundable Warrants.

(c) Series 2003-B Warrants bearing a Commercial Paper Rate, a Daily Rate or a Weekly Rate shall be fully registered warrants in the denomination of \$100,000 or any integral multiple of \$5,000 in excess thereof. Series 2003-B Warrants bearing an Auction Rate shall be fully registered warrants in the denomination of \$25,000 or any integral multiple thereof. Series 2003-B Warrants bearing a Term Rate or a Fixed Rate shall be fully registered warrants in the denomination of \$5,000 or any integral multiple thereof.

(d) The Series 2003-B Warrants shall be numbered consecutively from R-1 upwards as issued or as otherwise provided by the Trustee. If the Series 2003-B Warrants are redesignated to identify one or more subseries, the Series 2003-B Warrants may be numbered in accordance with such subseries designations, i.e., R-1-1, R-2-1 and so forth. The Series 2003-B Warrants shall mature on February 1, 2042, except that the Series 2003-B-8 Warrants shall mature on February 1 in the following years and in the following respective principal amounts:

<u>Year</u>	<u>Principal Amount Maturing</u>
2010	\$ 8,250,000
2011	15,870,000
2012	16,500,000
2013	17,225,000
2014	18,285,000
2015	19,255,000
2016	24,580,000

The Series 2003-B Warrants shall be initially issued in fully registered form, without coupons, and dated their date of first authentication and delivery, and thereafter shall be dated their date of authentication, except that the Series 2003-B-8 Warrants shall be dated April 1, 2003.

(e) The County hereby appoints the Trustee as Paying Agent with respect to the Series 2003-B Warrants, and the Trustee hereby accepts such appointment. In so acting, the Trustee shall continue to be entitled to the benefits and protections of Article XIV of the Original Indenture, regardless of whether acting in its role as Trustee or as Paying Agent. In its execution of this Ninth Supplemental Indenture and other documents related to the Series 2003-B Warrants, the Trustee shall be deemed to be acting in the capacity of both Trustee and Paying Agent, regardless of whether or not expressly so stated.

Section 2.2 Form of Series 2003-B Warrants. The Series 2003-B Warrants and the certificate of authentication shall be substantially as set forth in Appendix I, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Ninth Supplemental Indenture.

Section 2.3 Execution, Authentication, Delivery and Dating. (a) The Series 2003-B Warrants shall be executed on behalf of the County by the President or the President Pro Tem of the Governing Body under its official seal reproduced thereon and attested by the Minute Clerk of the Governing Body. The signature of any of these officers on the Series 2003-B Warrants may be manual or, to the extent permitted by law, facsimile. Series 2003-B 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 2003-B Warrants or shall not have held such offices at the date of such Series 2003-B Warrants.

(b) At any time and from time to time after the execution and delivery of this Ninth Supplemental Indenture, the County may deliver Series 2003-B Warrants executed by the County to the Trustee for authentication and the Trustee shall authenticate and deliver such Series 2003-B Warrants as in this Ninth Supplemental Indenture provided and not otherwise.

(c) No Series 2003-B Warrant shall be secured by, or be entitled to any lien, right or benefit under, the Indenture or be valid or obligatory for any purpose, unless there appears on such Series 2003-B 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 2003-B Warrant shall be conclusive evidence, and the only evidence, that such Series 2003-B Warrant has been duly authenticated and delivered hereunder.

Section 2.4 Authentication and Delivery of Series 2003-B Warrants to Original Purchasers. Upon the execution and delivery of this Ninth Supplemental Indenture, Series 2003-B Warrants in the aggregate principal amount authorized in this article may be executed by the County and delivered to the Trustee for authentication, and such Series 2003-B Warrants shall thereupon be authenticated and delivered by the Trustee to the original purchaser or purchasers thereof, upon order executed by an Authorized County Representative.

ARTICLE III

INTEREST ON SERIES 2003-B WARRANTS

Section 3.1 Interest on Series 2003-B Warrants – General. (a) While Series 2003-B Warrants bear interest at a Commercial Paper Rate, a Daily Rate or a Weekly Rate, interest accrued on such warrants shall be computed on the basis of a 365 or 366-day year, as applicable, for the number of days actually elapsed. While Series 2003-B Warrants bear interest at a Term Rate or the Fixed Rate, interest accrued on such warrants shall be computed on the basis of a 360-day year, consisting of twelve 30-day months. While Series 2003-B Warrants bear interest at an Auction Rate, interest accrued on such warrants shall be computed on the basis of a 360-day year for the number of days actually elapsed. The Series 2003-B Warrants shall bear interest from the date of initial issuance thereof (or, in the case of the Series 2003-B-8 Warrants, from April 1, 2003) payable on

each Interest Payment Date. The Series 2003-B Warrants issued upon transfers or exchanges of Series 2003-B Warrants shall bear interest from such date of initial issuance or from the Interest Payment Date next preceding their date of authentication, unless the date of authentication is an Interest Payment Date in which case such warrants shall bear interest from such date, or unless the date of authentication is after the Record Date next preceding the next succeeding Interest Payment Date, in which case such warrants shall bear interest from such next succeeding Interest Payment Date.

(b) The Series 2003-B Warrants designated as subseries B-8 shall be issued in the aggregate principal amount of \$119,965,000 and shall bear interest at Fixed Rates from the issuance thereof until maturity or redemption. Notwithstanding any other provisions of the Indenture, the Series 2003-B-8 Warrants may not be converted to a different Interest Rate Mode. The Series 2003-B-8 Warrants with the following respective maturity dates shall bear interest at the following per annum rates:

<u>Maturity Date</u>	<u>Interest Rate</u>
February 1, 2010	5.25%
February 1, 2011	5.25
February 1, 2012	5.25
February 1, 2013	5.25
February 1, 2014	5.25
February 1, 2015	5.25
February 1, 2016	5.25

The Series 2003-B Warrants designated as subseries B-1-A, B-1-B, B-1-C, B-1-D and B-1-E shall initially bear interest at the Auction Rate (with the following respective initial rates) and shall be issued in the following initial principal amounts:

<u>Subseries</u>	<u>Initial Principal Amount</u>	<u>Initial Interest Rates</u>
B-1-A	\$ 147,200,000	1.35%
B-1-B	147,200,000	1.35
B-1-C	147,200,000	1.30
B-1-D	147,200,000	1.30
B-1-E	147,000,000	1.30

The remainder of the Series 2003-B Warrants shall initially bear interest at the Weekly Rate, shall have the following subseries designations, shall be issued in the following initial principal amounts and shall have the following initial Liquidity Providers:

<u>Subseries</u>	<u>Principal Amount</u>	<u>Liquidity Provider</u>
B-2	\$ 55,000,000	Societe Generale, New York Branch
B-3	25,000,000	The Bank of New York
B-4	25,000,000	The Bank of New York
B-5	75,000,000	State Street Bank and Trust Company
B-6	15,000,000	State Street Bank and Trust Company
B-7	105,000,000	Lloyds TSB Bank plc.

From and after any Change in the Interest Rate Mode pursuant to Section 4.1 or 4.2, the Series 2003-B Warrants or any subseries thereof shall bear interest determined in accordance with the provisions of this Ninth Supplemental Indenture pertaining to the new Adjustable Rate or at the Fixed Rate, as the case may be. Series 2003-B Warrants shall bear interest for each Calculation Period, Auction Period or Fixed Rate Period at the rate of interest per annum for such Calculation Period, Auction Period or Fixed Rate Period established in accordance with this Ninth Supplemental Indenture. From and after a Fixed Rate Conversion Date, the affected Warrants shall bear interest at the Fixed Rate until their Stated Maturity. Interest shall be payable on each Interest Payment Date by check mailed to the registered owner at his or her address as it appears on the registration books kept by the Trustee pursuant to the Indenture at the close of business on the applicable Record Date; provided, that (i) while the Securities Depository or its nominee is the registered owner of any Series 2003-B Warrants, all payments of principal of, premium, if any, and interest on such warrants shall be paid to the Securities Depository or its nominee by wire transfer, (ii) if the Securities Depository, or its nominee, is no longer the registered owner of any Series 2003-B Warrants, prior to and including the Fixed Rate Conversion Date, interest on such warrants shall be payable to any registered owner of at least one million dollars (\$1,000,000) in aggregate principal amount of such warrants, by wire transfer, upon written notice received by the Trustee at least five Business Days prior to the applicable Record Date, from such registered owner containing the wire transfer address (which shall be in the continental United States) to which such registered owner wishes to have such wire directed and (iii) during a Commercial Paper Rate Period, interest shall be payable on the Series 2003-B Warrants bearing interest at a Commercial Paper Rate only upon presentation and surrender thereof to the Tender Agent upon purchase thereof pursuant to Section 5.3(b) and if such presentation and surrender are made by 2:00 p.m. (New York City time) such payment shall be by wire transfer. If and to the extent that there shall be a default in the payment of the interest due on any Interest Payment Date, such interest shall cease to be payable to the person in whose name each Series 2003-B Warrant was registered on such applicable Record Date and shall be payable, when and if paid, to the person in whose name each Series 2003-B Warrant is registered at the close of business on the record date fixed therefor by the Trustee, which shall be the fifth Business Day next preceding the date of the proposed payment, which also shall be a Business Day. Except as provided above, payment of the principal of, and premium, if any, on all Series 2003-B Warrants shall be made upon the presentation and surrender of such warrants at the principal office of the Trustee as the same shall become due and payable. The principal of and premium, if any, and interest on the Series 2003-B Warrants shall be payable in lawful money of the United States of America.

(c) At or prior to 9:30 a.m. (New York City time) on the Determination Date for each Calculation Period or at or prior to 3:00 p.m. (New York City time) on each Auction Date, the applicable Remarketing Agent or the Auction Agent, as the case may be, shall determine the interest rate for such Calculation Period or Auction Period and shall make available to the County, the Trustee, the Tender Agent and each issuer of a Support Facility the interest rate determined on such Determination Date or Auction Date.

(d) If for any reason on any Determination Date (A) any rate of interest or a Calculation Period and related Commercial Paper Rate is not determined by the applicable Remarketing Agent, (B) no Remarketing Agent is serving as such hereunder or (C) the rate so determined is held to be invalid or unenforceable by a final judgment of a court of competent jurisdiction, (i) during any Daily Rate Period, the interest rate for the Calculation Period with respect to such Determination Date shall be the last interest rate in effect, or, if a Daily Rate is not determined by the Remarketing Agent hereunder for five or more consecutive Business Days, on the next and each succeeding Determination Date, the Daily Rate shall be a rate per annum equal to 80% of the latest 30-day dealer taxable commercial paper rate published by the Federal Reserve Bank of New York on or immediately before such Determination Date, (ii) during any Weekly Rate Period, the interest rate for the Calculation Period with respect to such Determination Date shall be the last interest rate in effect, or, if a Weekly Rate is not determined by the Remarketing Agent for two or more consecutive Calculation Periods, the Weekly Rate shall be equal to 85% of the latest 30-day dealer taxable commercial paper rate published by the Federal Reserve Bank of New York on or before the day next preceding such Determination Date, (iii) during any Term Rate Period, the interest rate per annum for the Calculation Period with respect to such Determination Date shall be equal to 85% of the rate listed in the table most recently circulated by the United States Treasury Department known as "Table [applicable dates shown on the most recent Table], Maximum Interest Rate Payable on United States Treasury Certificates of Indebtedness, Notes and Bonds – State and Local Government Series Subscribed for During Period [applicable dates shown on the most recent Table]" or any substantially equivalent table circulated by the United States Treasury Department for the maturity most closely approximating the Calculation Period, and (iv) during any Commercial Paper Rate Period, the Calculation Period with respect to such Determination Date and related Commercial Paper Rate shall be (A) a Calculation Period which shall consist of the period from and including the prior Interest Payment Date to, but excluding the first Business Day of the following calendar month, and thereafter each period from and including the first Business Day of the calendar month to but excluding the first Business Day of the following calendar month, and (B) a Commercial Paper Rate equal to 85% of the interest rate applicable to 90-day United States Treasury Bills determined on the basis of the average per annum discount rate at which such 90-day Treasury Bills shall have been sold at the most recent Treasury auction within the 30 days next preceding such Calculation Period, or if there shall have been no such auction within the 30 days next preceding such Calculation Period, a Commercial Paper Rate equal to the rate of interest during the immediately preceding Calculation Period. The rate of interest or Calculation Period and related Commercial Paper Rate shall be established pursuant to this subsection (e) until the Remarketing Agent again determines the rate of interest or Calculation Period and related Commercial Paper Rate in accordance with this Ninth Supplemental Indenture. The County shall select any person otherwise meeting the qualifications of Section 10.5 to obtain,

calculate and prepare any of the information required by, and to notify the Trustee of any of the determinations made pursuant to, this subsection (e).

(e) The determination of any rate of interest by the Remarketing Agent in accordance with this Ninth Supplemental Indenture or by the Auction Agent in accordance with the Auction Procedures applicable to Auction Rate Warrants or the establishment of Calculation Periods or Auction Periods by the Remarketing Agent as provided in this Ninth Supplemental Indenture shall be conclusive and binding upon the County, the Trustee, the Tender Agent, the Remarketing Agent, the Auction Agent, each issuer of a Support Facility, and the registered and beneficial owners of the Series 2003-B Warrants. Failure of the Remarketing Agent, the Trustee, the Tender Agent, the Auction Agent, or the Securities Depository or any Securities Depository participant to give any of the notices described in this Ninth Supplemental Indenture, or any defect therein, shall not affect the interest rate to be borne by any of the Series 2003-B Warrants or the applicable Calculation Period or Auction Period nor in any way change the rights of the registered owners of the Series 2003-B Warrants to tender their Warrants for purchase or to have them redeemed in accordance with this Ninth Supplemental Indenture. The Trustee shall be fully protected in relying on the most recent rate in effect if it has not received timely notice of any interest rate change.

(f) Except as otherwise set forth above, interest on the Series 2003-B Warrants shall be paid to the registered owner thereof at his or her address as it appears on the registration books kept by the Trustee pursuant to the Indenture at the close of business on the applicable Record Date. No transfer or exchange of Series 2003-B Warrants shall be required to be made by the Trustee after a Record Date until the next succeeding Interest Payment Date.

(g) Except as otherwise provided in this subsection (g), the Trustee shall calculate and notify the Tender Agent of the amount of interest due and payable on each Interest Payment Date or other date on which interest is payable and on each purchase date by 10:00 a.m. (1:00 p.m. during a Daily Rate Period) on the Business Day next preceding such Interest Payment Date or other date or purchase date, as the case may be. In preparing such calculation the Trustee may rely on calculations or other services provided by the Remarketing Agent, the Auction Agent or any person or persons selected by the Trustee in its discretion, or by the County pursuant to subsection (e). During a Commercial Paper Rate Period, the Remarketing Agent shall notify the Trustee, the Tender Agent and the County of the amount of interest due and payable on each Interest Payment Date by 10:00 a.m. on the Business Day next preceding such Interest Payment Date. During an Auction Rate Period, the Auction Agent shall notify the Trustee at least seven days prior to each Interest Payment Date of the Auction Rate and the aggregate amount of interest payable on such Interest Payment Date.

(h) Anything herein to the contrary notwithstanding, in no event shall the interest rate borne by any Series 2003-B Warrant exceed the maximum rate allowable by applicable law.

Section 3.2 Commercial Paper Rate. During any Commercial Paper Rate Period, at or prior to 9:30 a.m. (New York City time) on the Determination Date for each Calculation Period, the

Remarketing Agent shall determine the Calculation Period and related Commercial Paper Rate, and shall notify the Trustee and the County of the Calculation Period. In determining each such Calculation Period, the Remarketing Agent shall take the following factors into account: (i) existing short-term taxable and tax-exempt market rates and indices of such short-term rates, (ii) the existing market supply and demand for short-term tax-exempt securities, (iii) existing yield curves for short-term and long-term tax-exempt securities or obligations having a credit rating that is comparable to the Series 2003-B Warrants, (iv) general economic conditions, (v) economic and financial factors present in the securities industry that may affect or that may be relevant to the Series 2003-B Warrants, and (vi) any information available to the Remarketing Agent pertaining to the County regarding any events or anticipated events which could have a direct impact on the marketability of or interest rate on the Series 2003-B Warrants. The Remarketing Agent shall select the Calculation Period and the applicable Commercial Paper Rate that, together with all other Calculation Periods and related Commercial Paper Rates, in the sole judgment of the Remarketing Agent, will result in the lowest overall borrowing cost on the Series 2003-B Warrants or are otherwise in the best financial interests of the County, as determined in consultation with the County. Any Calculation Period established hereunder for any Series 2003-B Warrants may not extend beyond the Fixed Rate Conversion Date, the expiration date of the Liquidity Facility securing such warrants or the day prior to the Stated Maturity of such warrants.

The County may place such limitations upon the establishment of Calculation Periods as may be set forth in a written direction from the County, which direction must be received by the Trustee and the Remarketing Agent prior to 10:00 a.m. (New York City time) on the day prior to any Determination Date to be effective on such date, but only if the Trustee receives an Opinion of Bond Counsel to the effect that such action is authorized by this Ninth Supplemental Indenture, is permitted under the Act and will not have an adverse effect on the exclusion of interest on the Series 2003-B Warrants from gross income for federal income tax purposes.

Section 3.3 Auction Rate Period – Auction Rate: Auction Period – General. (a) During any Auction Rate Period, the Series 2003-B Warrants shall bear interest at the Auction Rate determined as set forth in this Section 3.3 and Sections 3.4 through 3.10. The Auction Rate for any initial Auction Period immediately after any Change in the Interest Rate Mode to an Auction Rate for an Auction Rate Period shall be the rate of interest per annum determined and certified to the Trustee (with a copy to the County) by the Remarketing Agent on a date not later than the effective date of such Change in the Interest Rate Mode as the minimum rate of interest which, in the opinion of the Remarketing Agent, would be necessary as of such date to market Auction Rate Warrants in a secondary market transaction at a price equal to the principal amount thereof, provided that such interest rate shall not exceed 110% of the sum of the Index and .50% per annum. For any other Auction Period, the Auction Rate shall be the rate of interest per annum that results from implementation of the Auction Procedures. If on any Auction Date, the Auction Agent shall fail to take any action necessary to determine, or any action which effectively prevents the determination of, a rate of interest pursuant to the Auction Procedures, the Auction Rate for the next succeeding Auction Period shall equal the Maximum Auction Rate as provided in clause (i) of the definition thereof on and as of such Auction Date. Determination of the Auction Rate pursuant to the Auction Procedures

shall be suspended upon a Change in the Interest Rate Mode, the occurrence of a Failure to Deposit or the occurrence of an Event of Default. Upon the occurrence of a Failure to Deposit on any Auction Date, no Auction will be held, all Submitted Bids and Submitted Sell Orders shall be rejected, the existence of Sufficient Clearing Bids shall be of no effect and the Auction Rate for the next succeeding Auction Period shall equal the Maximum Auction Rate on and as of such Auction Date. The Auction Rate for any Auction Period or remaining portion thereof following the occurrence of an Event of Default shall be equal to the Overdue Rate as determined on and as of the immediately preceding Auction Date. The Overdue Rate shall be redetermined by the Remarketing Agent on each Auction Date.

(b) Auction Periods may be established pursuant to Section 3.4 at any time unless a Failure to Deposit or an Event of Default has occurred and has not been cured or waived. Each Auction Period shall be a Standard Auction Period unless a different Auction Period is established pursuant to Section 3.4 and each Auction Period which immediately succeeds a non-Standard Auction Period shall be a Standard Auction Period unless a different Auction Period is established pursuant to Section 3.4.

Section 3.4 Auction Rate Period – Auction Rate Warrants: Change of Auction Period by County. (a) During an Auction Rate Period, the County may change the length of a single Auction Period or the Standard Auction Period for any series by means of a written notice delivered at least 10 days prior to the Auction Date for such Auction Period to the Trustee, the Remarketing Agent, the Auction Agent and the Securities Depository in substantially the form furnished to the Trustee and the Auction Agent at the time of a Change in the Interest Rate Mode to an Auction Rate. Any Auction Period or Standard Auction Period established by the County pursuant to this Section 3.4 may not exceed 365 days in duration. If such Auction Period will be of less than 35 days, such notice shall be effective only if it is accompanied by a written statement of the Trustee, the Remarketing Agent, the Auction Agent and the Securities Depository to the effect that they are capable of performing their duties hereunder and under the Remarketing Agreement and the Auction Agency Agreement with respect to such Auction Period. If such notice specifies a change in the length of the Standard Auction Period, such notice shall be effective only if it is accompanied by the written consent of the Remarketing Agent to such change. The length of an Auction Period or the Standard Auction Period may not be changed pursuant to this Section 3.4 unless Sufficient Clearing Bids existed at both the Auction immediately preceding the date the notice of such change was given and the Auction immediately preceding such changed Auction Period.

(b) The change in length of an Auction Period or the Standard Auction Period shall take effect only if (A) the Trustee and the Auction Agent receive, by 11:00 a.m. (New York City time) on the Business Day immediately preceding the Auction Date for such Auction Period, a certificate from the County by telecopy, facsimile, or similar means in substantially the form furnished to the Trustee and the Auction Agent at the time of a Change in the Interest Rate Mode to an Auction Rate authorizing the change in the Auction Period or the Standard Auction Period, which shall be specified in such certificate, and confirming that Bond Counsel expects to be able to give an Opinion of Bond Counsel referred to in (D) below on the first day of such Auction Period, (B) the Trustee shall not

have delivered to the Auction Agent by 12:00 noon (New York City time) on the Auction Date for such Auction Period notice that a Failure to Deposit has occurred, (C) Sufficient Clearing Bids exist at the Auction on the Auction Date for such Auction Period, and (D) the Trustee and the Auction Agent receive by 9:30 a.m. (New York City time) on the first day of such Auction Period, an opinion of Bond Counsel to the effect that the change in the Auction Period or the Standard Auction Period is authorized by this Ninth Supplemental Indenture, is permitted under the Act and will not have an adverse effect on the exclusion of interest on such Series 2003-B Warrants from gross income for federal income tax purposes. If the condition referred to in (A) above is not met, the Auction Rate for the next succeeding Auction Period shall be determined pursuant to the Auction Procedures and the next succeeding Auction Period shall be a Standard Auction Period. If any of the conditions referred to in (B), (C) or (D) above is not met, the Auction Rate for the next succeeding Auction Period shall equal the Maximum Auction Rate as determined as of such Auction Date.

Section 3.5 Auction Rate Period – Auction Rate Warrants: Change of Auction Date by Remarketing Agent. During an Auction Rate Period, the Remarketing Agent, with the written consent of the County, may change, in order to conform with then-current market practice with respect to similar securities or to accommodate economic and financial factors that may affect or be relevant to the day of the week constituting an Auction Date, the Auction Date for all future Auction Periods to a different day, so long as the first such Auction Date will be a Business Day in the calendar week in which the next succeeding Auction Date is then scheduled to occur. If a change in an Auction Date is undertaken in conjunction with a change in an Auction Period and the conditions for the establishment of such change in Auction Period are not met, the Auction Date may be, and the next succeeding Auction Period may be adjusted to end on, a Business Day in the calendar week in which such Auction Date was scheduled to occur and such Auction Period was scheduled to end to accommodate the change in the Auction Date. The Remarketing Agent shall deliver a written notice of its determination to change an Auction Date at least 10 days prior to the Auction Date immediately preceding such Auction Date to the County, the Trustee, the Auction Agent and the Securities Depository which shall state (i) the determination of the Remarketing Agent to change the Auction Date, (ii) the new Auction Date and (iii) the date on which such Auction Date shall be changed. If, as a result of any proposed change in the Auction Date, any Auction Period would be less than 28 days in duration, such notice shall be effective only if it is accompanied by a written statement of the Auction Agent, the Trustee, the Remarketing Agent and the Securities Depository to the effect that they are capable of performing their duties hereunder and under the Remarketing Agreement and Auction Agency Agreement with respect to any such Auction Period. In no event shall any Standard Auction Period be less than seven days.

Section 3.6 Auction Rate Period – Auction Rate Warrants: Orders by Beneficial Owners and Potential Beneficial Owners. (a) Prior to the Submission Deadline on each Auction Date during the Auction Rate Period, the following orders may be submitted:

- (i) each Beneficial Owner of Auction Rate Warrants may submit to the Broker-Dealer by telephone or otherwise information as to:

(1) the principal amount of Outstanding Auction Rate Warrants, if any, held by such Beneficial Owner which such Beneficial Owner desires to continue to hold without regard to the Auction Rate for the next succeeding Auction Period;

(2) the principal amount of Outstanding Auction Rate Warrants, if any, held by such Beneficial Owner which such Beneficial Owner offers to sell if the Auction Rate for the next succeeding Auction Period shall be less than the rate per annum specified by such Beneficial Owner; and/or

(3) the principal amount of Outstanding Auction Rate Warrants, if any, held by such Beneficial Owner which such Beneficial Owner offers to sell without regard to the Auction Rate for the next succeeding Auction Period;

(ii) one or more Broker-Dealers may contact Potential Beneficial Owners by telephone or otherwise to determine the principal amount of Auction Rate Warrants which each such Potential Beneficial Owner offers to purchase if the Auction Rate for the next succeeding Auction Period shall not be less than the interest rate per annum specified by such Potential Beneficial Owner.

For the purposes hereof, the communication to a Broker-Dealer of information referred to in clause (i)(1), (i)(2) or (i)(3) or clause (ii) above is hereinafter referred to as an "Order" and collectively as "Orders" and each Beneficial Owner and each Potential Beneficial Owner placing an Order is hereinafter referred to as a "Bidder" and collectively as "Bidders"; an Order containing the information referred to in clause (i)(1) above is hereinafter referred to as a "Hold Order" and collectively as "Hold Orders"; an Order containing the information referred to in clause (i)(2) or clause (ii) above is hereinafter referred to as a "Bid" and collectively as "Bids"; and an Order containing the information referred to in clause (i)(3) above is hereinafter referred to as a "Sell Order" and collectively as "Sell Orders". The submission by a Broker-Dealer of an Order to the Auction Agent shall likewise be referred to herein as an "Order" and collectively as "Orders" and an Existing Holder or Potential Holder who places an Order with the Auction Agent or on whose behalf an Order is placed with the Auction Agent shall likewise be referred to herein as a "Bidder" and collectively as "Bidders."

(b) (i) Subject to the provisions of Section 3.7, a Bid by a Beneficial Owner or an Existing Holder shall constitute an irrevocable offer to sell:

(1) the principal amount of Outstanding Auction Rate Warrants specified in such Bid if the Auction Rate determined on such Auction Date shall be less than the interest rate per annum specified therein; or

(2) such principal amount or a lesser principal amount of Outstanding Auction Rate Warrants to be determined as set forth in subsection (a)(iv) of Section 3.9 if the Auction Rate determined on such Auction Date shall be equal to the interest rate per annum specified therein; or

(3) such principal amount of Outstanding Auction Rate Warrants if the interest rate per annum specified therein shall be higher than the Maximum Auction Rate, or such principal amount or a lesser principal amount of Outstanding Auction Rate Warrants to be determined as set forth in subsection (b)(iii) of Section 3.9 if such specified rate shall be higher than the Maximum Auction Rate and Sufficient Clearing Bids do not exist.

(ii) Subject to the provisions of Section 3.7, a Sell Order by a Beneficial Owner or an Existing Holder shall constitute an irrevocable offer to sell:

(1) the principal amount of Outstanding Auction Rate Warrants specified in such Sell Order; or

(2) such principal amount or a lesser principal amount of Outstanding Auction Rate Warrants as set forth in subsection (b)(iii) of Section 3.9 if Sufficient Clearing Bids do not exist.

(iii) Subject to the provisions of Section 3.7, a Bid by a Potential Beneficial Owner or a Potential Holder shall constitute an irrevocable offer to purchase:

(1) the principal amount of Outstanding Auction Rate Warrants specified in such Bid if the Auction Rate determined on such Auction Date shall be higher than the rate specified therein; or

(2) such principal amount or a lesser principal amount of Outstanding Auction Rate Warrants as set forth in subsection (a)(v) of Section 3.9 if the Auction Rate determined on such Auction Date shall be equal to such specified rate.

Section 3.7 Auction Rate Period – Auction Rate Warrants: Submission of Orders by Broker-Dealers to Auction Agent. (a) During an Auction Rate Period each Broker-Dealer shall submit in writing to the Auction Agent prior to the Submission Deadline on each Auction Date, all Orders obtained by such Broker-Dealer, designating itself (unless otherwise permitted by the County) as an Existing Holder in respect of the principal amount of Auction Rate Warrants subject to Orders submitted or deemed submitted to it by Potential Beneficial Owners, and shall specify with respect to each such Order:

(i) the name of the Bidder placing such Order (which shall be the Broker-Dealer (unless otherwise permitted by the County));

(ii) the aggregate principal amount of Auction Rate Warrants that are subject to such Order;

(iii) to the extent that such Bidder is an Existing Holder:

(1) the principal amount of Auction Rate Warrants, if any, subject to any Hold Order placed by such Existing Holder;

(2) the principal amount of Auction Rate Warrants, if any, subject to any Bid placed by such Existing Holder and the rate specified in such Bid; and

(3) the principal amount of Auction Rate Warrants, if any, subject to any Sell Order placed by such Existing Holder; and

(iv) to the extent such Bidder is a Potential Holder, the principal amount of Auction Rate Warrants subject to any Bid by such Potential Holder and the rate specified in such Bid.

(b) If any rate specified in any Bid contains more than three figures to the right of the decimal point, the Auction Agent shall round such rate up to the next highest one thousandth (.001) of 1%.

(c) If an Order or Orders covering all or a portion of Outstanding Auction Rate Warrants held by an Existing Holder is not submitted to the Auction Agent prior to the Submission Deadline, the Auction Agent shall deem a Hold Order to have been submitted on behalf of such Existing Holder covering the principal amount of Outstanding Auction Rate Warrants held by such Existing Holder and not subject to Orders submitted to the Auction Agent.

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

(e) If any Existing Holder submits through a Broker-Dealer to the Auction Agent one or more Orders covering in the aggregate more than the principal amount of Outstanding Auction Rate Warrants held by such Existing Holder, such Orders shall be considered valid as follows and in the following order of priority:

(i) all Hold Orders shall be considered valid, but only up to and including the principal amount of Auction Rate Warrants held by such Existing Holder, and, if

the aggregate principal amount of Auction Rate Warrants subject to such Hold Orders exceeds the aggregate principal amount of Outstanding Auction Rate Warrants held by such Existing Holder, the aggregate principal amount of Auction Rate Warrants subject to each such Hold Order shall be reduced pro rata to cover the aggregate principal amount of Outstanding Auction Rate Warrants held by such Existing Holder;

(ii) (1) any Bid shall be considered valid up to and including the excess of the principal amount of Outstanding Auction Rate Warrants held by such Existing Holder over the aggregate principal amount of Auction Rate Warrants subject to any Hold Orders referred to in paragraph (i) above;

(2) subject to clause (1) above, if more than one Bid with the same rate is submitted on behalf of such Existing Holder and the aggregate principal amount of Outstanding Auction Rate Warrants subject to such Bids is greater than such excess, such Bids shall be considered valid up to and including the amount of such excess, and, the principal amount of Auction Rate Warrants subject to each Bid with the same rate shall be reduced pro rata to cover the principal amount of Auction Rate Warrants equal to such excess;

(3) subject to clauses (1) and (2) above, if more than one Bid with different rates is submitted on behalf of such Existing Holder, such Bids shall be considered valid in the ascending order of their respective rates until the highest rate is reached at which such excess exists and then at such rate up to and including the amount of such excess; and

(4) in any such event, the aggregate principal amount of Outstanding Auction Rate Warrants, if any, subject to any portion of Bids not valid under this paragraph (ii) shall be treated as the subject of a Bid by a Potential Holder at the rate therein specified; and

(iii) all Sell Orders shall be considered valid up to and including the excess of the principal amount of Outstanding Auction Rate Warrants held by such Existing Holder over the aggregate principal amount of Auction Rate Warrants subject to valid Hold Orders referred to in paragraph (i) of this subsection (e) and valid Bids referred to in paragraph (ii) of this subsection (e).

(f) If more than one Bid for Auction Rate Warrants is submitted on behalf of any Potential Holder, each Bid submitted shall be a separate Bid for Auction Rate Warrants with the rate and principal amount therein specified.

(g) Any Bid or Sell Order submitted by an Existing Holder covering an aggregate principal amount of Auction Rate Warrants not equal to \$25,000 or an integral multiple thereof shall be rejected and shall be deemed a Hold Order. Any Bid submitted by a Potential Holder covering an aggregate principal amount of Auction Rate Warrants not equal to \$25,000 or an integral multiple thereof shall be rejected.

(h) Any Bid submitted by an Existing Holder or a Beneficial Owner specifying a rate lower than the All Hold Rate shall be treated as a Bid specifying the All Hold Rate and will not be accepted if submitted by a Potential Beneficial Owner or a Potential Holder.

Section 3.8 Auction Rate Period – Auction Rate Warrants: Determination of Sufficient Clearing Bids, Winning Bid Rate and Auction Rate. (a) During an Auction Rate Period not earlier than the Submission Deadline on each Auction Date, the Auction Agent shall assemble all valid Orders submitted or deemed submitted to it by the Broker-Dealers (each such Order as submitted or deemed submitted by a Broker-Dealer being hereinafter referred to as a "Submitted Hold Order," a "Submitted Bid" or a "Submitted Sell Order," as the case may be, or as a "Submitted Order") and shall determine:

(i) the excess of the total principal amount of Outstanding Auction Rate Warrants over the aggregate principal amount of Outstanding Auction Rate Warrants subject to Submitted Hold Orders (such excess being hereinafter referred to as the "Available Auction Rate Warrants"); and

(ii) from the Submitted Orders whether the aggregate principal amount of Outstanding Auction Rate Warrants subject to Submitted Bids by Potential Holders specifying one or more rates equal to or lower than the Maximum Auction Rate exceeds or is equal to the sum of:

(1) the aggregate principal amount of Outstanding Auction Rate Warrants subject to Submitted Bids by Existing Holders specifying one or more rates higher than the Maximum Auction Rate; and

(2) the aggregate principal amount of Outstanding Auction Rate Warrants subject to Submitted Sell Orders

(in the event of such excess or such equality (other than because the sum of the principal amounts of Auction Rate Warrants in clauses (A) and (B) above is zero because all of the Outstanding Auction Rate Warrants are subject to Submitted Hold Orders), such Submitted Bids by Potential Holders are hereinafter referred to collectively as "Sufficient Clearing Bids"); and

(iii) if Sufficient Clearing Bids exist, the lowest rate specified in the Submitted Bids (the "Winning Bid Rate") which if:

(1) (a) each Submitted Bid from Existing Holders specifying such lowest rate and (b) all other Submitted Bids from Existing Holders specifying lower rates were rejected, thus entitling such Existing Holders to continue to hold the principal amount of Auction Rate Warrants that are the subject of such Submitted Bids; and

(2) (a) each Submitted Bid from Potential Holders specifying such lowest rate and (b) all other Submitted Bids from Potential Holders specifying lower rates were accepted,

would result in such Existing Holders described in clause (1) above continuing to hold an aggregate principal amount of Outstanding Auction Rate Warrants which, when added to the aggregate principal amount of Outstanding Auction Rate Warrants to be purchased by such Potential Holders described in clause (2) above, would equal not less than the Available Auction Rate Warrants.

(b) Promptly after the Auction Agent has made the determinations pursuant to subsection (a) of this Section 3.8, the Auction Agent, by telecopy or facsimile shall advise the County, the Trustee and the Broker-Dealers of the Maximum Auction Rate and the components thereof on the Auction Date and, based on such determinations, the Auction Rate for the next succeeding Auction Period as follows:

(i) if Sufficient Clearing Bids exist, the Auction Rate for the next succeeding Auction Period therefor shall be equal to the Winning Bid Rate so determined;

(ii) if Sufficient Clearing Bids do not exist (other than because all of the Outstanding Auction Rate Warrants are the subject of Submitted Hold Orders), the Auction Rate for the next succeeding Auction Period therefor shall be equal to the Maximum Auction Rate; and

(iii) if all of the Auction Rate Warrants are subject to Submitted Hold Orders, the Auction Rate for the next succeeding Auction Period therefor shall be equal to the All Hold Rate.

Section 3.9 Auction Rate Period – Auction Rate Warrants: Acceptance and Rejection of Submitted Bids and Submitted Sell Orders and Allocation of Auction Rate Warrants. During an Auction Rate Period, Existing Holders shall continue to hold the principal amounts of Auction Rate Warrants that are subject to Submitted Hold Orders, and, based on the determinations made pursuant to subsection (a) of this Section 3.9, the Submitted Bids and Submitted Sell Orders shall be accepted or rejected, and the Auction Agent shall take such other actions as are set forth below:

(a) If Sufficient Clearing Bids exist, all Submitted Sell Orders shall be accepted and, subject to the provisions of paragraphs (e) and (f) of this Section 3.9, Submitted Bids shall be

accepted or rejected as follows in the following order of priority and all other Submitted Bids shall be rejected:

(i) Existing Holders' Submitted Bids specifying any rate that is higher than the Winning Bid Rate shall be accepted, thus requiring each such Existing Holder to sell the aggregate principal amount of Auction Rate Warrants subject to such Submitted Bids;

(ii) Existing Holders' Submitted Bids specifying any rate that is lower than the Winning Bid Rate shall be rejected, entitling each such Existing Holder to continue to hold the aggregate principal amount of Auction Rate Warrants subject to such Submitted Bids;

(iii) Potential Holders' Submitted Bids specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring each such Potential Holder to purchase the aggregate principal amount of Auction Rate Warrants subject to such Submitted Bids;

(iv) each Existing Holder's Submitted Bid specifying a rate that is equal to the Winning Bid Rate shall be rejected, thus entitling such Existing Holder to continue to hold the aggregate principal amount of Auction Rate Warrants subject to such Submitted Bid, unless the aggregate principal amount of Outstanding Auction Rate Warrants subject to all such Submitted Bids shall be greater than the principal amount of Auction Rate Warrants (the "remaining principal amount") equal to the excess of Available Auction Rate Warrants over the aggregate principal amount of the Auction Rate Warrants subject to Submitted Bids described in paragraphs (ii) and (iii) of this subsection (a), in which event such Submitted Bid of such Existing Holder shall be rejected in part, and such Existing Holder shall be entitled to continue to hold the principal amount of Auction Rate Warrants subject to such Submitted Bid, but only in an amount equal to the principal amount of Auction Rate Warrants obtained by multiplying the remaining principal amount by a fraction, the numerator of which shall be the principal amount of Outstanding Auction Rate Warrants held by such Existing Holder subject to such Submitted Bid and the denominator of which shall be the sum of the principal amounts of Auction Rate Warrants subject to such Submitted Bids made by all such Existing Holders that specified a rate equal to the Winning Bid Rate; and

(v) each Potential Holder's Submitted Bid specifying a rate that is equal to the Winning Bid Rate shall be accepted but only in an amount equal to the principal amount of Auction Rate Warrants obtained by multiplying the excess of the Available Auction Rate Warrants over the aggregate principal amount of Auction Rate Warrants subject to Submitted Bids described in paragraphs (ii), (iii) and (iv) of this subsection (a) by a fraction the numerator of which shall be the aggregate principal

amount of Auction Rate Warrants subject to such Submitted Bid of such Potential Holder and the denominator of which shall be the sum of the principal amount of Outstanding Auction Rate Warrants subject to Submitted Bids made by all such Potential Holders that specified a rate equal to the Winning Bid Rate.

(b) If Sufficient Clearing Bids do not exist (other than because all of the Outstanding Auction Rate Warrants are subject to Submitted Hold Orders), subject to the provisions of subsection (e) of this Section 3.9, Submitted Orders shall be accepted or rejected as follows in the following order of priority and all other Submitted Bids shall be rejected:

(i) Existing Holders' Submitted Bids specifying any rate that is equal to or lower than the Maximum Auction Rate shall be rejected, thus entitling each such Existing Holder to continue to hold the aggregate principal amount of Auction Rate Warrants subject to such Submitted Bids;

(ii) Potential Holders' Submitted Bids specifying any rate that is equal to or lower than the Maximum Auction Rate shall be accepted, thus requiring each such Potential Holder to purchase the aggregate principal amount of Auction Rate Warrants subject to such Submitted Bids; and

(iii) each Existing Holder's Submitted Bid specifying any rate that is higher than the Maximum Auction Rate and the Submitted Sell Order of each Existing Holder shall be accepted, thus entitling each Existing Holder that submitted any such Submitted Bid or Submitted Sell Order to sell the Auction Rate Warrants subject to such Submitted Bid or Submitted Sell Order, but in both cases only in an amount equal to the aggregate principal amount of Auction Rate Warrants obtained by multiplying the aggregate principal amount of Auction Rate Warrants subject to Submitted Bids described in paragraph (ii) of this subsection (b) by a fraction, the numerator of which shall be the aggregate principal amount of Outstanding Auction Rate Warrants held by such Existing Holder subject to such Submitted Bid or Submitted Sell Order and the denominator of which shall be the aggregate principal amount of Outstanding Auction Rate Warrants subject to all such Submitted Bids and Submitted Sell Orders.

(c) If all Outstanding Auction Rate Warrants are subject to Submitted Hold Orders, all Submitted Bids shall be rejected.

(d) If (i) the Auction Agent shall fail to take any action necessary to determine, or shall take any action which effectively prevents the determination of, an interest rate pursuant to the Auction Procedures or (ii) the conditions set forth in subsection (b) of Section 3.4 to effect a change in the Auction Period are not met, all Submitted Bids and Submitted Sell Orders shall be rejected and the existence of Sufficient Clearing Bids shall be of no effect.

(e) If, as a result of the procedures described in subsection (a) or (b) of this Section 3.9, any Existing Holder would be entitled or required to sell, or any Potential Holder would be required to purchase, a principal amount of Auction Rate Warrants that is not equal to \$25,000 or an integral multiple thereof, the Auction Agent shall, in such manner as, in its sole discretion, it shall determine, round up or down the principal amount of such Auction Rate Warrants to be purchased or sold by any Existing Holder or Potential Holder so that the principal amount purchased or sold by each Existing Holder or Potential Holder shall be equal to \$25,000 or an integral multiple thereof.

(f) If, as a result of the procedures described in subsection (a) of this Section 3.9, any Potential Holder would be entitled or required to purchase less than \$25,000 in aggregate principal amount of Auction Rate Warrants, the Auction Agent shall, in such manner as, in its sole discretion, it shall determine, allocate Auction Rate Warrants for purchase among Potential Holders so that only Auction Rate Warrants in principal amounts of \$25,000 or an integral multiple thereof are purchased by any Potential Holder, even if such allocation results in one or more of such Potential Holders not purchasing any Auction Rate Warrants.

(g) Based on the results of each Auction, the Auction Agent shall determine the aggregate principal amount of Auction Rate Warrants to be purchased and the aggregate principal amount of Auction Rate Warrants to be sold by Potential Holders and Existing Holders and, with respect to each Potential Holder and Existing Holder, to the extent that such aggregate principal amount of Auction Rate Warrants to be sold differs from such aggregate principal amount of Auction Rate Warrants to be purchased, determine to which other Potential Holder(s) or Existing Holder(s) they shall deliver, or from which other Potential Holder(s) or Existing Holder(s) they shall receive, as the case may be, Auction Rate Warrants.

(h) The County may not submit an Order in any Auction.

Section 3.10 Auction Rate Period – Auction Rate Warrants: Adjustment in Percentage. (a) During an Auction Rate Period, the Remarketing Agent may adjust the percentage used in determining the All Hold Rate and the Applicable Percentages used in determining the Maximum Auction Rate if any such adjustment is necessary, in the judgment of the Remarketing Agent, to reflect any Change of Preference Law such that the All Hold Rate and Maximum Auction Rate shall have substantially equal market values before and after such Change of Preference Law. In making any such adjustment, the Remarketing Agent shall take the following factors, as in existence both before and after such Change of Preference Law, into account: (i) short-term taxable and tax-exempt market rates and indices of such short-term rates, (ii) the market supply and demand for short-term tax-exempt securities, (iii) yield curves for tax-exempt securities or obligations having a credit rating that is comparable to the Series 2003-B Warrants, (iv) general economic conditions and (v) economic and financial factors present in the securities industry that may affect or that may be relevant to the Series 2003-B Warrants.

(b) The Remarketing Agent shall communicate its determination to adjust the percentage used in determining the All Hold Rate and the Applicable Percentages used in determining the

Maximum Auction Rate pursuant to subsection (a) hereof by means of a written notice delivered at least 5 days prior to the Auction Date on which the Remarketing Agent desires to effect the change to the County, the Trustee and the Auction Agent in substantially the form attached hereto as Exhibit B-4. Such notice is required to state the determination of the Remarketing Agent to change such percentages and the date such adjustment is proposed to take effect (which date shall be an Auction Date). Prior to delivery of the notice described in this section, the Remarketing Agent shall have received written approval of the County (which approval shall not be unreasonably withheld) to such change. The notice described in this section shall be effective only if it is accompanied by the form of opinion that Bond Counsel expects to be able to give on such Auction Date to the effect that such adjustment is authorized by this Ninth Supplemental Indenture and will not have an adverse effect on the exclusion of interest on the Auction Rate Warrants from gross income for federal income tax purposes. The Auction Agent is required to mail notice thereof to the Existing Holders within two Business Days of receipt thereof.

(c) An adjustment in the percentage used in determining the All Hold Rate and the Applicable Percentages used in determining the Maximum Auction Rate shall take effect on an Auction Date only if (A) the Trustee and the Auction Agent receive, by 11:00 a.m. (New York City time) on the Business Day immediately preceding such Auction Date, a certificate from the Remarketing Agent by telecopy, facsimile or similar means, (i) authorizing the adjustment of the percentage used in determining the All Hold Rate and the Applicable Percentages used in determining the Maximum Auction Rate which shall be specified in such authorization, and (ii) confirming that Bond Counsel expects to be able to give an opinion on such Auction Date to the effect that the adjustment in the percentage used in determining the All Hold Rate and the Applicable Percentages used in determining the Maximum Auction Rate is authorized by this Ninth Supplemental Indenture, is permitted under the Act and will not have an adverse effect on the exclusion of interest on the Auction Rate Warrants from gross income for federal income tax purposes, and (B) the Trustee and the Auction Agent receive by 9:30 a.m. (New York City time) on such Auction Date, an Opinion of Bond Counsel to the effect that the adjustment in the percentage used in determining the All Hold Rate and the Applicable Percentages used in determining the Maximum Auction Rate is authorized by this Ninth Supplemental Indenture, is permitted under the Act and will not have an adverse effect on the exclusion of interest on the Auction Rate Warrants from gross income for federal income tax purposes. If the condition referred to in (A) above is not met, the existing percentage used in determining the All Hold Rate and the Applicable Percentages used in determining the Maximum Auction Rate shall remain in effect and the Auction Rate for the next succeeding Auction Period shall be determined pursuant to the Auction Procedures. If the condition referred to in (B) above is not met, the existing percentage used in determining the All Hold Rate and the Applicable Percentages used in determining the Maximum Auction Rate shall remain in effect and the Auction Rate for the next succeeding Auction Period shall equal the Maximum Auction Rate as determined on such Auction Date.

ARTICLE IV

CHANGES IN THE ADJUSTABLE RATE

Section 4.1 **Optional Conversion by County.** (a) Prior to the Fixed Rate Conversion Date, at the times specified below, the Series 2003-B Warrants (other than the Series 2003-B-8 Warrants), in whole or in part, shall cease to bear interest at the Adjustable Rate then borne by the Series 2003-B Warrants and shall bear interest at such different Adjustable Rate as shall be specified by the County in a written notice delivered at least 30 days prior to the proposed effective date of the Change in the Interest Rate Mode to the Trustee, the Remarketing Agent, any Securities Depository, the Bond Insurer and the Tender Agent (and to the Auction Agent if such Change in the Interest Rate Mode is to or from an Auction Rate) in substantially the form attached hereto as, or containing substantially the information contained in, the applicable version of Exhibit A. A Change in the Interest Rate Mode to a different Adjustable Rate may only be effected on the last Interest Payment Date for a Daily Rate Period, a Weekly Rate Period, an Auction Rate Period, or a Term Rate Period, and a Change in the Interest Rate Mode from a Commercial Paper Rate to a different Adjustable Rate may only take effect on the Interest Payment Date immediately following the last day of a Calculation Period. A notice of a Change in the Interest Rate Mode pursuant to this Section 4.1(a) shall be effective only if it is accompanied by the form of opinion that Bond Counsel expects to be able to give on the proposed effective date of such Change in the Interest Rate Mode to the effect that such Change in the Interest Rate Mode is authorized by this Ninth Supplemental Indenture, is permitted under the Act and will not have an adverse effect on the exclusion of interest on such Series 2003-B Warrants from gross income for federal income tax purposes.

In the case of any Change in the Interest Rate Mode to a Term Rate, the notice required by this section shall specify the length of the Calculation Period and, unless otherwise specified, such Calculation Period shall thereafter apply to the Series 2003-B Warrants as to which such change is occurring until the earliest to occur of (i) the Fixed Rate Conversion Date pursuant to Section 4.2, or (ii) a Change in the Interest Rate Mode effected pursuant to this Section 4.1 or (iii) the Stated Maturity of the Series 2003-B Warrants. Any change in the Calculation Period during a Term Rate Period shall be deemed a Change in the Interest Rate Mode pursuant to this Section 4.1 and may not be made unless all the requirements of a Change in the Interest Rate Mode pursuant to this Section 4.1 are met.

(b) The Trustee shall mail, or cause the Tender Agent to mail, the notice received pursuant to subsection (a) of this Section 4.1 on or before the third Business Day after receipt thereof to the Holders of the Series 2003-B Warrants.

(c) A Change in the Interest Rate Mode to another Adjustable Rate shall be effective pursuant to subsection (a) of this Section 4.1 only if

(i) with respect to any Change in the Interest Rate Mode from an Auction Rate to another Adjustable Rate, the Trustee and the Auction Agent shall receive:

(1) a certificate of an Authorized County Representative by no later than the seventh day prior to the effective date of such Change in the Interest Rate Mode stating (A) that a written agreement between the County and the Remarketing Agent to remarket such Series 2003-B Warrants on such effective date at a price of 100% of the principal amount thereof has been entered into, which agreement (i) may be subject to such reasonable terms and conditions agreed to by the Remarketing Agent which in the judgment of the Remarketing Agent reflect the current market standards regarding investment banking risk and (ii) must include a provision requiring payment by the Remarketing Agent in same-day funds for any Auction Rate Warrant, tendered or deemed tendered; and (B) that a Liquidity Facility is in effect or has been obtained by the County with respect to those of the Series 2003-B Warrants to be converted from an Auction Rate to another Adjustable Rate and shall be in effect on or prior to the date of such Change in the Interest Rate Mode and thereafter for a period of at least 364 days;

(2) by 11:00 a.m. (New York City time) on the second Business Day prior to the effective date of such Change in the Interest Rate Mode by telecopy, facsimile or other similar means, a certificate in substantially the form attached hereto as, or containing substantially the information contained in, Exhibit B-1 hereto, from the County (x) authorizing the establishment of the new Adjustable Rate, (y) confirming that Bond Counsel expects to be able to give an opinion on the effective date of such Change in the Interest Rate Mode to the effect that such Change in the Interest Rate Mode is authorized by this Ninth Supplemental Indenture, is permitted under the Act and will not have an adverse effect on the exclusion of interest on the Series 2003-B Warrants from gross income for federal income tax purposes and (z) confirming that any necessary amendment to this Ninth Supplemental Indenture necessary to provide for the application of moneys available under the Liquidity Facility have been agreed to by the parties hereto and will be in effect prior to the Change in the Interest Rate Mode; and

(3) by 4:00 p.m. (New York City time) on the effective date of such Change in the Interest Rate Mode by telecopy, facsimile or other similar means, a certificate in substantially the form attached hereto as, or containing substantially the information contained in, Exhibit B-3 hereto, from the County that all of the Auction Rate Warrants during an Auction Rate Period tendered or deemed tendered have been purchased at a price equal to the principal amount thereof with funds provided from the remarketing of such Series 2003-B Warrants in accordance with the Remarketing Agreement, and that accrued and unpaid interest, if any, and

premium, if any, on the Series 2003-B Warrants shall have been paid pursuant to the Indenture from funds deposited with the Trustee;

(ii) with respect to any Change in the Interest Rate Mode to a Commercial Paper Rate, an Auction Rate or a Term Rate, the Trustee (and the Auction Agent in the case of any Change in the Interest Rate Mode to an Auction Rate) shall receive by 4:00 p.m., New York City time, on the effective date of such Change in the Interest Rate Mode, a certificate in substantially the form attached hereto as, or containing substantially the information contained in, Exhibit B-2, from an Authorized County Representative that all of the Series 2003-B Warrants tendered or deemed tendered have been purchased at a price equal to the principal amount thereof, with funds provided from the remarketing of such Series 2003-B Warrants in accordance with the Remarketing Agreement or from other funds deposited with the Tender Agent (other than proceeds from a draw on a Liquidity Facility), and that accrued and unpaid interest, if any, and premium, if any, have been paid in accordance with the Indenture from funds deposited with the Trustee;

(iii) with respect to any Change in the Interest Rate Mode, the Trustee (and the Auction Agent in the case of any Change in the Interest Rate Mode to an Auction Rate) shall receive, by 10:30 a.m. (New York City time) on the effective date of such Change in the Interest Rate Mode, an Opinion of Bond Counsel to the effect that such Change in the Interest Rate Mode is authorized by this Ninth Supplemental Indenture, is permitted under the Act and will not have an adverse effect on the exclusion of interest on the Series 2003-B Warrants from gross income for federal income tax purposes;

(iv) with respect to any Change in the Interest Rate Mode to an Adjustable Rate (other than to an Auction Rate or, unless the County elects to provide a Liquidity Facility, a Term Rate), a Liquidity Facility that applies to all Series 2003-B Warrants subject to such change and that meets the requirements of this Ninth Supplemental Indenture has been delivered to the Trustee not less than one Business Day prior to the effective date of such Change in the Interest Rate Mode and is, by its terms, in effect prior to such effective date; and

(v) with respect to any Change in the Interest Rate Mode, the Trustee shall receive written confirmation from S&P, if the Series 2003-B Warrants are then rated by S&P, and from Moody's, if the Series 2003-B Warrants are then rated by Moody's, to the effect that such Change in Interest Rate Mode will not result in a reduction or withdrawal of its long- or short-term rating of the Series 2003-B Warrants below the rating of S&P or Moody's, as the case may be, then in effect with respect to the Series 2003-B Warrants.

If any of the conditions referred to in (c)(i)(1) or (c)(i)(2) above is not met with respect to any Change in the Interest Rate Mode for any Series 2003-B Warrants from an Auction Rate, the Auction Rate for the next succeeding Auction Period shall be determined pursuant to the Auction Procedures applicable to Auction Rate Warrants. If the condition referred to in (c)(i)(3) above is not met with respect to any Change in the Interest Rate Mode for any Series 2003-B Warrants from an Auction Rate, the Auction Rate for the next succeeding Auction Period for such Series 2003-B Warrants shall be equal to the Maximum Auction Rate as determined on the date the condition is not met, or the Auction Date for the current Auction Period for such Series 2003-B Warrants, if later. If any of the conditions referred to in (iii), (iv) or (v) above is not met with respect to any Change in the Interest Rate Mode for any Series 2003-B Warrants from an Auction Rate, the Auction Rate for the next succeeding Auction Period for such Series 2003-B Warrants shall equal the Maximum Auction Rate as determined on the date the condition is not met, or the Auction Date for the current Auction Period for such Series 2003-B Warrants, if later. If any of the conditions referred to in (ii), (iii), (iv) or (v) above is not met with respect to any other Change in the Interest Rate Mode for any Series 2003-B Warrants, such warrants shall continue to bear interest at the Current Adjustable Rate and be subject to the provisions of this Ninth Supplemental Indenture applicable thereto while such Series 2003-B Warrants bear interest at such Current Adjustable Rate. If any of the foregoing conditions for a Change in the Interest Rate Mode is not met (other than with respect to any contemplated change from an Auction Rate), the Trustee shall mail, or cause the Tender Agent to mail to the County and the Holders notice thereof in substantially the form attached hereto as, or containing substantially the information contained in, Exhibit C within three Business Days after the failure to meet any of such conditions.

Section 4.2 Optional Conversion to Fixed Rate. (a) The rate of interest per annum which Series 2003-B Warrants will bear, in whole or in part, may be fixed, at the option of the County, for the balance of the term thereof. In the event the County exercises its Option to Convert, the selected Series 2003-B Warrants shall cease to bear interest at the Adjustable Rate then borne by the Series 2003-B Warrants and shall bear interest at the Fixed Rate until maturity, subject to the terms and conditions hereof (the date on which the Fixed Rate shall take effect being herein called the "Fixed Rate Conversion Date"). The Option to Convert may be exercised at any time through a written notice given by the County at least 30 days prior to the proposed Fixed Rate Conversion Date to the Trustee, any Securities Depository, the Tender Agent, the Bond Insurer and the Remarketing Agent (and to the Auction Agent if such Change in Interest Rate Mode to a Fixed Rate is from an Auction Rate) in substantially the form attached hereto as, or containing substantially the information contained in, Exhibit D. The Fixed Rate Conversion Date may only be the last Interest Payment Date for a Daily Rate Period, a Weekly Rate Period, an Auction Rate Period or a Term Rate Period, as applicable, and a Change in the Interest Rate Mode from a Commercial Paper Rate to the Fixed Rate may only take effect on the Interest Payment Date immediately following the last day of a Calculation Period. A notice of conversion to a Fixed Rate shall be effective only if it is accompanied by the form of opinion that Bond Counsel expects to give on the Fixed Rate Conversion Date to the effect that the establishment of the Fixed Rate is authorized by this Ninth Supplemental Indenture, is permitted under the Act and will not have an adverse effect on the exclusion of interest on such Series 2003-B Warrants from gross income for federal income tax purposes.

(b) The Trustee shall mail, or cause the Tender Agent to mail, the notice received pursuant to subsection (a) of this Section 4.2 on or before the third Business Day after receipt thereof to the Holders.

(c) The Fixed Rate shall take effect only if

(i) with respect to a change to the Fixed Rate from an Auction Rate, the Trustee and the Auction Agent shall receive:

(1) a certificate of an Authorized County Representative by no later than the tenth day prior to the Fixed Rate Conversion Date stating that a written agreement has been entered into by the County and the Remarketing Agent to remarket the Series 2003-B Warrants affected on the Fixed Rate Conversion Date at a price of not less than 100% of the principal amount thereof, which written agreement (i) may be subject to reasonable terms and conditions imposed by the Remarketing Agent which in the judgment of the Remarketing Agent reflect current market standards regarding investment banking risk and (ii) must include a provision requiring payment by the Remarketing Agent in same-day funds for any Auction Rate Warrants tendered or deemed tendered; and

(2) by 11:00 a.m. (New York City time) on the second Business Day prior to the Fixed Rate Conversion Date, by telecopy, facsimile or other similar means, a certificate in substantially the form attached hereto as, or containing substantially the information contained in, Exhibit B-1 hereto, from the County (y) authorizing the establishment of the Fixed Rate and (z) confirming that Bond Counsel expects to be able to give an opinion on the Fixed Rate Conversion Date to the effect that the change to the Fixed Rate is authorized by this Ninth Supplemental Indenture, is permitted under the Act and will not have an adverse effect on the exclusion of interest on the Series 2003-B Warrants from gross income for federal income tax purposes; and

(ii) with respect to any change to a Fixed Rate, the Trustee (and the Auction Agent in the case of any change to a Fixed Rate from an Auction Rate) receives on the Fixed Rate Conversion Date:

(1) by 10:30 a.m. (New York City time) an Opinion of Bond Counsel to the effect that the conversion to the Fixed Rate is authorized by this Ninth Supplemental Indenture, is permitted under the Act and will not have an adverse effect on the exclusion of interest on the Series 2003-B Warrants from gross income for federal income tax purposes; and

(2) by 4:00 p.m. (New York City time) a certificate in substantially the form attached hereto as, or containing substantially the information contained in, Exhibit E from an Authorized County Representative that all of the Series 2003-B Warrants tendered or deemed tendered have been purchased at a price equal to the principal amount thereof with funds provided from the remarketing of such Series 2003-B Warrants in accordance with the Remarketing Agreement or from other funds deposited with the Tender Agent (other than proceeds from a draw on a Liquidity Facility), and that accrued and unpaid interest, if any, has been or shall be paid in accordance with the Indenture from funds deposited with the Trustee (other than proceeds from a draw on a Liquidity Facility), and that the premium, if any, has been paid from funds deposited with the Trustee on terms permitting payment of such premium when due.

(iii) If any of the conditions referred to in (i) above are not met with respect to any change to a Fixed Rate for any Series 2003-B Warrants from an Auction Rate, the Auction Rate for the next succeeding Auction Period shall be determined pursuant to the Auction Procedures applicable to the Auction Rate Warrants. If the conditions referred to in (ii) above are not met with respect to any change to a Fixed Rate for any Series 2003-B Warrants from an Auction Rate, the Auction Rate for the next succeeding Auction Period shall be equal to the Maximum Auction Rate on the date the condition is not met or the Auction Date for the current Auction Period for such Series 2003-B Warrants, if later. If the conditions referred to in (ii) above are not met with respect to any change from any other Adjustable Rate to a Fixed Rate for any Series 2003-B Warrants, the Series 2003-B Warrants shall continue to bear interest at the Current Adjustable Rate and be subject to the provisions of this Ninth Supplemental Indenture applicable thereto while the Series 2003-B Warrants bear interest at such Current Adjustable Rate. If any of the foregoing conditions to the establishment of the Fixed Rate (other than with respect to any attempted change from an Auction Rate to a Fixed Rate) are not met, the Trustee shall mail, or cause the Tender Agent to mail, to the County and the Holders, notice thereof in substantially the form attached hereto as, or containing substantially the information contained in, Exhibit F within three Business Days after the failure to meet any of said conditions.

(d) If the Series 2003-B Warrants commence to bear interest at the Fixed Rate as provided in this Section 4.2, the interest rate on such Series 2003-B Warrants may not thereafter be changed to an Adjustable Rate.

Section 4.3 Conversion Generally. (a) In the event of a Change in the Interest Rate Mode on less than all the Series 2003-B Warrants to or from an Auction Rate, the minimum aggregate principal amount of Series 2003-B Warrants that continue to bear, or are adjusted to bear, interest at an Auction Rate for an Auction Rate Period, shall not be less than \$10,000,000.

(b) Upon any Change in the Interest Rate Mode or upon any change to a new Calculation Period or Periods during a Commercial Paper Rate Period, the Remarketing Agent and the Trustee shall take all steps necessary to comply with any agreement entered into with a Securities Depository or its nominee with respect to such Change in the Interest Rate Mode or such change to a new Calculation Period or Periods during a Commercial Paper Rate Period, including, without limitation, the purchase (at the expense of the County) and designation of sufficient CUSIP numbers to comply with the requirements of such Securities Depository following any such Change in the Interest Rate Mode or such change to a new Calculation Period or Periods during a Commercial Paper Rate Period.

(c) If the interest rate on less than all Series 2003-B Warrants of a particular subseries is to be converted to a new Adjustable Rate pursuant to Section 4.1 or to a Fixed Rate pursuant to Section 4.2, the particular Series 2003-B Warrants of such subseries to be converted shall be chosen by the Trustee, or the Trustee shall direct the Tender Agent to so choose, in such manner as the Trustee or Tender Agent in its discretion may deem proper; provided, however, that the portion of any Series 2003-B Warrant to be converted shall be in an Authorized Denomination for the Interest Rate Mode to which such Series 2003-B Warrant is being converted (and the portion of any such Series 2003-B Warrants that is not being converted shall be in an Authorized Denomination for the Interest Rate Mode then applicable thereto). If it is determined that a portion, but not all, of any Series 2003-B Warrant is to be converted, then upon notice of such conversion pursuant to the Indenture, the Holders of such Series 2003-B Warrants shall forthwith surrender such Series 2003-B Warrants to the Tender Agent for (1) payment of the purchase price (including the premium, if any, and accrued and unpaid interest to the date fixed for conversion) of the portions thereof chosen for conversion and (2) exchange for a new Series 2003-B Warrant or Warrants in the aggregate principal amount of the balance of the principal of such Series 2003-B Warrants not subject to conversion. If the Holder of any such Series 2003-B Warrant shall fail to present such Series 2003-B Warrant to the Tender Agent, for payment and exchange as aforesaid, such Series 2003-B Warrant shall, nevertheless, become due and payable on the date fixed for conversion to the extent of the portion thereof chosen for such conversion (and to that extent only).

ARTICLE V

REDEMPTION AND PURCHASE OF SERIES 2003-B WARRANTS

Section 5.1 **Redemption.**

Optional Redemption. The Series 2003-B Warrants shall be subject to redemption, in whole or in part, at the option of the County, upon its written request delivered to the Trustee not less than forty-five (45) days (thirty (30) days for Series 2003-B Warrants bearing interest at an Adjustable Rate) prior to the date selected for redemption, from the proceeds of a draw on or payment under

a Support Facility (if available for such purpose), and any other money held by the Trustee and available to be applied to the redemption of Series 2003-B Warrants as provided in this Section 5.1:

(a) For any Commercial Paper Rate Period, such Series 2003-B Warrants shall be subject to redemption (i) on each Interest Payment Date for such Commercial Paper Rate Period, as a whole or in part, at the principal amount thereof, and (ii) on any Business Day, as a whole or in part, at the principal amount thereof plus accrued interest, if any, to the date fixed for redemption.

(b) For any Auction Rate Period, such Series 2003-B Warrants shall be subject to redemption on the Business Day immediately preceding each Auction Date, as a whole or in part, at the principal amount thereof plus accrued interest, if any, to the date fixed for redemption.

(c) For any Daily Rate Period, such Series 2003-B Warrants shall be subject to redemption on any Business Day, as a whole or in part, at the principal amount thereof, plus accrued interest, if any, to the date fixed for redemption.

(d) For any Weekly Rate Period, such Series 2003-B Warrants shall be subject to redemption on any Business Day, as a whole or in part, at the principal amount thereof, plus accrued interest, if any, to the date fixed for redemption.

(e) For any Term Rate Period and after the Fixed Rate Conversion Date, such Series 2003-B Warrants shall be subject to redemption in whole or in part on any Business Day on or after the tenth anniversary of the commencement of such Term Rate Period or the Fixed Rate Conversion Date, as the case may be. The redemption price shall be equal to the principal amount thereof, plus accrued interest, if any, to the date fixed for redemption.

(f) The Series 2003-B-8 Warrants shall be subject to redemption, in whole or in part, from such maturity or maturities as shall be specified by the County, on February 1, 2010, and on any date thereafter, at the principal amount thereof, plus accrued interest, if any, to the date fixed for redemption.

Scheduled Mandatory Redemption. The Series 2003-B Warrants (other than the Series 2003-B-8 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 February 1 (or, in the case of Auction Rate Warrants, if any such February 1 is not an Interest Payment Date, then on the first Interest Payment Date subsequent thereto) in years and principal amounts (after credit as provided below) as follows:

<u>FGIC-Insured Warrants</u>		<u>XLCA-Insured Warrants</u>	
<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2009	\$ 3,875,000	2009	\$ 1,525,000
2010	4,025,000	2010	1,575,000
2011	4,175,000	2011	1,650,000
2012	4,350,000	2012	1,700,000
2013	4,525,000	2013	1,750,000
2014	4,675,000	2014	1,825,000
2015	4,850,000	2015	1,900,000
2016	5,025,000	2016	1,975,000
2017	5,250,000	2017	2,025,000
2018	5,450,000	2018	2,100,000
2019	21,125,000	2019	8,225,000
2020	27,200,000	2020	10,575,000
2021	26,675,000	2021	10,375,000
2022	12,725,000	2022	4,975,000
2023	14,250,000	2023	5,550,000
2024	15,900,000	2024	6,200,000
2025	7,750,000	2025	16,900,000
2026	21,100,000	2026	8,225,000
2027	23,400,000	2027	9,100,000
2028	44,700,000	2028	17,400,000
2029	44,825,000	2029	17,425,000
2030	3,950,000	2030	1,525,000
2031	4,100,000	2031	1,575,000
2032	51,300,000	2032	19,925,000
2033	53,225,000	2033	20,675,000
2034	3,225,000	2034	1,250,000
2035	3,350,000	2035	1,300,000
2036	3,475,000	2036	1,350,000
2037	21,750,000	2037	8,450,000
2038	19,025,000	2038	7,375,000
2039	88,700,000	2039	34,475,000
2040	37,475,000	2040	14,550,000
2041	100,900,000	2041	39,225,000

\$39,475,000 of the
FGIC-Insured Warrants will be
retired at Maturity

\$15,350,000 of the
XLCA-Insured Warrants will be
retired at Maturity

Not less than 60 days prior to each such scheduled mandatory redemption date, the County may specify the particular subseries from which Series 2003-B Warrants referable to each Bond Insurer are to be called for such redemption and (if more than one subseries is so specified) the respective principal amounts to be called for redemption from each thereof. In any such case, the particular Series 2003-B Warrants (or portions thereof) within a given subseries to be called for redemption shall be selected by the Trustee by lot. If the County fails to make such a specification with respect to any scheduled mandatory redemption date, not less than 45 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 5.6 hereof, Series 2003-B Warrants or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such Series 2003-B Warrants or portions thereof for redemption on such scheduled mandatory redemption date. 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 2003-B Warrants scheduled for redemption on such date: (i) the principal amount of Series 2003-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 2003-B Warrants previously redeemed (other than Series 2003-B Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit.

Series 2003-B Warrants shall be redeemed in accordance with the foregoing mandatory redemption provisions without any requirement of consent by the County.

Section 5.2 Tender for and Purchase upon Election of Holder. (a) During any Daily Rate Period or Weekly Rate Period, any Series 2003-B Warrant bearing interest at a Daily Rate or Weekly Rate (other than a Bank Warrant), or portion thereof in a principal amount equal to an Authorized Denomination (so long as the principal amount not purchased is an Authorized Denomination), shall be purchased on the demand of the Holder thereof on any Business Day at a price equal to the principal amount thereof plus accrued interest, if any, to (but not including) the date of purchase, upon delivery to the Tender Agent and the Remarketing Agent at their respective principal offices, by the close of business on any Business Day of a Notice of Election to Tender in substantially the form attached hereto as, or containing substantially the information contained in, Exhibit G; provided, however, that the substance of such Notice of Election to Tender must also be given telephonically to the Remarketing Agent prior to or simultaneously with delivery of such written Notice of Election to Tender to the Remarketing Agent. The date on which such Series 2003-B Warrant shall be purchased shall, at the request of the Holder thereof, (i) if the Series 2003-B Warrant then bears interest at a Daily Rate, be the date of delivery of such Notice of Election to Tender if such Notice of Election to Tender is delivered to the Tender Agent and the Remarketing Agent by 11:00 a.m. (New York City time) on such date or may be any Business Day thereafter, and (ii) if the Series 2003-B Warrant then bears interest at a Weekly Rate, shall be a Business Day not prior to the 7th day next succeeding the date of the delivery of such Notice of Election to Tender to the Tender Agent and the Remarketing Agent.

(b) Immediately upon receipt of a Notice of Election to Tender delivered pursuant to the provisions of this Section 5.2, the Tender Agent shall notify, or cause to be notified, the Trustee, the Remarketing Agent and, upon request, the County, by telephone, promptly confirmed in writing, of such receipt, specifying the contents thereof.

(c) Any Notice of Election to Tender shall be irrevocable.

(d) The right of a Holder to tender a Series 2003-B Warrant to the Tender Agent pursuant to this Section 5.2 shall terminate after conversion of the Interest Rate Mode to a Commercial Paper Rate, an Auction Rate, a Term Rate or a Fixed Rate with respect to such Series 2003-B Warrant. Furthermore, any Series 2003-B Warrant tendered for purchase pursuant to the terms of Section 5.2 after the date notice of redemption or mandatory tender is given shall not be remarketed except to a purchaser who agrees at the time of such purchase to tender such Series 2003-B Warrant for redemption or purchase on the applicable redemption or mandatory tender date.

Section 5.3 Mandatory Tender for Purchase upon Change in the Interest Rate Mode and on a Business Day Following Certain Calculations. (a) Upon a Change in the Interest Rate Mode (including any change to the Fixed Rate on the Fixed Rate Conversion Date), the Series 2003-B Warrants bearing an Auction Rate, a Daily Rate, a Weekly Rate, a Term Rate or a Commercial Paper Rate shall be subject to mandatory tender for purchase in accordance with the terms hereof, on the effective date of such Change in the Interest Rate Mode at a price equal to the principal amount thereof.

(b) For any Term Rate Period or Commercial Paper Rate Period, the Series 2003-B Warrants shall be subject to mandatory tender for purchase in accordance with the terms hereof on the Business Day immediately following each Calculation Period, at a price equal to the principal amount thereof.

(c) Notice of mandatory tender for purchase upon a Change in the Interest Rate Mode to an Adjustable Rate shall be in substantially the form attached hereto as, or contain substantially the information contained in, the applicable form of Exhibit A. Notice of mandatory tender for purchase upon a Change in the Interest Rate Mode to the Fixed Rate shall be in substantially the form attached hereto as, or contain substantially the information contained in, Exhibit D.

(d) Any such notice of mandatory tender for purchase required by this Section 5.3 shall be given by the Trustee in the name of the County, or the Trustee shall cause the Tender Agent to give such notice in the name of the County (with copies thereof to be given to the Remarketing Agent, the County, the Tender Agent and, in the case of Auction Rate Warrants, the Auction Agent), by first-class mail to the Holders of the Series 2003-B Warrants subject to purchase at their addresses shown on the books of registry.

(e) Bank Warrants are not subject to mandatory tender for purchase pursuant to this Section 5.3.

(f) In the event the conditions to a change in the Interest Rate Mode set forth in Sections 4.1 or 4.2 are not met prior to the applicable mandatory tender date, such mandatory tender shall not take place with respect to the Series 2003-B Warrants for which notice of mandatory tender has been given, and such Series 2003-B Warrants will continue to bear interest as set forth in the last paragraph of Section 4.1(c) or in Section 4.2(c)(iii), as applicable. The Trustee shall send notice in the form of Exhibits C or F, as applicable to the Holders of such Series 2003-B Warrants.

Section 5.4 Mandatory Tender for Purchase Upon Expiration, Termination, Substitution or Amendment of any Liquidity Facility. (a) Except as otherwise set forth in the last sentence of this subsection (a), the Series 2003-B Warrants shall be subject to mandatory tender for purchase at a price equal to the principal amount thereof, (i) on the second Business Day immediately preceding the substitution of an Alternate Liquidity Facility for an existing Liquidity Facility or the effective date of a Liquidity Facility Amendment which results in either case in a reduction or withdrawal of the short-term or long-term rating assigned to such Series 2003-B Warrants, as further described in Section 6.2(b), (ii) on the first anniversary of the initial failure by the Liquidity Provider to maintain its short-term ratings (unless sooner restored) as specified in Section 6.2(c), and (iii) on the second Business Day immediately preceding the date of expiration or termination of any Liquidity Facility (other than a termination that results from an event that permits termination of such Liquidity Facility without notice), unless on or prior to the 45th day prior to such date of expiration or termination or the effective date of such Liquidity Facility Amendment or such first anniversary of the initial failure of the Liquidity Provider to maintain its short-term ratings the County has furnished to the Trustee (a) an agreement by the Liquidity Provider to extend such Liquidity Facility in the case of an expiration, or (b) an Alternate Liquidity Facility in replacement of the expiring, terminating or amended Liquidity Facility or the Liquidity Facility whose Liquidity Provider has so failed to maintain its short-term ratings together with the confirmation of ratings referred to in Section 6.2(a). No tender for purchase of any Series 2003-B Warrants shall be required pursuant to this Section 5.4 if the Fixed Rate Conversion Date shall have occurred on a date prior to such date of expiration, termination, substitution or the effective date of a Liquidity Facility Amendment.

(b) Notice of the mandatory tender for purchase pursuant to this Section 5.4 shall be given on or prior to the 30th day (or, in the case of any termination, such lesser number of days as may be practicable under the terms of the Liquidity Facility then in effect) before the expiration, termination, substitution or amendment date or the 30th day prior to the date of the first anniversary referred to in clause (ii) of subsection (a) of this Section 5.4 by the Trustee in the name of the County (with copies thereof given to the County, the Remarketing Agent, each issuer of a Support Facility and the Tender Agent) by first-class mail to the Holders of the Series 2003-B Warrants subject to mandatory tender for purchase at their addresses shown on the books of registry. Such notice shall be in substantially the form attached hereto as, or contain substantially the information contained in, Exhibit H. Such notice may also state, if applicable, that such mandatory tender will not occur if the Trustee receives, on or before the date that is five (5) days preceding the mandatory tender date, an Alternate Liquidity Facility in replacement of the expiring, terminating or amended Liquidity Facility or of the Liquidity Facility whose Liquidity Provider failed to maintain the ratings required hereby, together with the confirmation of ratings referred to in Section 6.2(a).

(c) Bank Warrants or Series 2003-B Warrants held by or for the account of the County are not subject to mandatory tender for purchase pursuant to this Section 5.4.

Section 5.5 General Provisions Applicable to Mandatory and Optional Tenders for Purchase of Series 2003-B Warrants. (a) If interest has been paid on the Series 2003-B Warrants, or an amount sufficient to pay interest thereon has been deposited in the Debt Service Fund, or an amount sufficient to pay accrued interest thereon, if any, has been set aside in the Warrant Purchase Fund, and the purchase price equal to the principal of, and premium, if any, on the Series 2003-B Warrants shall be available in the Warrant Purchase Fund for payment of Series 2003-B Warrants subject to tender for purchase pursuant to Section 5.2, 5.3 or 5.4, and if any Holder fails to deliver or does not properly deliver the Series 2003-B Warrants to the Tender Agent for which a Notice of Election to Tender has been properly filed or which are subject to mandatory tender for purchase on the purchase date therefor, such Series 2003-B Warrants shall nevertheless be deemed tendered and purchased on the date established for the purchase thereof, interest on such Series 2003-B Warrants shall cease to be payable to the former Holders thereof from and after the date of purchase and such former Holders shall have no rights hereunder as the registered owners of such Series 2003-B Warrants, except the right to receive the purchase price of and interest to the purchase date, if any, on such Series 2003-B Warrants upon delivery thereof to the Tender Agent in accordance with the provisions hereof.

The purchaser of any Series 2003-B Warrants remarketed by the Remarketing Agent shall be the registered owner of such Series 2003-B Warrants; or, if the Series 2003-B Warrants are registered in the name of the Securities Depository or its nominee, any such purchaser shall be the beneficial owner of such Series 2003-B Warrants. To the extent Series 2003-B Warrants are purchased with the proceeds of a payment under a Liquidity Facility, the issuer of such Liquidity Facility shall be treated as the owner of such Series 2003-B Warrants. While Series 2003-B Warrants are held by or for the benefit of a Liquidity Provider, the Trustee shall not effect payment under such Liquidity Facility to pay principal, interest or premium on such Series 2003-B Warrants.

The payment of Series 2003-B Warrants pursuant to Section 5.2, 5.3 or 5.4 shall be subject to delivery of such Series 2003-B Warrants duly endorsed in blank for transfer or accompanied by an instrument of transfer thereof in form satisfactory to the Tender Agent executed in blank for transfer at the principal office of the Tender Agent at or prior to 10:00 a.m. (11:30 a.m. for Series 2003-B Warrants bearing interest at a Weekly Rate and 12:00 noon for Series 2003-B Warrants bearing interest at a Daily Rate and being purchased pursuant to Section 5.2) (New York City time), on a specified purchase date. The Tender Agent may refuse to make payment with respect to any Series 2003-B Warrants tendered for purchase pursuant to Section 5.2, 5.3 or 5.4 not endorsed in blank or for which an instrument of transfer satisfactory to the Tender Agent has not been provided.

(b) The purchase price of Series 2003-B Warrants subject to tender for purchase pursuant to Section 5.2, 5.3 or 5.4 in an aggregate principal amount of at least one million dollars (\$1,000,000) shall be payable in immediately available funds or by wire transfer upon written notice from the Holder thereof containing the wire transfer address (which shall be in the continental United States)

to which such Holder wishes to have such wire directed, if such written notice is received by the Tender Agent not less than five Business Days prior to the related purchase date.

(c) To the extent that a Liquidity Facility is required to be in effect, Series 2003-B Warrants tendered for purchase may not be purchased by the County from the Remarketing Agent upon a remarketing of Series 2003-B Warrants pursuant to the Remarketing Agreement.

(d) If a Liquidity Facility is in effect with respect to any Series 2003-B Warrants, the Trustee shall, in accordance with the provisions of this Section 5.5, request a payment under the Liquidity Facility in accordance with its terms to enable the Trustee to effect a deposit of the proceeds of the Liquidity Facility into the Warrant Purchase Fund in an amount necessary to effect full and timely payment of the Purchase Price of all Series 2003-B Warrants for which such Liquidity Facility is in effect and for which remarketing proceeds are not available. The Remarketing Agent shall notify the Tender Agent and the Trustee, at or prior to 11:00 a.m. (New York City time) on a specified purchase date, of the amount of the proceeds of the related remarketing, and shall specify whether remarketing proceeds (excluding any such proceeds from the County) equal to the full amount of the Purchase Price payable on such purchase date will be available on such purchase date for the payment of such Purchase Price, and, if the amount of such remarketing proceeds that will be available on such purchase date for the payment of such Purchase Price shall not be equal to the full amount of the Purchase Price payable on such purchase date, such notice shall specify the amount of the deficiency. By 11:15 a.m. (New York City time) on such purchase date, the Remarketing Agent shall pay to the Tender Agent, for deposit in the Warrant Purchase Fund, an aggregate amount of such remarketing proceeds equal to the amount stated in such notice to be available on such purchase date for the payment of such Purchase Price. If the Remarketing Agent fails to provide such notice to the Tender Agent and Trustee prior to 11:00 a.m. (New York City time), or fails to make such payment to the Tender Agent prior to 11:15 a.m. (New York City time), the Trustee shall be required to request a draw or payment under the Liquidity Facility for the difference between the amount received from the Remarketing Agent and the Purchase Price of Series 2003-B Warrants to be purchased. In no event shall the Trustee request a draw or payment under a Liquidity Facility to provide for the purchase of Series 2003-B Warrants other than those to which such facility is applicable.

Section 5.6 Selection of Series 2003-B Warrants to be Redeemed. A redemption of Series 2003-B Warrants shall be a redemption of the whole or of any part of the Series 2003-B Warrants from any funds available for that purpose in a principal amount equal to an Authorized Denomination (so long as the principal amount not redeemed is an Authorized Denomination). If less than all Series 2003-B Warrants shall be redeemed, the particular Series 2003-B Warrants to be redeemed shall be chosen by the Trustee, or the Trustee shall direct the Tender Agent to so choose, as hereinafter provided. If less than all the Series 2003-B Warrants shall be called for redemption under any provision of this Ninth Supplemental Indenture permitting such partial redemption, the particular Series 2003-B Warrants or portions of Series 2003-B Warrants to be redeemed shall be selected (a) first, from Bank Warrants, (b) second, from Series 2003-B Warrants for which the Tender Agent has received, prior to such selection, a Notice of Election to Tender requiring the Tender Agent to purchase such Series 2003-B Warrants on the date on which the Series 2003-B

Warrants being selected are to be redeemed and (c) third, from all other Series 2003-B Warrants then Outstanding, by lot or pro rata by the Trustee or, upon direction of the Trustee, the Tender Agent, in such manner as the Trustee or Tender Agent in its discretion may deem proper; provided, however, that (i) the portion of the principal amount of any Series 2003-B Warrant to be outstanding shall be in a principal amount equal to an Authorized Denomination for the type of interest rate to be borne by the Series 2003-B Warrants, and (ii) in selecting Series 2003-B Warrants for redemption, the Trustee or Tender Agent may treat each Series 2003-B Warrant as representing the number of Series 2003-B Warrants obtained by dividing the principal amount of such Series 2003-B Warrant into units based on the Authorized Denominations for the type of interest rate then borne by the Series 2003-B Warrants and the type of interest rate to be borne by the Series 2003-B Warrants following such redemption, in such manner as the Trustee or Tender Agent in its discretion may deem proper. If it is determined that part, but not all, of the principal amount of any Series 2003-B Warrant is to be redeemed, then upon notice of redemption of such part, the holder of such Series 2003-B Warrant shall forthwith surrender such Series 2003-B Warrant to the Trustee for (i) payment of the redemption price (including the premium, if any, and accrued and unpaid interest, if any, to the date fixed for redemption) of such part so called for redemption and (ii) exchange for a new Series 2003-B Warrant or Warrants in aggregate principal amount equal to the aggregate principal amount of the balance of the principal of such Series 2003-B Warrant not subject to redemption. If the holder of any such Series 2003-B Warrant of a denomination greater than the applicable minimum Authorized Denomination for the type of interest rate then borne by the Series 2003-B Warrants shall fail to present such Series 2003-B Warrant, such Series 2003-B Warrant shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the portion thereof subject to such redemption (and to that extent only). Notwithstanding the foregoing, so long as the Series 2003-B Warrants are maintained in book-entry form, selection of Series 2003-B Warrants for redemption shall be made by the Securities Depository in accordance with the procedures established by the Securities Depository.

Section 5.7 Notice of Redemption. (a) Except as otherwise provided in this Ninth Supplemental Indenture, notice of redemption shall be given by mailing a copy of the redemption notice by first-class mail at least 30 days (15 days for Series 2003-B Warrants bearing interest at an Adjustable Rate) prior to the date fixed for redemption to the Auction Agent during the Auction Rate Period and to the Holders of the Series 2003-B Warrants to be redeemed at the addresses shown on the registration books maintained by the Trustee.

(b) The Trustee shall not be required to transfer or exchange Series 2003-B Warrants during any period beginning at the opening of business 15 days before the day of mailing of a notice of redemption and ending at the close of business on the day fixed for redemption; provided, however, that the foregoing shall not apply during a Daily Rate Period, a Weekly Rate Period, a Commercial Paper Rate Period or an Auction Rate Period.

(c) Each notice of redemption shall state: (i) the full title of the Series 2003-B Warrants to be redeemed, the redemption date, the place of redemption and the redemption price payable upon such redemption; (ii) that the interest on the Series 2003-B Warrants, or on the principal amount

thereof to be redeemed, shall cease to accrue from and after such redemption date and (iii) that on said date there will become due and payable on the Series 2003-B Warrants the principal amount thereof to be redeemed and the interest accrued on such principal amount to the redemption date, if any, and the premium, if any, thereon. Each notice of redemption mailed to a Holder of the Series 2003-B Warrants shall, if less than the entire principal amount thereof is to be redeemed, also state the principal amount thereof and the distinctive numbers of the Series 2003-B Warrants to be redeemed and that such Series 2003-B Warrants must be surrendered to the Trustee in exchange for the payment of the principal amount thereof to be redeemed, premium, if any, and accrued interest, if any, and the issuance of a new Series 2003-B Warrant equaling in principal amount that portion of the principal amount not to be redeemed of the Series 2003-B Warrants to be surrendered. The failure to give notice to any Holder of a Series 2003-B Warrant or any defects in such notice shall not affect the proceedings for the redemption of the Series 2003-B Warrants for which notice has been given.

In the event notice of redemption is given by the Trustee with respect to Auction Rate Warrants, the Trustee shall include in such notice of redemption delivered to the Securities Depository an instruction to the Securities Depository prepared by the County to (x) determine on the Publication Date (which shall be the date that is three Business Days after the Auction Date next preceding such redemption date) the Securities Depository participants whose Securities Depository positions will be redeemed and the principal amount of such Auction Rate Warrants to be redeemed from each such position (the "Securities Depository Redemption Information") and (y) notify the Auction Agent immediately after such determination of the positions of the Securities Depository participants in such Auction Rate Warrants immediately prior to such Auction settlement, the position of the Securities Depository participants in such Auction Rate Warrants immediately following such Auction settlement, and the Securities Depository Redemption Information.

(d) If at any time of mailing of notice of an optional redemption there shall not have been deposited with the Trustee moneys sufficient to redeem all the Series 2003-B Warrants called for redemption, such notice shall state that it is conditional, that is, subject to the deposit of moneys sufficient for the redemption with the Trustee on or prior the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

Section 5.8 Effect of Redemption. If the Series 2003-B Warrants have been duly called for redemption and notice of the redemption thereof has been duly given or provided for as hereinbefore provided and if money for the payment of the Series 2003-B Warrants (or of the principal amount thereof to be redeemed) and the interest to the redemption date on the Series 2003-B Warrants (or on the principal amount thereof to be redeemed), if any, and the premium, if any, thereon are held for the purpose of such payment by the Trustee, then the Series 2003-B Warrants (or the principal amount thereof to be redeemed) shall on the redemption date designated in such notice, become due and payable and interest on the Series 2003-B Warrants (or the principal amount thereof to be redeemed) so called for redemption shall cease to accrue from the redemption date and the Holder thereof shall thereafter have no rights hereunder as the Holder of such Series 2003-B

Warrants (or the principal amount thereof to be redeemed) except to receive the principal amount thereof, premium, if any, thereon and interest, if any, to the redemption date.

Section 5.9 Cancellation of Redeemed Warrants. Any Series 2003-B Warrants surrendered or redeemed pursuant to the provisions of this Article V shall be cancelled by the Trustee.

Section 5.10 Series 2003-B Warrants Purchased by Liquidity Provider. Series 2003-B Warrants subject to purchase pursuant to Sections 5.2, 5.3 and 5.4 shall be deemed purchased by the Liquidity Provider in a principal amount equal to the amount of a draw on, or borrowing or payment under, the Liquidity Facility for the payment of Series 2003-B Warrants subject to purchase, upon the deposit with the Trustee or the Tender Agent, as applicable, of the proceeds of such draw on, or borrowing or payment under, the Liquidity Facility in an amount sufficient to pay the purchase price of such Series 2003-B Warrants equal to the principal amount of such Series 2003-B Warrants plus accrued and unpaid interest thereon, if any, to the date of purchase, and such Series 2003-B Warrants shall not be deemed paid and shall remain Outstanding hereunder as Bank Warrants until the Liquidity Provider has been reimbursed for such draws on, or borrowings or payments under, the Liquidity Facility to pay such purchase price. Any Series 2003-B Warrants purchased by the Liquidity Provider other than a municipal bond or financial guarantee insurance company shall become Bank Warrants, shall bear interest at the Bank Warrant Interest Rate and shall be subject to the terms and provisions of, and have all rights with respect to Bank Warrants under the applicable Liquidity Facility. Unless the Liquidity Provider shall otherwise direct, any Series 2003-B Warrants purchased by the Liquidity Provider shall be immediately registered in the name of the Liquidity Provider as a Holder (unless held through a Securities Depository, in which case the Series 2003-B Warrants shall be transferred in accordance with the procedures established by the Securities Depository) and the Liquidity Provider shall have all rights of a Holder of Series 2003-B Warrants except that such Series 2003-B Warrants purchased by a Liquidity Provider other than a municipal bond or financial guarantee insurance company will bear interest at the Bank Rate. Pending the delivery of any such Series 2003-B Warrants to, or pursuant to the instructions of, the related purchasing Liquidity Provider, such Series 2003-B Warrants shall be held in trust by the Tender Agent. Under no circumstances shall any such Series 2003-B Warrants be released by the Tender Agent to any Person other than the purchasing Liquidity Provider unless such provider has delivered to the Tender Agent written instructions to do so, which instructions shall specify that the Liquidity Facility in question has been reinstated in an amount corresponding to the Series 2003-B Warrant in question. In no event shall money be drawn under a Liquidity Facility to provide for the purchase of Bank Warrants or warrants owned by the County.

ARTICLE VI

SUPPORT FACILITIES

Section 6.1 Support Facilities – General. The County hereby agrees to maintain a Liquidity Facility meeting the requirements of this Ninth Supplemental Indenture with respect to the

Series 2003-B Warrants at all times except during any Auction Rate Period, Term Rate Period or Fixed Rate Period. A Liquidity Facility meeting the criteria set forth in this Ninth Supplemental Indenture may be provided during a Term Rate Period, at the option of the County. Each time the County obtains a Liquidity Facility with respect to Series 2003-B Warrants, the County shall submit such Liquidity Facility to Moody's, if the Series 2003-B Warrants are then rated by Moody's, and to S&P, if the Series 2003-B Warrants are then rated by S&P, and to another rating agency, if the Series 2003-B Warrants are then rated by such rating agency for the purposes of obtaining a rating on such Series 2003-B Warrants. The Trustee shall be furnished with any Liquidity Facility obtained pursuant to this Section 6.1 together with evidence of any rating or ratings obtained on the Series 2003-B Warrants in connection therewith.

Section 6.2 Liquidity Facility. (a) At any time that Series 2003-B Warrants bear interest at an Adjustable Rate (other than an Auction Rate or a Term Rate), the County shall, and at any time that Series 2003-B Warrants bear interest at a Term Rate, the County may, provide for the delivery to the Trustee of a Liquidity Facility that is issued by (1) a financial institution with ratings that are equivalent to or higher than the ratings of the provider of the Liquidity Facility being replaced or (2) a financial institution with a long term debt rating of at least A from S&P or Moody's and that supports ratings at least the equivalent of A-1 from S&P and V-MIG1 from Moody's. The form of such Liquidity Facility shall be approved in writing by the Bond Insurer so long as the Bond Insurer has not denied in writing its obligations under the Policy and is not in default under the Policy. The Liquidity Facility shall satisfy the definition of "Liquidity Facility" herein and shall be, in case of an Alternate Liquidity Facility, the same as the Liquidity Facility it replaces in all respects material to the security for the Series 2003-B Warrants; provided that (i) the expiration date of such Liquidity Facility shall be a date not earlier than 364 days from its date of issuance (or the length of the Calculation Period with respect to any Series 2003-B Warrant bearing interest at a Term Rate to which such Liquidity Facility applies, if longer), subject to earlier termination upon the occurrence of (a) a Terminating Event or another event of default under the Liquidity Facility or the related reimbursement agreement or other corresponding agreement pursuant to which such Liquidity Facility is issued, (b) the issuance of an Alternate Liquidity Facility, (c) payment in full of the Outstanding Series 2003-B Warrants which are secured by such Liquidity Facility or (d) a Change in the Interest Rate Mode to an Auction Rate, a Commercial Paper Rate, a Term Rate or a Fixed Rate; and (ii) if, between the effective date of a Liquidity Facility and the effective date of an Alternate Liquidity Facility, there occurs a Change in the Interest Rate Mode with respect to some or all of the Series 2003-B Warrants, such Alternate Liquidity Facility shall comply with the requirements applicable to a Liquidity Facility in effect with respect to the new Interest Rate Mode with respect to the Series 2003-B Warrants so affected. On or prior to the date of the delivery of an Alternate Liquidity Facility or an amendment to a Liquidity Facility (other than an amendment which only extends the expiration date of an existing Liquidity Facility) (a "Liquidity Facility Amendment") to the Trustee, the County shall furnish to the Trustee (a) an opinion of Bond Counsel stating that the delivery of such Alternate Liquidity Facility or Liquidity Facility Amendment to the Trustee is authorized under this Ninth Supplemental Indenture and complies with the terms hereof and (b) written confirmation from S&P, if the Series 2003-B Warrants are then rated by S&P, and from Moody's, if the Series 2003-B Warrants are then rated by Moody's, and from another rating agency, if the Series 2003-B Warrants

are then rated by such rating agency, to the effect that such rating agency has reviewed the proposed Alternate Liquidity Facility or Liquidity Facility Amendment and that the substitution of the proposed Alternate Liquidity Facility for the existing Liquidity Facility or the delivery of the Liquidity Facility Amendment will not result in a reduction or withdrawal of its long- or short-term rating of the Series 2003-B Warrants below the rating of S&P or Moody's or such other rating agency, as the case may be, then in effect with respect to the Series 2003-B Warrants.

(b) If the County delivers an Alternate Liquidity Facility in substitution for a Liquidity Facility or a Liquidity Facility Amendment which will result in a reduction in or withdrawal of the short-term or long-term rating (or both) assigned to such Series 2003-B Warrants by Moody's or S&P or such other rating agency as a result of the Alternate Liquidity Facility or Liquidity Facility Amendment, all Series 2003-B Warrants (unless the Series 2003-B Warrants bear interest at an Auction Rate or Fixed Rate) shall be subject to mandatory tender for purchase pursuant to Section 5.4. It shall be a condition to the delivery of such an Alternate Liquidity Facility or Liquidity Facility Amendment that the Opinion of Bond Counsel referred to in the preceding paragraph be obtained. The County shall deliver notice to the Trustee of the substitution of an Alternate Liquidity Facility or the delivery of a Liquidity Facility Amendment which will result in a reduction or withdrawal in the short-term or long-term ratings assigned to the Series 2003-B Warrants pursuant to this Section 6.2 at least 45 days before the date of substitution or amendment.

(c) If the Liquidity Provider of a Liquidity Facility should fail to maintain short-term ratings equivalent to A-1 from S&P and P-1 from Moody's, and such Liquidity Provider is not replaced within 12 months, all Series 2003-B Warrants secured by such Liquidity Facility shall be subject to mandatory tender for purchase pursuant to Section 5.4. The County shall require the Liquidity Provider to promptly notify the Trustee that the short-term ratings of the Liquidity Provider have been reduced below the levels described in the preceding sentence.

(d) In any instance in which the Trustee accepts a new Liquidity Facility, or an amendment to an existing Liquidity Facility, under such circumstances that a mandatory tender of the Series 2003-B Warrants covered or to be covered by such Liquidity Facility is not required, the Trustee shall mail a written notice (including the provider, amount and expected effective date) of such Liquidity Facility (and the related substitution), or such amendment, to the Holders of the affected Series 2003-B Warrants at least 15 days prior to the effective date of such new Liquidity Facility or such amendment.

Section 6.3 Alternate Credit Facility. The County may, at its option and consistent with this section, obtain an Alternate Credit Facility in substitution for or in addition to the initial Policy or other Alternate Credit Facility. On or prior to the date of delivery of such Alternate Credit Facility, the County shall deliver to the Trustee (a) an opinion of Bond Counsel stating that the delivery of such Alternate Credit Facility to the Trustee is authorized under this Ninth Supplemental Indenture and complies with the terms hereof and (b) in the case of a substitution or addition of a Credit Facility, written confirmation from S&P, if the Series 2003-B Warrants are then rated by S&P, and from Moody's, if the Series 2003-B Warrants are then rated by Moody's, and from another rating

agency, if the Series 2003-B Warrants are then rated by such rating agency, to the effect that such rating agency has reviewed the proposed Alternate Credit Facility and that the substitution of the proposed Alternate Credit Facility for the existing Credit Facility (or proposed addition of a Credit Facility) will not, by itself, result in a reduction or withdrawal of its long- or short-term rating of the Series 2003-B Warrants below the rating of S&P or Moody's or such other rating agency, as the case may be, then in effect with respect to the Series 2003-B Warrants. If any such substitution or addition occurs, or any Credit Facility is surrendered, cancelled, terminated, amended or modified in any material respect, when there is a Liquidity Facility in effect with respect to the Series 2003-B Warrants or any Bank Warrants are outstanding, or prior to the conversion of the interest rate for all of the Series 2003-B Warrants to the Fixed Rate, the prior written consents of the Liquidity Facility Provider and the related liquidity agent (if any institution is then serving in that capacity) shall be required with respect to the substitution of the Policy or Alternate Credit Facility with such Alternate Credit Facility, or for the addition of a new Credit Facility, or for any such surrender, cancellation, termination, amendment or modification of such Credit Facility. In any instance in which an Alternate Credit Facility is delivered to the Trustee or any Credit Facility is surrendered, cancelled, terminated, amended or modified in any material respect, the Trustee shall mail a written notice of such action to the Holders of the affected Series 2003-B Warrants, with such notice to be mailed (a) at least 15 days prior to the effective date of any such Alternate Credit Facility or (b) as soon as practicable in the case of any surrender, cancellation, termination, amendment or modification in any material respect of any existing Credit Facility.

Section 6.4 **Maintenance and Performance of Credit Facilities.** The County covenants (i) to maintain at all times a Credit Facility for Series 2003-B Warrants with respect to which a Liquidity Facility is in effect and (ii) to use its best efforts to cause each issuer of a Credit Facility to comply at all times with its obligations thereunder.

ARTICLE VII

APPLICATION OF PROCEEDS

Section 7.1 **Proceeds From Sale of Series 2003-B Warrants.** The proceeds from the sale of the Series 2003-B Warrants to the original purchaser or purchasers thereof shall be applied as follows:

- (i) the sum of \$9,036,650.20 shall be paid to Financial Guaranty as the premium for the FGIC Policy;
- (ii) the sum of \$4,136,743.23 shall be paid to XL Capital as the premium for the XLCA Policy;
- (iii) the sum of \$1,109,508.26 shall be paid to FSA as the premium for the FSA Policy;

(iv) the sum of \$1,016,178,509.73 shall be paid into the escrow fund established by the County to provide for the payment and redemption of the Refunded Warrants;

(v) the sum of \$128,740,000.00 shall be paid into the escrow fund established by the County to provide for the payment of the Refunded Interest; and

(vi) the balance shall be deposited in the Issuance Cost Account.

Section 7.2 Issuance Cost Account. There is hereby created a special account the full name of which shall be the "Series 2003-B Warrants Issuance Cost Account." The Issuance Cost Account shall be maintained as a separate account until the moneys in said account shall have been fully expended as hereinafter provided. The Trustee shall be the depository and disbursing agent for the Issuance Cost Account.

The County will apply the moneys in the Issuance Cost Account solely for payment of the Issuance Costs, as and when such costs become due and payable. The President of the Governing Body or any Authorized County Representative is hereby authorized and directed to cause the said costs to be paid, as promptly as may be feasible following the issuance of the Series 2003-B Warrants, by submitting to the Trustee requisitions signed by any one of said officers directing the payment of the costs specified in said requisition.

In the event the moneys deposited in or transferred to the Issuance Cost Account are not sufficient to pay all Issuance Costs, the President of the Governing Body is hereby authorized and directed to pay, out of any other funds of the County available therefor, the remainder of such costs. If any moneys remain in the Issuance Cost Account after the payment of all costs of issuing the Series 2003-B Warrants, the Trustee shall transfer such moneys to the County upon receipt of a certificate signed by the President of the Governing Body or any Authorized County Representative stating that all expenses of issuing the Series 2003-B Warrants, to the extent known to or anticipated by the County, have been paid in full, in which event the moneys so transferred to the County shall be applied for payment of the costs of capital improvements to the System.

ARTICLE VIII

WARRANT PURCHASE FUND

Section 8.1 Warrant Purchase Fund. (a) There is hereby established a special trust fund which shall be designated the "Jefferson County Sewer System Series 2003-B Warrant Purchase Fund". The Tender Agent shall be the depository, custodian and disbursing agent for the Warrant Purchase Fund. Separate accounts shall be maintained within the Warrant Purchase Fund for each

subseries of the Series 2003-B Warrants. So long as separate subseries exist, references in this Article VIII to deposits into and disbursements from the Warrant Purchase Fund shall be deemed to refer to each of the particular subseries accounts and the particular Liquidity Facility, remarketing efforts and Series 2003-B Warrants related thereto. In no event shall moneys derived from a Liquidity Facility applicable to a particular subseries be deposited into an account referable to a different subseries.

(b) There shall be deposited in the Warrant Purchase Fund, as and when received:

(1) the proceeds of any remarketing of Series 2003-B Warrants by the Remarketing Agent,

(2) money received by the Tender Agent from the Liquidity Provider pursuant to the Liquidity Facility with respect to the Purchase Price of Series 2003-B Warrants payable on the related purchase date,

(3) all other money required to be deposited in the Warrant Purchase Fund pursuant to this Ninth Supplemental Indenture, and

(4) all other money received by the Tender Agent when accompanied by directions that such money is to be deposited in the Warrant Purchase Fund.

(c) The Tender Agent is hereby authorized and directed to withdraw sufficient money from the Warrant Purchase Fund to pay the Purchase Price of Series 2003-B Warrants due on any purchase date.

(d) Funds for the payment of the Purchase Price of Series 2003-B Warrants shall be derived from the following sources in the order of priority indicated:

(1) **First**, proceeds from the remarketing of Series 2003-B Warrants.

(2) **Second**, money advanced under the Liquidity Facility.

(3) **Third**, any other money on deposit in the Warrant Purchase Fund.

Any money advanced under the Liquidity Facility shall be held in a separate, segregated account in the Warrant Purchase Fund and shall not be commingled with other money in the Warrant Purchase Fund. Such money shall be used only to pay the Purchase Price of Series 2003-B Warrants.

(e) On each purchase date money in the Warrant Purchase Fund from any source other than the Liquidity Facility remaining after payment of the Purchase Price of all Series 2003-B Warrants (or after segregating money for such purpose as provided in Section 8.2) shall be applied by the Tender Agent for the following purposes in the order of priority indicated:

(1) **First**, the Tender Agent shall reimburse the Liquidity Provider, prior to the close of business on such date, for the amount advanced under the Liquidity Facility for payment of the Purchase Price of Series 2003-B Warrants.

(2) **Second**, the balance, if any, shall be paid to the County.

(f) If proceeds from the remarketing of the Series 2003-B Warrants are deposited in the Warrant Purchase Fund after such purchase date, such proceeds shall be applied as provided in subsection (e) of this section.

(g) Any moneys held in the Warrant Purchase Fund may be invested only in Federal Obligations (other than Treasury Receipts) that mature not later than the earlier of (i) thirty (30) days after the date of making such investment or (ii) the date on which such moneys will be needed to pay the Purchase Price of any Series 2003-B Warrants.

Section 8.2 Money for Warrant Purchases to be Held in Trust; Repayment of Unclaimed Money. (a) If money is on deposit in the Warrant Purchase Fund on any purchase date sufficient to pay the Purchase Price of the Series 2003-B Warrants to be paid on such date, but the Holder of any Series 2003-B Warrant fails to deliver such warrant to the Tender Agent for payment of such Purchase Price on such date, the Tender Agent shall segregate and hold in trust for the benefit of the person entitled thereto money sufficient to pay such Purchase Price due and payable on such Series 2003-B Warrant on such purchase 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 Purchase Price.

(b) Any money held in trust by the Tender Agent for the payment of the Purchase Price of any Series 2003-B Warrant pursuant to subsection (a) of this section and remaining unclaimed for three years after such Purchase Price has become due and payable shall be paid to the County upon request of an Authorized County Representative; and the Holder of such Series 2003-B Warrant shall thereafter, as an unsecured general creditor, look only to the County for payment thereof, and all liability of the Tender Agent with respect to such trust money, and all liability of the County with respect thereto, shall thereupon cease; provided, however, that the Tender Agent, before being required to make any such payment to the County, may at the expense of the County cause to be published once, in a newspaper of general circulation in the city where the Office of the Tender Agent is located, 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 IX

PROVISIONS CONCERNING BOND INSURANCE

Section 9.1 **Payments Under the FGIC Policy.** (a) If, on the Business Day preceding any Interest Payment Date for the Series 2003-B-1 Warrants, there is not on deposit with the Trustee sufficient moneys available to pay all principal of and interest on the Series 2003-B-1 Warrants due on such date, the Trustee shall immediately notify Financial Guaranty and State Street Bank and Trust Company, N.A., New York, New York, or its successor as Financial Guaranty's Fiscal Agent (the "Fiscal Agent"), of the amount of such deficiency. If, by said Interest Payment Date, the County has not provided the amount of such deficiency, the Trustee shall simultaneously make available to Financial Guaranty and to the Fiscal Agent the registration books for the Series 2003-B-1 Warrants maintained by the Trustee. In addition:

(i) the Trustee shall provide Financial Guaranty with a list of the Holders of the Series 2003-B-1 Warrants entitled to receive principal or interest payments from Financial Guaranty under the terms of the FGIC Policy and shall make arrangements for Financial Guaranty and its Fiscal Agent (1) to mail checks or drafts to the Holders of Series 2003-B-1 Warrants entitled to receive full or partial interest payments from Financial Guaranty and (2) to pay principal of the Series 2003-B-1 Warrants surrendered to the Fiscal Agent by the Holders thereof entitled to receive full or partial principal payments from Financial Guaranty; and

(ii) the Trustee shall, at the time it makes the registration books available to Financial Guaranty, notify Holders entitled to receive payment of principal or interest on the Series 2003-B-1 Warrants from Financial Guaranty (1) as to the fact of such entitlement, (2) that Financial Guaranty will remit to them all or part of the interest payments coming due subject to the terms of the FGIC Policy, (3) that, except as provided in paragraph (b) below, in the event that any Holder of Series 2003-B-1 Warrants is entitled to receive full payment of principal from Financial Guaranty, such Holder must tender his Series 2003-B-1 Warrant to the Fiscal Agent with the instrument of transfer in the form provided on the Series 2003-B-1 Warrant executed in the name of Financial Guaranty, and (4) that, except as provided in paragraph (b) below, in the event that such Holder is entitled to receive partial payment of principal from Financial Guaranty, such Holder must tender his Series 2003-B-1 Warrant for payment first to the Trustee, which shall note on such Series 2003-B-1 Warrant the portion of principal paid by the Trustee, and then, with an acceptable form of assignment executed in the name of Financial Guaranty, to the Fiscal Agent, which will then pay the unpaid portion of principal to the Holder subject to the terms of the FGIC Policy.

(b) In the event that the Trustee has notice that any payment of principal or interest on a Series 2003-B-1 Warrant has been recovered from a Holder thereof pursuant to the United States

Bankruptcy Code by a trustee in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Trustee shall, at the time it provides notice to Financial Guaranty, notify all Holders of Series 2003-B-1 Warrants that, in the event that any such Holder's payment is so recovered, such Holder will be entitled to payment from Financial Guaranty to the extent of such recovery, and the Trustee shall furnish to Financial Guaranty its records evidencing the payments of principal of and interest on the Series 2003-B-1 Warrants which have been made by the Trustee and subsequently recovered from Holders, and the dates on which such payments were made.

(c) Financial Guaranty shall, to the extent it makes payment of principal of or interest on the Series 2003-B-1 Warrants, become subrogated to the rights of the recipients of such payments in accordance with the terms of the FGIC Policy and, to evidence such subrogation, (1) in the case of subrogation as to claims for past due interest, the Trustee shall note Financial Guaranty's rights as subrogee on the registration books maintained by the Trustee upon receipt from Financial Guaranty of proof of the payment of interest thereon to the Holders of such Series 2003-B-1 Warrants and (2) in the case of subrogation as to claims for past due principal, the Trustee shall note Financial Guaranty's rights as subrogee on the registration books for the Series 2003-B-1 Warrants maintained by the Trustee upon receipt of proof of the payment of principal thereof to the Holders of such Series 2003-B-1 Warrants. Notwithstanding anything in the Indenture or the Series 2003-B-1 Warrants to the contrary, the Trustee shall make payment of such past due interest and past due principal directly to Financial Guaranty to the extent that Financial Guaranty is a subrogee with respect thereto.

Section 9.2 Information to be Provided to Financial Guaranty. The County shall provide Financial Guaranty with the following information:

(a) within 180 days after the end of each Fiscal Year of the County, a copy of the County's budget for the then current Fiscal Year, a copy of the County's annual audited financial statements for the most recently completed Fiscal Year, a statement of the amount on deposit in the Reserve Fund as of the last valuation and, if not presented in the audited financial statements, a statement of the net revenues pledged to payment of the Parity Securities for the most recently completed Fiscal Year;

(b) the Official Statement or other disclosure document, if any, prepared in connection with the issuance of additional debt instruments payable from the System Revenues, whether or not such instruments constitute Additional Parity Securities, within 30 days after the sale thereof;

(c) notice of any draw upon, or any deficiency due to market fluctuation in the amount on deposit in, the Reserve Fund;

(d) notice of the redemption, other than mandatory sinking fund redemption, of any of the Parity Securities, including the principal amount, maturities and CUSIP numbers thereof

(e) simultaneously with the delivery of the County's annual audited financial statements:

(i) the number of System users as of the end of the most recently completed Fiscal Year;

(ii) notification of the withdrawal of any System user responsible for 5% or more of System Revenues since the last reporting date;

(iii) any significant plant retirements or expansions planned or undertaken in the System's service area since the last reporting date;

(iv) maximum and average daily System usage for the most recently completed Fiscal Year;

(v) any updated capital plans for expansion and improvement projects; and

(vi) results of any annual engineering inspections.

(f) such additional information as Financial Guaranty may reasonably request from time to time.

Section 9.3 Miscellaneous Special Provisions Respecting Financial Guaranty and the FGIC Policy. (a) In determining whether a payment default has occurred or whether a payment on the Series 2003-B-1 Warrants has been made under the Indenture, no effect shall be given to payments made under the FGIC Policy.

(b) Financial Guaranty shall receive immediate notice of any default in payment of principal of or interest on the Series 2003-B-1 Warrants and notice of any other Event of Default known to the Trustee within 30 days of the Trustee's knowledge thereof.

(c) For all purposes of Article XIII of the Original Indenture, except the giving of notice of default to Holders of Series 2003-B-1 Warrants, Financial Guaranty shall be deemed to be the sole holder of the Series 2003-B-1 Warrants it has insured for so long as it has not failed to comply with its payment obligations under the FGIC Policy.

(d) No resignation or removal of the Trustee shall become effective until a successor has been appointed and has accepted the duties of Trustee. Financial Guaranty shall be furnished with written notice of the resignation or removal of the Trustee and the appointment of any successor thereto.

(e) Financial Guaranty shall be treated as a party in interest and as a party entitled to (i) notify the Trustee of the occurrence of an Event of Default and (ii) request the Trustee to intervene in judicial proceedings that affect the Series 2003-B-1 Warrants or the security therefor.

(f) Any amendment or supplement to the Indenture (other than a supplement that provides solely for the issuance of Additional Parity Securities and makes no other substantive amendments) shall be subject to the prior written consent of Financial Guaranty. Financial Guaranty shall be deemed to be the holder of all outstanding Series 2003-B-1 Warrants for the purpose of consenting to any proposed amendment or supplement to the Indenture (except for any such amendment or supplement that, under the provisions of the Indenture, requires the consent of the Holder of each outstanding Series 2003-B-1 Warrant). Any rating agency rating any of the Series 2003-B-1 Warrants must receive notice of each amendment or supplement hereafter executed and a copy thereof at least fifteen days in advance of its execution or adoption.

(g) Financial Guaranty shall be provided with a full transcript of all proceedings relating to the execution of any Supplemental Indenture hereafter executed.

(h) Any notices to Financial Guaranty or the Fiscal Agent pursuant to the Indenture shall be sent to the following addresses (unless and until different addresses are specified in writing to the County and the Trustee):

Financial Guaranty Insurance Company
125 Park Avenue
New York, New York 10017
Attention: General Counsel

State Street Bank and Trust Company, N.A.
61 Broadway
New York, New York 10006
Attention: Corporate Trust Department

Section 9.4 Payment Provisions under XLCA Policy. If, on the third Business Day prior to the related scheduled Interest Payment Date or principal payment date ("Payment Date"), there is not on deposit in the Debt Service Fund, after making all transfers and deposits required under the Indenture, moneys sufficient to pay the principal of, and interest on, XLCA-Insured Warrants due on such Payment Date, the Trustee shall give notice to XLCA and to its designated agent (if any) (the "XLCA's Fiscal Agent"), by telephone or telecopy, of the amount of such deficiency by 10:00 a.m., New York City time, on such Business Day. If, on the Business Day prior to the related Payment Date, there is not on deposit with the Trustee moneys sufficient to pay the principal of, and interest on, the XLCA-Insured Warrants due on such Payment Date, the Trustee shall make a claim under the XLCA Policy and give notice to XLCA and the XLCA's Fiscal Agent (if any) by telephone of the amount of any deficiency in the amount available to pay principal and interest, and the allocation of such deficiency between the amount required to pay interest on the XLCA-Insured Warrants and the

amount required to pay principal of the XLCA-Insured Warrants, confirming in writing to the related XLCA and the XLCA's Fiscal Agent by 10:00 a.m., New York City time, on such Business Day, by delivering the Notice of Nonpayment and Certificate.

For the purposes of the preceding paragraph, "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from the Trustee to XLCA, which notice shall specify (a) the name of the entity making the claim, (b) the policy number, (c) the claimed amount and (d) the date such claimed amount will become Due for Payment. "Nonpayment" means the failure of the County to have provided sufficient funds to the Trustee for payment in full of all principal of, and interest on, the XLCA-Insured Warrants that are Due for Payment. "Due for Payment," when referring to the principal of XLCA-Insured Warrants, means when the stated maturity date or mandatory redemption date for the application of a required sinking fund installment has been reached and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by application of required sinking fund installments), acceleration or other advancement of maturity, unless XLCA shall elect, in its sole discretion, to pay such principal due upon such acceleration; and, when referring to interest on XLCA-Insured Warrants, means when the stated date for payment of interest has been reached. "Certificate" means a certificate in form and substance satisfactory to XLCA as to the Trustee's right to receive payment under XLCA Policy.

The Trustee shall designate any portion of payment of principal of XLCA-Insured Warrants paid by XLCA at maturity on its books as a reduction in the principal amount of XLCA-Insured Warrants registered to the then current Warrantholder, whether DTC or its nominee or otherwise, and shall issue a replacement XLCA-Insured Warrant to XLCA, registered in the name of XLCA, in a principal amount equal to the amount of principal so paid (without regard to Authorized Denominations); provided that the Trustee's failure to so designate any payment or issue any replacement XLCA-Insured Warrant shall have no effect on the amount of principal or interest payable by the County on any XLCA-Insured Warrant or the subrogation rights of XLCA.

The Trustee shall keep a complete and accurate record of all funds deposited by XLCA into the Policy Payments Account (as hereinafter defined) and the allocation of such funds to payment of interest on and principal paid with respect to any XLCA-Insured Warrant. XLCA shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

Upon payment of a claim under the XLCA Policy, the Trustee shall establish a separate special purpose trust account for the benefit of holders of XLCA-Insured Warrants referred to herein as the "Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under XLCA Policy in trust on behalf of holders of XLCA-Insured Warrants and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to holders of XLCA-Insured Warrants in the same manner as principal and interest payments are to be made with respect to the Series 2002-C Warrants under the sections hereof regarding payment of XLCA-Insured Warrants. It shall not be

necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments.

Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee.

Any funds remaining in the Policy Payments Account following a XLCA-Insured Warrant payment date shall promptly be remitted to XLCA.

Section 9.5 Miscellaneous Special Provisions Respecting XLCA. (a) XLCA shall receive immediate notice of any default in payment of principal of or interest on the XLCA-Insured Warrants and notice of any other Event of Default known to the Trustee within 30 days of the Trustee's knowledge thereof.

(b) For all purposes of Article XIII of the Original Indenture, except the giving of notice of default to Holders of XLCA-Insured Warrants, XLCA shall be deemed to be the sole holder of the XLCA-Insured Warrants it has insured for so long as it has not failed to comply with its payment obligations under the XLCA Policy.

(c) XLCA shall be treated as a party in interest and as a party entitled to (i) notify the Trustee of the occurrence of an Event of Default and (ii) request the Trustee to intervene in judicial proceedings that affect the XLCA-Insured Warrants or the security therefor.

(d) Any amendment or supplement to the Indenture (other than a supplement that provides solely for the issuance of Additional Parity Securities and makes no other substantive amendments) shall be subject to the prior written consent of XLCA. XLCA shall be deemed to be the holder of all outstanding XLCA-Insured Warrants for the purpose of consenting to any proposed amendment or supplement to the Indenture (except for any such amendment or supplement that, under the provisions of the Indenture, requires the consent of the Holder of each outstanding XLCA-Insured Warrant).

(e) Any notices to XLCA pursuant to the Indenture shall be sent to the following address (unless and until a different address is specified in writing to the County and the Trustee):

XL Capital Assurance, Inc.
250 Park Avenue, 19th Floor
New York, New York 10177
Attention: Surveillance

Section 9.6 Claims Upon the FSA Policy and Payments by and to FSA. If, on the third business day prior to the related scheduled interest payment date or principal payment date ("Payment Date"), there is not on deposit with the Trustee, after making all transfers and deposits required under the Indenture, moneys sufficient to pay the principal of and interest on the Series 2002-B-8 Warrants

due on such Payment Date, the Trustee shall give notice to FSA and to its designated agent (if any) ("FSA's Fiscal Agent") by telephone or teletype of the amount of such deficiency by 12:00 noon, New York City time, on such business day. If, on the second business day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Series 2002-B-8 Warrants due on such Payment Date, the Trustee shall make a claim under the FSA Policy and give notice to FSA and FSA's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Series 2002-B-8 Warrants and the amount required to pay principal of the Series 2002-B-8 Warrants, confirmed in writing to FSA and FSA's Fiscal Agent by 12:00 noon, New York City time, on such second business day by filling in the form of Notice of Claim and Certificate delivered with the FSA Policy.

In the event the claim to be made is for a mandatory sinking fund redemption installment, upon receipt of the moneys due, the Trustee shall authenticate and deliver to affected Warrantheolders who surrender their Series 2002-B-8 Warrants a new Series 2002-B-8 Warrant or Warrants in an aggregate principal amount equal to the unredeemed portion of the Series 2002-B-8 Warrants surrendered. The Trustee shall designate any portion of payment of principal on Series 2002-B-8 Warrants paid by FSA, whether by virtue of mandatory sinking fund redemption, maturity or the advancement of maturity, on its books as a reduction in the principal amount of Series 2002-B-8 Warrants registered to the then current Warrantheolder, whether DTC or its nominee or otherwise, and shall issue a replacement Series 2002-B-8 Warrant to FSA, registered in the name of Financial Security Assurance Inc., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement Series 2002-B-8 Warrant shall have no effect on the amount of principal or interest payable by the County on any Series 2002-B-8 Warrant or the subrogation rights of FSA.

The Trustee shall keep a complete and accurate record of all funds deposited by FSA into the Policy Payments Account and the allocation of such funds to payment of interest on and principal paid in respect of any Series 2002-B-8 Warrant. FSA shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

Upon payment of a claim under the FSA Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Warrantheolders referred to herein as the "Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the FSA Policy in trust on behalf of Warrantheolders and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Warrantheolders in the same manner as principal and interest payments are to be made with respect to the Series 2002-B-8 Warrants under the sections hereof regarding payment of Warrants. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments.

Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee.

Any funds remaining in the Policy Payments Account following a Payment Date shall promptly be remitted to FSA.

Section 9.7 Miscellaneous Special Provisions Respecting FSA and the FSA Policy.

(a) The succeeding provisions of this Section 9.7 shall be applicable and govern so long and only so long as the FSA Policy remains in effect, notwithstanding anything to the contrary set forth in other sections of the Indenture.

(b) FSA shall be deemed to be the sole Holder of the Series 2002-B-8 Warrants insured by it for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Holders of the Series 2002-B-8 Warrants insured by it are entitled to take pursuant to the article of the Indenture pertaining to defaults and remedies and the article of the Indenture pertaining to the duties and obligations of the Trustee.

(c) The maturity of Series 2002-B-8 Warrants shall not be accelerated without the consent of FSA, and in the event the maturity of the Series 2002-B-8 Warrants is accelerated, FSA may elect, in its sole discretion, to pay accelerated principal and interest accrued on such principal to the date of acceleration (to the extent unpaid by the County) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, FSA's obligations under the FSA Policy with respect to such Series 2002-B-8 Warrants shall be fully discharged.

(d) No grace period for a covenant default shall exceed 30 days, nor be extended for more than 60 days, without prior written consent of FSA. No grace period shall be permitted for payment defaults.

(e) FSA shall be included as a third party beneficiary to the Indenture.

(f) Upon the occurrence of an extraordinary optional or special mandatory redemption in part, the selection of Series 2002-B-8 Warrants to be redeemed shall be subject to the approval of FSA.

(g) No modification or amendment to the Indenture (other than a supplement that provides solely for the issuance of Additional Parity Securities and makes no other substantive amendments) may become effective except upon obtaining the prior written consent of FSA. FSA shall be deemed to be the Holder of all outstanding Series 2002-B-8 Warrants for the purpose of consenting to any proposed modification, amendment or supplement to the Indenture (except for any such modification, amendment or supplement that, under the provisions of the Indenture, requires the consent of the Holder of each outstanding Series 2002-B-8 Warrant). Copies of any modification or

amendment to the Indenture shall be sent to Moody's Investors Service, Inc. at least ten days prior to the effective date thereof.

(h) The rights granted to FSA under the Indenture to request, consent to or direct any action are rights granted to FSA in consideration of its issuance of the FSA Policy. Any exercise by FSA of such rights is merely an exercise of FSA's contractual rights and shall not be construed or deemed to be taken for the benefit or on behalf of the Warranholders nor does such action evidence any position of FSA, positive or negative, as to whether Warranholder consent is required in addition to consent of FSA.

(i) Rights of FSA to direct or consent to County, Trustee or Warranholder actions under the Indenture shall be suspended during any period in which FSA is in default in its payment obligations under the FSA Policy (except to the extent of amounts previously paid by FSA and due and owing to FSA) and shall be of no force or effect in the event the FSA Policy is no longer in effect or FSA asserts that the FSA Policy is not in effect or FSA shall have provided written notice that it waives such rights.

(j) Amounts paid by FSA under the FSA Policy shall not be deemed paid for purposes of the Indenture and shall remain outstanding and continue to be due and owing until paid by the County in accordance with the Indenture.

(k) The Indenture shall not be discharged unless all amounts due or to become due to FSA have been paid in full or duly provided for.

(l) The County and the Trustee shall take such action as is required from time to time under applicable law to perfect or otherwise preserve the priority of the pledge of the trust estate.

(m) FSA shall, to the extent it makes any payment of principal or interest on the Series 2002-B-8 Warrants, become subrogated to the rights of the recipients of such payments in accordance with the terms of the FSA Policy.

(n) The County shall pay or reimburse FSA any and all charges, fees, costs and expenses which FSA may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Indenture, (ii) the pursuit of any remedies under the Indenture or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture whether or not executed or completed, (iv) the violation by the County of any law, rule or regulation, or any judgment, order or decree applicable to it or (v) any litigation or other dispute in connection with the Indenture or the transactions contemplated thereby, other than amounts resulting from the failure of FSA to honor its obligations under the FSA Policy. FSA reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture.

(o) Payments required to be made to FSA shall be payable solely from the trust estate and shall be paid (i) prior to an Event of Default, to the extent not paid from the Debt Service Fund, after required deposits to the Reserve Fund and (ii) after an Event of Default, with respect to amounts other than principal and interest on the Series 2002-B-8 Warrants, on the same priority as payments to the Trustee for expenses. The obligations to FSA shall survive discharge or termination of the Indenture.

(p) The County hereby covenants that, until the payment of all Series 2003-B-8 Warrants, the sum of

(i) the aggregate principal amount of all then outstanding Variable Rate Securities (other than any Variable Rate Securities for which a then-effective floating-to-fixed Qualified Swap has been designated), and

(ii) the aggregate principal amount of Parity Securities for which then-effective fixed-to-floating Qualified Swaps have been designated,

will not exceed 30% of the aggregate principal amount of all then outstanding Parity Securities.

(q) The County covenants, for so long as the Series 2003-B-8 Warrants remain outstanding, not to dispose of any part of the System with a value in excess of \$10,000,000 unless the following conditions are satisfied: (i) FSA shall have received an opinion of an independent engineer that the property to be disposed of is not necessary to the operation of the System and that the Net Revenues Available For Debt Service in the prior year, on a pro forma basis after giving effect to such disposition, would have been sufficient to satisfy the rate covenant in such prior Fiscal Year, (ii) the unenhanced ratings of the System's indebtedness would not be reduced as a result of such disposition, and (iii) if the property to be disposed of in any one year would exceed 10% of the total depreciated value of the System, FSA shall have consented thereto.

(r) FSA shall be entitled to pay principal or interest on the Series 2002-B-8 Warrants that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the County (as such terms are defined in the FSA Policy) and any amounts due on the Series 2002-B-8 Warrants as a result of acceleration of the maturity thereof in accordance with the Indenture, whether or not FSA has received a Notice of Nonpayment (as such terms are defined in the FSA Policy) or a claim upon the FSA Policy.

(s) The notice address of FSA is: Financial Security Assurance Inc., 350 Park Avenue, New York, New York 10022-6022, Attention: Managing Director -- Surveillance; Re: Policy No. 28550-N, Telephone: (212) 826-0100; Telecopier: (212) 339-3556. In each case in which a notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

- (t) FSA shall be provided with the following information:
 - (i) Annual audited financial statements within 150 days after the end of the County's fiscal year and the County's annual budget within 30 days after the approval thereof;
 - (ii) Notice of any draw upon the Reserve Fund within two business days after knowledge thereof other than (i) withdrawals of amounts in excess of the debt service reserve requirement and (ii) withdrawals in connection with a refunding of Warrants;
 - (iii) Notice of any default known to the Trustee or the County within five business days after knowledge thereof;
 - (iv) Prior notice of the advance refunding or redemption of any of the Series 2002-B-8 Warrants, including the principal amount, maturities and CUSIP numbers thereof;
 - (v) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto;
 - (vi) Notice of the commencement of any proceeding by or against the County commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");
 - (vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Series 2002-B-8 Warrants;
 - (viii) A full original transcript of all proceedings relating to the execution of any amendment or supplement to the Indenture; and
 - (ix) All reports, notices and correspondence to be delivered under the terms of the Indenture.

- (u) No contract shall be entered into nor any action taken by which the rights of FSA or security for or sources of payment of the Series 2002-B-8 Warrants may be impaired or prejudiced except upon obtaining the prior written consent of FSA.

ARTICLE X

MISCELLANEOUS

Section 10.1 **Confirmation of Indenture.** All the terms, covenants and conditions of the Indenture are hereby in all things confirmed, and they shall remain in full force and effect. Further, the County does hereby confirm the pledge made in the Indenture with respect to the revenues derived from all properties now or hereafter constituting a part of the System, including specifically, without limiting the generality of the foregoing, all properties acquired as a part of the System since the execution and delivery of the Original Indenture.

Section 10.2 **Debt Service Fund Deposits Referable to Series 2003-B Warrants.** In order to provide funds for the payment of the principal of and the interest on the Series 2003-B Warrants, there shall be transferred or paid into the Debt Service Fund, out of moneys held in the Revenue Account, the following amounts at the following times:

(1) on or before each Interest Payment Date with respect to the Series 2003-B Warrants, an amount equal to the interest becoming due with respect to the then outstanding Series 2003-B Warrants on such Interest Payment Date; and

(2) on or before February 1, 2009, and on or before each February 1 thereafter until and including February 1, 2042, an amount equal to the principal amount of Series 2003-B Warrants maturing or subject to mandatory redemption on each such date; and

(3) with respect to any Auction Rate Warrants for which the Standard Auction Period is long than thirty-five (35) days, on or before the first Business Day of each month, the amount of accrued, but unpaid, interest on such warrants for the immediately preceding month.

The Debt Service Fund deposits required by this Section 10.2 shall be in addition to the deposits respecting the Outstanding Parity Securities required by the Original Indenture and by the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth and Ninth Supplemental Indentures.

Section 10.3 **Book-Entry Procedures Applicable to Series 2003-B Warrants.** (a) Except as provided in Section 10.3(c) hereof, the registered owner of all of the Series 2003-B Warrants shall be The Depository Trust Company ("DTC") and the Series 2003-B Warrants shall be registered in the name of Cede & Co., as nominee of DTC. Payment of interest for any Series 2003-B Warrant registered as of a Record Date in the name of Cede & Co. shall be made by wire transfer to the account of Cede & Co. on the Interest Payment Date at the address indicated on the Record Date for Cede & Co. in the registry books of the County kept by the Trustee.

(b) The Series 2003-B Warrants shall be initially issued in the form of a single authenticated fully registered warrant for each separate subseries, each with a stated maturity of February 1, 2042 (except that a separate single warrant will be issued for each maturity of the Series 2003-B-8 Warrants). Upon initial issuance, the ownership of such Series 2003-B Warrant shall be registered in the registry book of the County kept by the Trustee in the name of Cede & Co., as nominee of DTC. The Trustee and the County may treat DTC (or its nominee) as the sole and exclusive owner of the Series 2003-B Warrants registered in its name for the purposes of payment of the principal or redemption price of or interest on such Series 2003-B Warrants, selecting such Series 2003-B Warrants or portions thereof to be redeemed, giving any notice permitted or required to be given to Holders of Series 2003-B Warrants under the Indenture, registering the transfer of Series 2003-B Warrants, obtaining any consent or other action to be taken by Holders of Series 2003-B Warrants and for all other purposes whatsoever; and neither the Trustee nor the County shall be affected by any notice to the contrary. Neither the Trustee nor the County shall have any responsibility or obligation to any DTC participant, any Person claiming a beneficial ownership interest in the Series 2003-B Warrants under or through DTC or any DTC participant, or any other Person which is not shown on the registration books of the County kept by the Trustee as being a Holder of Series 2003-B Warrants. The County and the Trustee shall have no responsibility with respect to the accuracy of any records maintained by DTC, Cede & Co. or any DTC participant with respect to any ownership interest in the Series 2003-B Warrants; the payment by DTC or any DTC participant to any beneficial owner of any amount in respect of the principal or redemption price of or interest on the Series 2003-B Warrants; the delivery to any DTC participant or any beneficial owner of any notice which is permitted or required to be given to Holders of the Series 2003-B Warrants under the Indenture; the selection by DTC or any DTC participant of any Person to receive payment in the event of a partial redemption of the Series 2003-B Warrants; or the authority for any consent given or other action taken by DTC as the Holder of Series 2003-B Warrants. The Trustee shall pay all principal of and premium, if any, and interest on the Series 2003-B Warrants only to Cede & Co., as nominee of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the County's obligations with respect to the principal of and premium, if any, and interest on such Series 2003-B Warrants to the extent of the sum or sums so paid. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co. and direction to effect such change on the registry books maintained by the Trustee, the term "Cede & Co." in this Indenture shall refer to such new nominee of DTC.

(c) In the event the County determines that it is in the best interest of the beneficial owners of the Series 2003-B Warrants that they be able to obtain warrant certificates, the County may notify DTC and the Trustee of the availability through DTC of warrant certificates. In such event, the Trustee shall issue, transfer and exchange warrant certificates as requested by DTC and any other Holders of Series 2003-B Warrants in appropriate amounts. DTC may determine to discontinue providing its services with respect to the Series 2003-B Warrants at any time by giving notice to the County and the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the County and Trustee shall be obligated to deliver warrant certificates as described in the Indenture. In the event warrant certificates are issued to Holders of the Series 2003-B Warrants other than DTC, the provisions of

Article V of the Original Indenture shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such certificates. Whenever DTC requests the County and the Trustee to do so, the County and the Trustee will cooperate with DTC in taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the Series 2003-B Warrants to any DTC participant having Series 2003-B Warrants credited to its DTC account or (ii) to arrange for another securities depository to maintain custody of certificates evidencing the Series 2003-B Warrants.

(d) Notwithstanding any other provision of the Indenture to the contrary, so long as any Series 2003-B Warrant is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of and premium, if any, and interest on such Series 2003-B Warrant and all notices with respect to such Series 2003-B Warrant shall be made and given to DTC as provided in the Representation Letter to be signed by the County and the Trustee on or prior to the date of issuance and delivery of the Series 2003-B Warrants and accepted by DTC. Without limitation of the foregoing, so long as any Series 2003-B Warrant is registered in the name of Cede & Co., as nominee of DTC, the Trustee shall send a copy of any notice of redemption by overnight delivery not less than thirty (30) days before the redemption date to DTC, but such mailing shall not be a condition precedent to such redemption and failure to so mail any such notice (or failure of DTC to advise any DTC participant, or any DTC participant to notify the beneficial owner, of any such notice or its content or effect) shall not affect the validity of the proceedings for the redemption of the Series 2003-B Warrants.

(e) In connection with any notice or other communication to be provided to Holders of the Series 2003-B Warrants pursuant to the Indenture by the County or the Trustee with respect to any consent or other action to be taken by Holders of the Series 2003-B Warrants, so long as any Series 2003-B Warrant is registered in the name of Cede & Co., as nominee of DTC, the County or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

(f) In the event of any inconsistency between the provisions of this Section 10.3 and any other provision of the Indenture or the forms of Series 2003-B Warrants, the provisions of this Section 10.3 shall govern so long as warrant certificates have not been issued to the Holders of the Series 2003-B Warrants other than DTC in accordance with Section 10.3(c) hereof.

Section 10.4 Tax Covenants. The County recognizes that the Holders of the Series 2003-B Warrants from time to time will have accepted them on, and paid therefor a price which reflects, the understanding that interest on the Series 2003-B Warrants is excluded from gross income for federal income tax purposes under the laws in force at the time the Series 2003-B Warrants shall have been delivered. In this connection the County covenants (i) that it will not take any action or omit to take any action if the taking of such action or the failure to take such action, as the case may be, will result in the interest on any of the Series 2003-B Warrants becoming includable in gross income for purposes of federal income taxation, (ii) that it will use the "proceeds" of the Series 2003-B Warrants

and any other funds of the County in such a manner that the use thereof, as reasonably expected by the County at the time of issuance of the Series 2003-B Warrants, will not cause the Series 2003-B Warrants to be "arbitrage bonds" under Section 103(b)(2) and Section 148 of the Code and the regulations thereunder and (iii) that it will satisfy the requirements of Section 148(f) of the Code and the applicable regulations thereunder. The County further covenants and agrees that it will not permit at any time any "proceeds" of the Series 2003-B Warrants or any other funds of the County to be used, directly or indirectly, in a manner which would result in any Series 2003-B Warrant being classified as a "private activity bond" within the meaning of Section 141(a) of the Code. The officers and employees of the County shall execute and deliver from time to time, on behalf of the County, such certificates, instruments and documents as shall be deemed necessary or advisable to evidence compliance by the County with said Section 103(b)(2) and Section 148 and the regulations thereunder with respect to the use of the proceeds of the Series 2003-B Warrants. Such certificates, instruments and documents may contain such stipulations as shall be necessary or advisable in connection with the stated purpose of this section and the foregoing provisions hereof, and the County hereby covenants and agrees to comply with the provisions of any such stipulations throughout the term of the Series 2003-B Warrants.

Section 10.5 **Amendments Pertaining to Basis Swaps.** Notwithstanding anything to the contrary contained in the Original Indenture or any of the supplements thereto, in order to enable the County to treat basis swaps as Qualified Swaps for all purposes of the Indenture, the following amendments are hereby made, with such amendments to be effective immediately upon the delivery of this Ninth Supplemental Indenture and prior to the delivery of the Series 2003-B Warrants.

(a) **New Definitions.** As used in the Indenture, the following terms shall have the following respective meanings:

"Basis Swap" means an interest rate swap or exchange agreement or comparable transaction between the County and another entity in which each party to the transaction agrees to make periodic payments to the other party to such transaction, with the amount of each such periodic payment determined by multiplying a specified notional amount by a rate derived from a specified variable rate of interest or fluctuating interest rate index that is published or otherwise announced on a regular basis by one or more financial publications or financial information services; provided (a) that any such periodic payment amount may be adjusted by adding thereto or subtracting therefrom an incremental amount determined by multiplying said notional amount by a specified percentage rate and (b) that any such transaction may also include agreements by one or both of the parties to make one or more payments in addition to the periodic payments previously described.

"Basis Swap Adjustment" means, with respect to any Qualified Basis Swap that is in effect at the time of any determination of Maximum Annual Debt Service, the amount determined by an Independent Swap Consultant, based on the terms of such swap transaction and the then current market conditions (including the highest marginal tax rate in effect at the time of such calculation for purposes of determining the amount of United States federal income taxes owed by individuals), as the average net amount to be paid or received, as the case may be, by the County during each twelve-

month period in the then remaining term of such transaction (with proportionate adjustments made for any partial twelve-month period); provided that, in making any such determination, any extraordinary non-periodic payments to be made by either party to the transaction in question shall be disregarded. If the average net amount so determined is to be paid by the County, then such Basis Swap Adjustment will effect an increase in the amount of Maximum Annual Debt Service. If the average net amount so determined is to be received by the County, then such Basis Swap Adjustment will effect a reduction in the amount of Maximum Annual Debt Service.

"Independent Swap Consultant" means an individual or firm that has knowledge and experience with respect to the documentation, structure and pricing of municipal interest rate swap transactions and that has no continuing employment or business relationship or other connection with the County which, in the opinion of the Trustee, might compromise or interfere with the independent judgment of such individual or firm in the performance of any services to be performed hereunder as an Independent Swap Consultant.

"Qualified Basis Swap" means a Basis Swap that has been designated as, and that otherwise qualifies as, a Qualified Swap.

(b) Amendment of Existing Definitions. The definitions of the following terms are hereby amended to read as follows:

"Maximum Annual Debt Service" means the maximum amount payable in a Fiscal Year as principal of and interest on the Parity Securities then outstanding and, if applicable, any Additional Parity Securities with respect to which a Revenue Certificate or Revenue Forecast (as those terms are defined and used in Section 10.2 of the Original Indenture) is prepared and delivered, subject to the following assumptions and adjustments:

(a) that the principal amount of any such securities required by the terms thereof to be redeemed or prepaid during any Fiscal Year shall, for purposes of this definition, be considered as maturing in the Fiscal Year during which such redemption or prepayment is required and not in the Fiscal Year in which their stated maturity or due date occurs;

(b) for purposes of determining the amounts of principal and interest due in any Fiscal Year on any Parity Securities that constitute Tender Indebtedness, the options or obligations of the owners of such Parity Securities to tender the same for purchase or payment prior to their stated maturity or maturities shall be treated as a principal maturity occurring on the first date on which owners of such Parity Securities may or are required to tender such Parity Securities for purchase or payment, except that any such option or obligation to tender Parity Securities shall be ignored and not treated as a principal maturity, and such Parity Securities shall be deemed to mature in accordance with their stated maturity schedule, if such Parity Securities are rated in one of the two highest long-term rating categories (without

reference to gradations such as "plus" or "minus") by at least two Rating Agencies or such Parity Securities are rated in the highest short-term, note or commercial paper rating categories (without reference to gradations such as "plus" or "minus") by at least two Rating Agencies;

(c) the interest rate on any Variable Rate Securities subsequent to the date of calculation shall be assumed to be the lowest of (A) the maximum rate of interest that may be applicable to such Parity Securities, under the provisions thereof, (B) for so long as any hedging agreement that establishes a cap rate for such Parity Securities is in effect, such cap rate, and (C) the highest of (i) the actual interest rate on the date of calculation, or if the Variable Rate Securities in question are not yet outstanding, the initial rate (if established and binding), (ii) if the Variable Rate Securities in question have been outstanding for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation, and (iii) (x) if interest on the Variable Rate Securities in question is excludable from gross income under the applicable provisions of the Code, the average of the various rates published as the BMA Municipal Swap Index (or comparable index if no longer published) during the ten year period ending on the last day of the month immediately preceding the date of determination, plus fifty (50) basis points, or (y) if interest on such Variable Rate Securities is not so excludable, the interest rate on direct U.S. Treasury obligations with comparable maturities;

(d) the debt service payable with respect to any Parity Securities for which the County has entered into a Qualified Swap pursuant to which the County has agreed to make payments calculated by reference to a fixed rate of interest shall be calculated as if the Parity Securities bore interest at such fixed rate during the term of such Qualified Swap;

(e) the debt service payable with respect to any Parity Securities for which the County has entered into a Qualified Swap pursuant to which the County has agreed to make payments calculated by reference to variable interest rates shall be calculated as if the Parity Securities in question bore interest, during the term of such Qualified Swap, at a rate equal to the lowest of (A) for so long as any hedging agreement that establishes a cap rate with respect to such Qualified Swap remains in effect, such cap rate, or (B) the highest of (i) the actual rate of such Qualified Swap on the date of calculation, or if such Qualified Swap is not yet in effect, the initial rate (if established and binding), (ii) if the Qualified Swap has been in effect for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation, and (iii) (x) if interest on the Parity Securities to which such Qualified Swap is referable is excludable from gross income under the applicable provisions of the Code, the average of the various rates published as the BMA Municipal Swap Index (or comparable index if no longer published) during the ten year period ending on the last day of the month immediately preceding the date of

determination, plus fifty (50) basis points, or (y) if interest on such Parity Securities is not so excludable, the interest rate on direct U.S. Treasury obligations with comparable maturities;

(f) if, at the time that such calculation is made, the County has entered into any Qualified Basis Swaps (other than any such swaps that have been previously terminated), then the annual debt service for any Fiscal Year during which one or more of such Qualified Basis Swaps is scheduled to be in effect shall (in addition to the adjustments described in other provisions of this definition) be increased or decreased, as the case may be, by the amount derived from aggregating the respective Basis Swap Adjustments for all of the Qualified Basis Swaps that are scheduled to be in effect at any time during such Fiscal Year;

(g) there shall be excluded any principal of or interest on any Parity Securities to the extent there are available and held in escrow or under a trust agreement (i) moneys sufficient to pay such principal or interest, (ii) Permitted Defeasance Obligations which, if the principal thereof and the interest thereon are paid according to their tenor, will produce moneys sufficient to pay such principal of interest, or (iii) both moneys and such Permitted Defeasance Obligations which together will produce funds sufficient to pay such principal or interest; and

(h) the County may assume that all or any portion of outstanding Parity Securities that are subject to optional redemption provisions will be redeemed in one or more installments that are consistent with such provisions and may adjust the expected payment schedule with respect to such Parity Securities to reflect such assumed redemptions.

In any case where, for purposes of determining Maximum Annual Debt Service, a portion of the principal of any Parity Securities is to be excluded, there shall also be excluded interest on the principal so excluded.

"Qualified Swap" means (A) with respect to a series of Parity Securities or any portion thereof, any financial arrangement (i) that is entered into by the County with an entity that is a Qualified Swap Provider at the time of the execution and delivery of the documents governing such arrangement; (ii) that provides (a) that the County shall pay to such entity an amount based on the interest accruing at a fixed rate on a notional amount equal to all or a portion of the principal amount of the outstanding Parity Securities of such series, and that such entity shall pay to the County an amount based on the interest accruing on the same notional amount, at either a variable rate of interest or a fixed rate of interest computed according to a formula set forth in such arrangement (which need not be the same as the actual rate of interest borne by the Parity Securities), or that one shall pay to the other any net amount due under such arrangement, or (b) that the County shall pay to such entity an amount based on the interest accruing on a notional amount equal to all or a portion of the principal amount of the outstanding Parity Securities of such series at a variable rate of interest

as set forth in the arrangement and that such entity shall pay to the County an amount based on interest accruing on the same notional amount at an agreed fixed rate, or that one shall pay to the other any net amount due under such arrangement; and (iii) which has been designated in writing to the Trustee by the County as a Qualified Swap with respect to any of the Parity Securities or (B) any Basis Swap (x) that is entered into by the County with an entity that is a Qualified Swap Provider at the time of execution and delivery of the documents governing such transaction and (y) that has been designated in writing to the Trustee by the County as a Qualified Swap (provided, however, that any such designation may be made and deemed effective only if, immediately following the making of such designation, the aggregate notional amount for all Qualified Basis Swaps is not greater than 50% of the aggregate principal amount of all Parity Securities then outstanding).

(c) Treatment of Non-Periodic Payments. Notwithstanding anything to the contrary contained in the Original Indenture or any of the supplements thereto, any extraordinary non-periodic payments received by the County pursuant to Qualified Swaps shall not be taken into account as reductions to debt service in applying the Rate Covenant contained in Section 12.5 of the Original Indenture.

Section 10.6 Modification of Indenture Provisions Respecting Variable Rate Obligations. In order to provide a more comprehensive and meaningful limit on the extent to which obligations payable from System Revenues may be subject to interest rate fluctuations, the following amendments to the Indenture are hereby made, with such amendments to be effective immediately upon the delivery of this Ninth Supplemental Indenture and prior to the delivery of the Series 2003-B Warrants:

(a) subsection (d) of Section 10.2 of the Original Indenture is hereby deleted; and

(b) the County hereby covenants that at all times, until the payment of all Indenture Indebtedness, the sum of

(i) the aggregate principal amount of all then outstanding Variable Rate Securities (other than any Variable Rate Securities for which a then-effective floating-to-fixed Qualified Swap has been designated), and

(ii) the aggregate principal amount of Parity Securities for which then-effective fixed-to-floating Qualified Swaps have been designated,

will not exceed 50% of the aggregate principal amount of all then outstanding Parity Securities.

Section 10.7 Remarketing Agent. Blount Parrish, Inc., is hereby appointed as the initial Remarketing Agent for the Series 2003-B-2 Warrants. Raymond James & Associates, Inc., is hereby appointed as the initial Remarketing Agent for the Series 2003-B-3 Warrants. J.P. Morgan

Securities, Inc. is hereby appointed as the initial Remarketing Agent for the Series 2003-B-4 Warrants, Series 2003-B-6 Warrants and Series 2003-B-7 Warrants. SouthTrust Securities, Inc., is hereby appointed as the initial Remarketing Agent for the Series 2003-B-5 Warrants. Such initial Remarketing Agents shall serve as such under the terms and provisions hereof and of the respective Remarketing Agreements for the Series 2003-B Warrants. The County may appoint additional Remarketing Agents and successors to any thereof to serve as such under the provisions hereof and of a Remarketing Agreement. The Remarketing Agent for the Series 2003-B Warrants or any subseries of Series 2003-B Warrants, including any successor appointed pursuant thereto, shall be a member of the National Association of Securities Dealers, Inc., having a capitalization of at least \$25,000,000 and shall be authorized by law to perform all the duties imposed upon it by this Ninth Supplemental Indenture and the applicable Remarketing Agreement. Any additional or successor Remarketing Agent shall be appointed by the County. Any such additional or successor Remarketing Agent shall execute an instrument wherein it agrees to be bound by the provisions of the applicable Remarketing Agreement. Each Remarketing Agent shall be qualified as provided in the third sentence of this paragraph, and shall be rated at least Baa3 and/or P-3 or an equivalent rating by Moody's or otherwise be acceptable to Moody's.

Any Remarketing Agent for the Series 2003-B Warrants or any subseries of Series 2003-B Warrants may be removed (i) at any time by the Trustee acting at the direction of the owners of at least 66-2/3% of the aggregate principal amount of the Series 2003-B Warrants outstanding at the time or (ii) upon 30 days' notice, by an instrument signed by the County and filed with such Remarketing Agent, the Trustee, the Tender Agent and the issuer of any Support Facility; provided that, if there shall not be more than one Remarketing Agent serving as such for the Series 2003-B Warrants or any subseries of Series 2003-B Warrants, no such removal referred to in clause (i) or (ii) shall take effect until the appointment of a successor Remarketing Agent for the Series 2003-B Warrants or subseries of Series 2003-B Warrants. The Remarketing Agent for the Series 2003-B Warrants or any subseries of Series 2003-B Warrants may resign upon 30 days' written notice delivered to the County, the Trustee, the Tender Agent and the issuer of any Support Facility; provided that if there is only one Remarketing Agent, the resignation of the Remarketing Agent shall not be effective until a successor Remarketing Agent has been appointed and accepted such appointment.

If there shall be more than one Remarketing Agent serving as such, the County may designate one such Remarketing Agent as "Remarketing Representative" to act on behalf of all Remarketing Agents for the Series 2003-B Warrants or any subseries of Series 2003-B Warrants, and each other Remarketing Agent shall agree in writing to accept the determinations of such Remarketing Representative.

Section 10.8 Concerning the Tender Agent. (a) The County has appointed the Trustee to serve as the initial Tender Agent. The Trustee shall signify its acceptance of such appointment and its assumption of the duties and obligations imposed on it as Tender Agent by its execution and delivery of this Ninth Supplemental Indenture.

(b) Any successor Tender Agent shall signify its acceptance of such appointment and its assumption of the duties and obligations imposed upon it by the Indenture by execution and delivery of an agreement satisfactory to the Trustee, the County and the Bank.

(c) The Tender Agent may resign at any time by giving 30 days' notice to the County, the Trustee and the Bank; provided, however, that no such resignation shall become effective until a successor Tender Agent has been appointed and has accepted its duties and obligations hereunder.

(d) The County may, with the consent of the Trustee (if the existing Tender Agent is other than the Trustee) and the Bank, remove the Tender Agent by giving 30 days' notice to the Tender Agent; provided, however, that no such removal shall be effective until a successor Tender Agent has been appointed and has accepted its duties and obligations hereunder.

(e) If the Tender Agent shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Tender Agent for any cause, the County shall, with the consent of the Trustee and the Bank, appoint a successor Tender Agent.

(f) Any successor Tender Agent shall (i) be a commercial bank with trust powers or a trust company, (ii) have a combined capital and surplus of at least \$50,000,000, and (iii) be subject to supervision and examination by federal or state authority.

(g) Compensation of the Tender Agent shall be paid directly by the County.

(h) The provisions of the Indenture shall be applicable to any Tender Agent.

Section 10.9 Appointment of Auction Agent; Qualifications of Auction Agent, Resignation; Removal. The Bank of New York is hereby appointed Auction Agent for the Series 2003-B Warrants. The Auction Agent shall evidence its acceptance of such appointment by entering into the Auction Agency Agreement with the County. The Auction Agent shall be (a) a bank or trust company duly organized under the laws of the United States of America or any state or territory thereof having its principal place of business in the Borough of Manhattan, in the City of New York and having a combined capital stock, surplus and undivided profits of at least \$25,000,000 or (b) a member of the National Association of Securities Dealers, Inc., having a capitalization of at least \$25,000,000 and, in either case, authorized by law to perform all the duties imposed upon it under the Auction Agency Agreement. The Auction Agent may at any time resign and be discharged of the duties and obligations created by this Ninth Supplemental Indenture by giving at least 90 days notice to the Trustee, the County and the Remarketing Agent. During the Auction Rate Period, the Auction Agent may be removed at any time by the County by an instrument signed by the County and filed with the Auction Agent, the Remarketing Agent and the Trustee upon at least 90 days notice; provided that, if required by the Remarketing Agent, an agreement in substantially the form of the Auction Agency Agreement shall be entered into with a successor Auction Agent.

Section 10.10 **Several Capacities.** Anything in this Ninth Supplemental Indenture to the contrary notwithstanding, the same entity may serve as Trustee, Support Facility Issuer, Tender Agent, Auction Agent and Remarketing Agent hereunder, and in any other combination of such capacities, to the extent permitted by law.

Section 10.11 **Concerning Defeasance of Series 2003-B Warrants.** For all purposes of the Indenture (including Section 16.1 of the Original Indenture), Series 2003-B Warrants bearing interest at a Commercial Paper Rate, a Daily Rate Mode or a Weekly Rate will be considered as fully paid only if the cash or Permitted Defeasance Obligations (or the combination thereof) held by the Trustee for the payment thereof will be sufficient to provide for the full payment of the principal of such Series 2003-B Warrants and interest thereon at the maximum rate applicable thereto until the earlier of the maturity date for such Series 2003-B Warrants or any date on which said Series 2003-B Warrants have been called for redemption or tender in accordance with their terms.

Section 10.12 **Concerning Successors to Trustee.** In addition to any other requirements contained in the Indenture, any successor Trustee appointed pursuant to Section 14.8 of the Original Indenture shall (i) be a commercial bank with trust powers or a trust company, (ii) have a combined capital and surplus of at least \$50,000,000, and (iii) be subject to supervision and examination by federal or state authority.

Section 10.13 **Notices to Rating Agencies.** The Trustee shall promptly furnish to each Rating Agency that maintains a rating with respect to the Series 2003-B Warrants notice of (i) receipt of any notice from the County proposing delivery of an Alternate Liquidity Facility, (ii) any change of the Trustee, the Remarketing Agent or the Tender Agent, (iii) any change or amendment of the Indenture, (iv) the expiration, termination, extension or renewal of the term of the Liquidity Facility, (v) the redemption by the County of any Series 2003-B Warrants prior to maturity, (vi) any event resulting in a mandatory tender of the Series 2003-B Warrants, (vii) any acceleration of the maturity of the Series 2003-B Warrants, or (viii) receipt of notice of the County's intent to establish a trust for the payment of the Series 2003-B Warrants in accordance with the defeasance provisions of the Original Indenture. The Rating Agencies maintaining ratings on the Series 2003-B Warrants on the date of initial delivery of the Series 2003-B Warrants and the addresses for notices to such Rating Agencies are as follows:

Moody's Investors Service
99 Church Street
New York, New York 10007

Standard & Poor's Ratings Services
55 Water Street
New York, New York 10041-0003
Attention: Municipal Structured Surveillance

Section 10.14 **Article and Section Captions.** The article and section headings and captions contained herein are included for convenience only and shall not be considered a part hereof or affect in any manner the construction or interpretation hereof.

IN WITNESS WHEREOF, the County has caused this Ninth Supplemental Indenture to be executed in its name and behalf by the President of the Governing Body, has caused its official seal to be hereunto affixed and has caused this Ninth Supplemental Indenture to be attested by the Minute Clerk of the Governing Body, and the Trustee has caused this Ninth Supplemental Indenture to be executed in its corporate name and behalf, has caused its corporate seal to be hereunto affixed and has caused this Ninth Supplemental Indenture to be attested, by its duly authorized officers, all in eight(8) counterparts, each of which shall be deemed an original, and the County and the Trustee have caused this Ninth Supplemental Indenture to be dated as of April 1, 2003, although actually executed and delivered on May 1, 2003.

JEFFERSON COUNTY, ALABAMA

By *Perry Bradford*
President of the County Commission

ATTEST:

Diane Jones
Minute Clerk of the
County Commission

[SEAL]

THE BANK OF NEW YORK, as Successor Trustee
under the Trust Indenture of Jefferson County,
Alabama, dated as of February 1, 1997

By: The Bank of New York Trust Company
of Florida, N.A., its Agent

By *Corey Z. G...*
Its VICE PRESIDENT

ATTEST:

[Signature]
Its VICE PRESIDENT

[SEAL]

STATE OF ALABAMA)
 :
JEFFERSON COUNTY)

I, the undersigned authority, a Notary Public in and for said county in said state, hereby certify that LARRY LANGFORD, 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 the within instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said county.

GIVEN under my hand and official seal of office, this 1st day of May, 2003.

[NOTARIAL SEAL]

Maureen McDermott
Notary Public

My Commission Expires: 7.24.04

STATE OF ALABAMA)
 :
JEFFERSON COUNTY)

I, the undersigned authority, a Notary Public in and for said county in said state, hereby certify that Cary L. Jones, whose name as V.P. of THE BANK OF NEW YORK TRUST COMPANY OF FLORIDA, N.A., a national banking association acting as agent for THE BANK OF NEW YORK, a New York banking corporation acting in its capacity as Trustee under the Trust Indenture of Jefferson County, Alabama, dated as of February 1, 1997, 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 the within instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said banking association in its capacity as Trustee as aforesaid.

GIVEN under my hand and official seal of office, this 1st day of May, 2003.

[NOTARIAL SEAL]

Maureen McDermott
Notary Public

My Commission Expires: 7.24.04

APPENDIX I

**FORM OF SERIES 2003-B WARRANTS
OTHER THAN SERIES 2003-B WARRANTS
IN AUCTION RATE MODE**

No. ____

UNITED STATES OF AMERICA

STATE OF ALABAMA

JEFFERSON COUNTY

SEWER REVENUE REFUNDING WARRANT

SERIES 2003-B

SUBSERIES DESIGNATION
[insert if applicable]

MATURITY DATE	DATE OF INITIAL DELIVERY	INTEREST RATE
February 1,2042		*
BEGINNING OF RATE PERIOD	END OF RATE PERIOD	CUSIP
		472682 ____

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

_____,

or registered assigns, upon presentation and surrender hereof, solely out of the revenues hereinafter referred to, the principal sum of

D O L L A R S

*The Trustee is to insert one of the following, as appropriate: "Daily Rate", "Weekly Rate", "Commercial Paper Rate – ____%," "Term Rate – ____%" or "Fixed Rate – ____%".

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 Daily Rate, the Weekly Rate, the Commercial Paper Rate, the Term Rate, the Fixed Rate or the Auction Rate, as hereinafter provided. Series 2003-B Warrants bearing interest at an Auction Rate shall be evidenced by a different warrant form containing certain terms and provisions specifically applicable to such warrants (which special terms and provisions are not contained herein).

Interest at the Daily Rate or the Weekly Rate shall be computed on the basis of a 365 or 366-day year, as the case may be, for the actual number of days elapsed. Interest at the Commercial Paper Rate shall be computed on the basis of a 365-day year for the actual number of days elapsed. Interest at the Term Rate or the Fixed Rate shall be computed on the basis of a 360-day year with 12 months of 30 days each.

Interest shall be payable (but solely out of the revenues hereinafter described) on overdue principal on this warrant and (to the extent legally enforceable) on any overdue installment of interest on this warrant at the rate of interest last applicable to this warrant when such overdue principal or interest became delinquent.

Interest on this warrant shall be payable in arrears on the following dates (each such date being herein called an "Interest Payment Date"):

- (1) for each Commercial Paper Rate Period, the Business Day immediately succeeding any Calculation Period, and for any Calculation Period of more than 180 days, also the Business Day immediately following the 180th day of such Calculation Period;
- (2) during an Auction Rate Period (i) for an Auction Period of 91 days or less, the Business Day immediately succeeding such Auction Period and (ii) for an Auction Period of more than 91 days, each 13th Friday after the first day of such Auction Period and the Business Day immediately succeeding such Auction Period;
- (3) for each Daily Rate Period, the first Business Day of each month thereof;
- (4) for each Weekly Rate Period, the first Business Day of each month thereof;
- (5) for each Term Rate Period, (i) the first day of the sixth calendar month following the month in which the first day of such Term Rate Period occurred, (ii) each anniversary of the date so determined, (iii) each anniversary of the first day of the first month of such Term Rate Period, and (iv) the Business Day immediately succeeding such Term Rate Period;

(6) for the Fixed Rate Period, the February 1 or August 1 next succeeding the Fixed Rate Conversion Date and each February 1 and August 1 thereafter; but if the February 1 or August 1 next succeeding the Fixed Rate Conversion Date occurs less than 21 days after the Fixed Rate Conversion Date, the first Interest Payment Date shall be the second such date following the Fixed Rate Conversion Date;

(7) the Fixed Rate Conversion Date;

(8) any day on which Series 2003-B Warrants are subject to mandatory tender for purchase pursuant to Section 5.3 or 5.4 of the Ninth Supplemental Indenture or redemption pursuant to Section 5.1 of the Ninth Supplemental Indenture;

(9) the Stated Maturity of the Series 2003-B Warrants; and

(10) with respect to Bank Warrants, the first Business Day of each month and the date on which such Bank Warrants are remarketed and cease to be Bank Warrants.

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 interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the 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 Business Day next preceding any Interest Payment Date for Series 2003-B Warrants in the Daily Rate Mode, the Weekly Rate Mode or the Commercial Paper Rate Mode, or the 15th day (whether or not a Business Day) of the month next preceding any Interest Payment Date for Series 2003-B Warrants in the Term Rate Mode or Fixed Rate Mode. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered Holder on 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 2003-B Warrants not less than 10 days prior to such Special Record Date.

Payment of principal, premium (if applicable) and interest on this warrant and payment of the Purchase Price of this warrant due upon optional or mandatory tender shall be made by the applicable method specified in the Indenture. All such payments 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.

This warrant is one of a duly authorized issue or series of warrants authorized to be issued in the aggregate principal amount of \$1,155,765,000 and designated Sewer Revenue Refunding War-

rants, Series 2003-B (the "Series 2003-B Warrants"). The Series 2003-B Warrants have been issued, on a parity with the Outstanding Parity Securities hereinafter referred to, under a Trust Indenture dated as of February 1, 1997 (the "Original Indenture"), between the County and The Bank of New York, Birmingham, Alabama, as Trustee (herein, in such capacity, together with its successors in trust, called the "Trustee"), as supplemented and amended by a First Supplemental Indenture dated as of March 1, 1997 (the "First Supplemental Indenture"), by a Second Supplemental Indenture dated as of March 1, 1999 (the "Second Supplemental Indenture"), by a Third Supplemental Indenture dated as of March 1, 2001 (the "Third Supplemental Indenture"), by a Fourth Supplemental Indenture dated as of February 1, 2002 (the "Fourth Supplemental Indenture"), by a Fifth Supplemental Indenture dated as of September 1, 2002 (the "Fifth Supplemental Indenture"), by a Sixth Supplemental Indenture dated as of October 1, 2002 (the "Sixth Supplemental Indenture"), by a Seventh Supplemental Indenture dated as of November 1, 2002 (the "Seventh Supplemental Indenture"), by an Eighth Supplemental Indenture dated as of January 1, 2003 (the "Eighth Supplemental Indenture"), and by a Ninth Supplemental Indenture dated as of April 1, 2003 (the "Ninth Supplemental Indenture"). The County has heretofore issued under the Original Indenture, as supplemented and amended by the First, Second, Third, Fourth, Fifth, Sixth, Seventh and Eighth Supplemental Indentures, (i) \$211,040,000 principal amount of its Sewer Revenue Refunding Warrants, Series 1997-A, dated February 1, 1997, (ii) \$296,395,000 principal amount of Sewer Revenue Warrants, Series 1997-D, dated March 1, 1997, (iii) \$952,695,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 1999-A, dated March 1, 1999, (iv) \$275,000,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 2001-A, dated March 1, 2001, (v) \$110,000,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 2002-A, dated March 6, 2002, (vi) \$540,000,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 2002-B, dated September 1, 2002, (vii) \$839,500,000 principal amount of Sewer Revenue Refunding Warrants, Series 2002-C, dated October 25, 2002, (viii) \$475,000,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 2002-D, dated November 1, 2002, and (ix) \$41,820,000 principal amount Sewer Revenue Refunding Warrant, Series 2003-A, dated January 9, 2003 (all of said warrants which are now outstanding being herein together called the "Outstanding Parity Securities"). As used herein, the term "Indenture" means the Original Indenture as supplemented and amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture and the Ninth Supplemental Indenture. Reference is hereby made to the Indenture for a more complete description of the rights of the owners of the Series 2003-B Warrants and of the Trustee and of the County with respect to the County's sanitary sewer system (herein called the "System") and the revenues therefrom, the terms and conditions upon which the Series 2003-B Warrants are issued, and the terms and conditions upon which any Additional Parity Securities may be issued under the Indenture. Each owner of this warrant, by the acceptance hereof, shall be deemed to assent to the provisions of the Indenture.

The County, the Trustee, JPMorgan Chase Bank, as Liquidity Agent, and _____
_____ (the "Bank") have entered into a Standby Warrant Purchase Agreement dated as of April 1, 2003, whereby, subject to the conditions specified therein, the Bank has agreed to

purchase any Series 2003-B Warrant of the subseries of which this warrant is a part that is not remarketed after a tender of such warrant for purchase pursuant to the optional or mandatory tender provisions of the Ninth Supplemental Indenture. Series 2003-B Warrants purchased by the Bank (referred to in the Ninth Supplemental Indenture as "Bank Warrants") bear interest at a separate interest rate applicable only to Bank Warrants, as provided in said Standby Purchase Agreement. **Upon the occurrence of certain events described in said Standby Purchase Agreement, the Bank's obligation to purchase Series 2003-B Warrants under said Standby Purchase Agreement will be terminated or suspended.** The Ninth Supplemental Indenture provides for delivery of an Alternate Liquidity Facility on the terms and conditions contained in the Indenture. The initial Standby Warrant Purchase Agreement and any Alternate Liquidity Facility delivered to the Trustee pursuant to the Indenture are herein referred to as the "Liquidity Facility".

Copies of the Indenture and the initial Standby Purchase Agreement are on file at the Office of the Trustee, and reference is hereby made to such instruments for a description of the revenues pledged and assigned, the nature and extent of the security, the respective rights thereunder of the Holders of the Series 2003-B Warrants, the Trustee, the County and the Bank, and the terms upon which the Series 2003-B Warrants are, and are to be, authenticated and delivered.

_____ has been appointed pursuant to the Indenture as the initial Remarketing Agent for the subseries of the Series 2003-B Warrants of which this warrant is a part. The Indenture permits the County, with the consent of the Bank, to remove such Remarketing Agent and appoint a successor, subject to certain terms and conditions specified in the Indenture. The Indenture also permits the Remarketing Agent to resign without prior notice to Warrantholders.

The Trustee will serve as the initial Tender Agent under the Indenture until a successor is appointed in accordance with the terms of the Indenture.

Interest Rates

Each Series 2003-B Warrant will bear interest to but not including the Fixed Rate Conversion Date at one of the following interest rates (each, an "Adjustable Rate"): a Commercial Paper Rate, an Auction Rate, a Daily Rate, a Weekly Rate or a Term Rate. Each Adjustable Rate (other than an Auction Rate) for each Calculation Period applicable to such Adjustable Rate shall be equal to the lesser of (i) 10% per annum (12% per annum in the case of the Term Rate) and (ii) the rate of interest per annum established and certified to the Trustee by the Remarketing Agent no later than 9:30 a.m. (New York City time) on and as of the first day of such Calculation Period as the minimum rate of interest per annum which, in the opinion of the Remarketing Agent, would be necessary on and as of such first day to remarket the Series 2003-B Warrants in a secondary market transaction at a price equal to the principal amount thereof plus accrued interest thereon, if any, except as otherwise provided in the Indenture. Anything in the Indenture to the contrary notwithstanding, in no event shall the interest rate borne by any Series 2003-B Warrant exceed the maximum rate allowable by applicable law. The term "Business Day" means any day other than a Saturday, Sunday or other day on which the New York Stock Exchange or banks are authorized or obligated by law or executive

order to close in New York, New York, or any city in which is located the principal corporate trust office of the Trustee or the office of a Liquidity Provider at which demands for a payment under the Liquidity Facility will be made.

Commercial Paper Rate Periods

During any Commercial Paper Rate Period, at or prior to 9:30 a.m. (New York City time) on the Determination Date for each Calculation Period, the Remarketing Agent shall determine the Calculation Period and related Commercial Paper Rate. In determining each such Calculation Period, the Remarketing Agent shall take into account factors set forth in the Indenture. The Remarketing Agent shall select the Calculation Period and the applicable Commercial Paper Rate that, together with all other Calculation Periods and related Commercial Paper Rates, in the sole judgment of the Remarketing Agent, will result in the lowest overall borrowing cost on the Series 2003-B Warrants being remarketed or are otherwise in the best financial interests of the County, as determined in consultation with the County. Any Calculation Period established under the Ninth Supplemental Indenture may not extend beyond the Fixed Rate Conversion Date, the expiration date of the then effective Liquidity Facility or the day prior to the maturity date of the Series 2003-B Warrants. The County may place limitations upon the establishment of such Calculation Periods in accordance with the Ninth Supplemental Indenture.

Calculation Periods

As used in connection with the Series 2003-B Warrants, the term "Calculation Period" means (a) upon a Change in the Interest Rate Mode to the Commercial Paper Rate Mode, any period or periods during a Commercial Paper Rate Period, from and including a Business Day to and including any day not more than 270 days thereafter which is a day immediately preceding a Business Day established by the Remarketing Agent pursuant to the Indenture; (b) during any Daily Rate Period, the period from and including a Business Day to but not including the next succeeding Business Day; (c) during any Weekly Rate Period, the period from and including the effective date of the Change in the Interest Rate Mode to and including the following Wednesday (but not less than two days) and, thereafter, the period from and including the Thursday of each week to and including the following Wednesday; provided, however, that, if such Thursday is not a Business Day, the next succeeding Calculation Period shall begin on the Business Day next succeeding such Thursday and shall end on the day before the next succeeding Calculation Period; and (d) during any Term Rate Period, any period of not less than 270 days from and including a Business Day to and including any day (established by the County pursuant to the Indenture) not later than the day prior to the maturity date of the Series 2003-B Warrants.

Conversion of Interest Rate Modes

Prior to the Fixed Rate Conversion Date, all or any portion of Series 2003-B Warrants shall cease to bear interest at the Adjustable Rate then borne by such warrants and shall bear interest at such different Adjustable Rate as shall be specified by the County, or, if so specified by the County,

the interest rate applicable to all Series 2003-B Warrants may be converted to a Fixed Rate specified in accordance with the terms and subject to the conditions set forth in the Ninth Supplemental Indenture.

If any condition to the establishment of a different Adjustable Rate or Rates is not met on any date, then the mandatory tender that is scheduled to occur in connection with such conversion shall not take place, and this Series 2003-B Warrant shall continue to bear interest at the Adjustable Rate then borne by this Series 2003-B Warrant and be subject to all provisions of the Indenture applicable thereto while this Series 2003-B Warrant bears interest at such Adjustable Rate.

Fixed Rate

On a Fixed Rate Conversion Date, the affected Series 2003-B Warrants shall cease to bear interest at the Adjustable Rate then borne by such Series 2003-B Warrants and shall bear interest at the Fixed Rate until maturity, upon the election by the County, to exercise its Option to Convert (as defined in the Ninth Supplemental Indenture). The Fixed Rate means the rate of interest per annum established and certified to the Trustee by the Remarketing Agent no later than 12:00 noon (New York City time) on and as of the Fixed Rate Conversion Date as the minimum rate of interest per annum which, in the opinion of the Remarketing Agent, would be necessary on and as of such date to remarket the affected Series 2003-B Warrants in a secondary market transaction at a price equal to the principal amount thereof, not to exceed 12% per annum. The Fixed Rate shall be established in accordance with the terms and subject to the conditions set forth in the Ninth Supplemental Indenture. Anything in the Indenture to the contrary notwithstanding, in no event shall the interest rate borne by any Series 2003-B Warrant exceed the maximum rate allowable by applicable law.

If any condition to the establishment of the Fixed Rate is not met on the proposed Fixed Rate Conversion Date, the mandatory tender that is scheduled to occur in connection with such conversion shall not take place, and this Series 2003-B Warrant shall continue to bear interest at the Adjustable Rate then borne by this warrant and be subject to the provisions of the Indenture applicable while this Series 2003-B Warrant bears interest at such Adjustable Rate.

If Series 2003-B Warrants begin to bear interest at the Fixed Rate as provided above, the interest rate on such Series 2003-B Warrants may not thereafter be changed to an Adjustable Rate.

Optional Tender

During any Daily Rate Period or Weekly Rate Period, any Series 2003-B Warrant or portion thereof in a principal amount equal to an authorized denomination (so long as the principal amount not purchased is an authorized denomination) shall be purchased upon the demand of the registered owner thereof, on any Business Day at a price equal to the principal amount thereof plus accrued interest, if any, to the date of purchase, upon delivery to the Tender Agent and the Remarketing Agent at their respective principal offices, by the close of business on any Business Day of a Notice of Election to Tender (the substance of which notice must also be given telephonically to the

Remarketing Agent prior to or simultaneously with the delivery of such written notice). The date on which such Series 2003-B Warrant shall be purchased shall, at the request of the registered owner, (i) if the Series 2003-B Warrant then bears interest at a Daily Rate, be the date of delivery of such notice if such notice is delivered to the Tender Agent and the Remarketing Agent by 11:00 a.m. (New York City time) on such date or may be any Business Day thereafter, and (ii) if the Series 2003-B Warrant then bears interest at a Weekly Rate, shall be a Business Day not prior to the 7th day next succeeding the date of the delivery of such notice to the Tender Agent and the Remarketing Agent.

Mandatory Tenders

Change in the Interest Rate Mode. Upon a Change in the Interest Rate Mode (including, without limitation, a change to the Fixed Rate on the Fixed Rate Conversion Date), the Series 2003-B Warrants shall be subject to mandatory tender for purchase in accordance with the Ninth Supplemental Indenture on the effective date of such Change in the Interest Rate Mode, at a price equal to the principal amount thereof.

Business Day Following Calculation Periods. Series 2003-B Warrants bearing a Commercial Paper Rate or a Term Rate shall be subject to mandatory tender for purchase in accordance with the Ninth Supplemental Indenture on the Business Day immediately following each Calculation Period at a price equal to the principal amount thereof.

Expiration, Termination, Substitution or Amendment of any Liquidity Facility. Except as otherwise set forth in the last sentence of this paragraph, the Series 2003-B Warrants shall be subject to mandatory tender for purchase at a price equal to the principal amount thereof, (i) on the second Business Day immediately preceding the substitution of an Alternate Liquidity Facility for an existing Liquidity Facility or the effective date of a Liquidity Facility Amendment which results in a reduction or withdrawal of the short-term or long-term rating assigned to the Series 2003-B Warrants, as further described in Section 6.2(b) of the Ninth Supplemental Indenture, (ii) on the first anniversary of the Liquidity Provider's initial failure to maintain its rating (unless sooner restored) as specified in Section 6.2(c) of the Ninth Supplemental Indenture, and (iii) on the second Business Day immediately preceding the date of expiration or termination of any Liquidity Facility (other than a termination that results from an event that permits termination of such Liquidity Facility without notice), unless on or prior to the 45th day prior to such date of expiration or termination or the effective date of such Liquidity Facility Amendment or such first anniversary of the initial failure of the Liquidity Provider to maintain its short-term ratings the County has furnished to the Trustee (a) an agreement by the Liquidity Provider to extend such Liquidity Facility in the case of an expiration or (b) an Alternate Liquidity Facility in replacement of the expiring or terminating Liquidity Facility or the Liquidity Facility whose Liquidity Provider has so failed to maintain its short-term ratings, together with confirmation of ratings of the Series 2003-B Warrants in accordance with the Ninth Supplemental Indenture. No tender for purchase of any Series 2003-B Warrant as a result of the expiration, termination, substitution or amendment of the Liquidity Facility shall be required pursuant to the Ninth Supplemental Indenture if the Fixed Rate Conversion Date shall have occurred with respect

to such Series 2003-B Warrants on a date prior to such date of expiration, termination or substitution, or the effective date of a Liquidity Facility Amendment.

General Tender Provisions

If interest has been paid on the Series 2003-B Warrants, or an amount sufficient to pay interest thereon has been deposited in the Debt Service Fund, or an amount sufficient to pay accrued interest thereon, if any, has been set aside in the Warrant Purchase Fund and the purchase price equal to the principal of, and premium, if any, on the Series 2003-B Warrants shall be available in the Warrant Purchase Fund for payment of Series 2003-B Warrants subject to tender for purchase pursuant to the Ninth Supplemental Indenture, and if a registered owner fails to deliver or does not properly deliver the Series 2003-B Warrants to the Tender Agent for which a Notice of Election to Tender has been properly filed or which are subject to mandatory tender for purchase on the purchase date therefor, such Series 2003-B Warrants shall nevertheless be deemed tendered and purchased on the date established for the purchase thereof, interest on such Series 2003-B Warrants shall cease to be payable to the former registered owners thereof from and after the date of purchase and such former registered owners shall have no rights under the Indenture as the registered owners of such Series 2003-B Warrants, except the right to receive the purchase price of and interest to the purchase date, if any, on such Series 2003-B Warrants upon delivery thereof to the Tender Agent in accordance with the provisions of the Ninth Supplemental Indenture. The payment of Series 2003-B Warrants tendered up on the election of the registered owner shall be subject to delivery of such Series 2003-B Warrants duly endorsed in blank for transfer or accompanied by an instrument of transfer thereof in form satisfactory to the Tender Agent executed in blank for transfer at the principal office of the Tender Agent at or prior to 11:30 a.m. for Series 2003-B Warrants bearing interest at a Weekly Rate and 12:00 noon for Series 2003-B Warrants bearing interest at a Daily Rate (New York City time), on a specified purchase date. The Tender Agent may refuse to make payment with respect to any Series 2003-B Warrants tendered for purchase pursuant to the Ninth Supplemental Indenture not endorsed in blank or for which an instrument of transfer satisfactory to the Tender Agent has not been provided.

Redemption

In the manner and with the effect provided in the Indenture, the Series 2003-B Warrants will be subject to redemption prior to Maturity as follows:

Optional Redemption. The Series 2003-B Warrants shall be subject to redemption at the option of the County:

(a) For any Commercial Paper Rate Period applicable to Series 2003-B Warrants, such warrants shall be subject to redemption (i) on each Interest Payment Date for such Commercial Paper Rate Period, as a whole or in part, at the principal amount thereof, and (ii) on any Business Day, as a whole or in part, at the principal amount thereof plus accrued interest, if any, to the date fixed for redemption.

(b) For any Daily Rate Period applicable to Series 2003-B Warrants, such warrants shall be subject to redemption on any Business Day, as a whole or in part, at the principal amount thereof, plus accrued interest, if any, to the date fixed for redemption.

(c) For any Weekly Rate Period applicable to Series 2003-B Warrants, such warrants shall be subject to redemption on any Business Day, as a whole or in part, at the principal amount thereof, plus accrued interest, if any, to the date fixed for redemption.

(d) For any Term Rate Period and after the Fixed Rate Conversion Date applicable to Series 2003-B Warrants, such warrants shall be subject to redemption in whole or in part on any Business Day on or after the tenth anniversary of the commencement of such Term Rate Period or the Fixed Rate Conversion Date, as the case may be. The redemption price shall be equal to the principal amount thereof, plus accrued interest, if any, to the date fixed for redemption.

(e) The Series 2003-B-8 Warrants shall be subject to redemption, in whole or in part, from such maturity or maturities as shall be specified by the County, on February 1, 2010, and on any date thereafter, at the principal amount thereof, plus accrued interest, if any, to the date fixed for redemption.

Scheduled Mandatory Redemption. The Series 2003-B-1 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 February 1 (or, in the case of Auction Rate Warrants, if any such February 1 is not an Interest Payment Date, then on the first Interest Payment Date subsequent thereto) in years and principal amounts (after credit as provided below) as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2009	\$ 3,875,000	2026	\$ 21,100,000
2010	4,025,000	2027	23,400,000
2011	4,175,000	2028	44,700,000
2012	4,350,000	2029	44,825,000
2013	4,525,000	2030	3,950,000
2014	4,675,000	2031	4,100,000
2015	4,850,000	2032	51,300,000
2016	5,025,000	2033	53,225,000
2017	5,250,000	2034	3,225,000
2018	5,450,000	2035	3,350,000
2019	21,125,000	2036	3,475,000
2020	27,200,000	2037	21,750,000
2021	26,675,000	2038	19,025,000
2022	12,725,000	2039	88,700,000
2023	14,250,000	2049	37,475,000
2024	15,900,000	2041	100,900,000
2025	7,750,000		

\$39,475,000 of the Series 2003-B-1 Warrants
will be retired at Maturity

Not less than 60 days prior to each such scheduled mandatory redemption date, the County may specify the particular subseries from which Series 2003-B-1 Warrants are to be called for such redemption and (if more than one subseries is so specified) the respective principal amounts to be called for redemption from each thereof. In any such case, the particular Series 2003-B-1 Warrants (or portions thereof) within a given subseries to be called for redemption shall be selected by the Trustee by lot. If the County fails to make such a specification with respect to any scheduled mandatory redemption date, not less than 45 or more than 60 days prior to each such scheduled mandatory redemption date, the Trustee shall proceed to select for redemption, as provided in the Ninth Supplemental Indenture, Series 2003-B-1 Warrants or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such Series 2003-B-1 Warrants or portions thereof for redemption on such scheduled mandatory redemption date. 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 2003-B-1 Warrants scheduled for redemption on such date: (i) the principal amount of Series 2003-B-1 Warrants delivered by the County to the Trustee for cancellation and not previously claimed as a credit; and (ii) the principal amount of Series 2003-B-1 Warrants previously redeemed (other than Series 2003-B-1 Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit.

The Series 2003-B-2 through 2003-B-7 Warrants (herein called the "XLCA-Insured 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 February 1 (or, in the case of Auction Rate Warrants, if any such February 1 is not an Interest Payment Date, then on the first Interest Payment Date subsequent thereto) in years and principal amounts (after credit as provided below) as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2009	\$ 1,525,000	2026	\$ 8,225,000
2010	1,575,000	2027	9,100,000
2011	1,650,000	2028	17,400,000
2012	1,700,000	2029	17,425,000
2013	1,750,000	2030	1,525,000
2014	1,825,000	2031	1,575,000
2015	1,900,000	2032	19,925,000
2016	1,975,000	2033	20,675,000
2017	2,025,000	2034	1,250,000
2018	2,100,000	2035	1,300,000
2019	8,225,000	2036	1,350,000
2020	10,575,000	2037	8,450,000
2021	10,375,000	2038	7,375,000
2022	4,975,000	2039	34,475,000
2023	5,550,000	2040	14,550,000
2024	6,200,000	2041	39,225,000
2025	16,900,000		

\$15,350,000 of the XLCA-Insured Warrants
will be retired at Maturity

Not less than 60 days prior to each such scheduled mandatory redemption date, the County may specify the particular subseries from which XLCA-Insured Warrants are to be called for such redemption and (if more than one subseries is so specified) the respective principal amounts to be called for redemption from each thereof. In any such case, the particular XLCA-Insured Warrants (or portions thereof) within a given subseries to be called for redemption shall be selected by the Trustee by lot. If the County fails to make such a specification with respect to any scheduled mandatory redemption date, not less than 45 or more than 60 days prior to each such scheduled mandatory redemption date, the Trustee shall proceed to select for redemption, as provided in the Ninth Supplemental Indenture, XLCA-Insured Warrants or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such XLCA-Insured Warrants or portions thereof for redemption on such scheduled mandatory redemption date. 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 XLCA-Insured Warrants scheduled for redemption on such date: (i) the principal amount of XLCA-Insured Warrants delivered by the County to the Trustee for cancellation and not previously claimed as a credit; and (ii) the principal amount of XLCA-Insured Warrants previously redeemed (other than XLCA-Insured Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit.

Procedure for Redemption. In the event any of the Series 2003-B Warrants are called for redemption, the Trustee shall give notice of the redemption of such warrants, which notice shall specify the full title, including the subseries, if any, of the Series 2003-B Warrants, the redemption date, the place of redemption and the redemption price payable upon such redemption; that the interest on the Series 2003-B Warrants, or on the principal amount thereof to be redeemed, shall cease to accrue from and after such redemption date; and that on such date there will become due and payable on the Series 2003-B Warrants, the principal amount thereof to be redeemed and the interest accrued on such principal amount to the redemption date, if any, and the premium, if any, thereon. Each notice of redemption mailed to the Holder of a Series 2003-B Warrant to be redeemed shall, if less than the entire principal amount thereof is to be redeemed, also state the principal amount thereof and the distinctive numbers of the Series 2003-B Warrants to be redeemed and that such warrant must be surrendered to the Trustee in exchange for the payment of the principal amount thereof to be redeemed, premium, if any, thereon, and accrued interest, if any, thereon, and the issuance of a new Series 2003-B Warrant equaling in principal amount that portion of the principal amount not to be redeemed of the Series 2003-B Warrant to be surrendered.

Except as otherwise provided in the Ninth Supplemental Indenture, notice of redemption shall be given by mailing a copy of the redemption notice by first-class mail at least 30 days (15 days for Series 2003-B Warrants bearing interest at an Adjustable Rate) prior to the date fixed for redemption to the registered owners of the Series 2003-B Warrants to be redeemed at the addresses shown on the registration books maintained by the Trustee; provided, however, that failure to give notice to any Holder of a Series 2003-B Warrant, or any defects in such notice, shall not affect the proceedings for the redemption of the Series 2003-B Warrants for which notice has been given.

If at any time of mailing of notice of an optional redemption there shall not have been deposited with the Trustee moneys sufficient to redeem all the Series 2003-B Warrants called for redemption, such notice may state that it is conditional, that is, subject to the deposit of moneys sufficient for the redemption with the Trustee on or prior the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

Under the Indenture, the Outstanding Parity Securities and the Series 2003-B Warrants are equally and ratably secured by a pledge of certain revenues from the System that remain after the payment of the expenses of operating and maintaining the System. Upon compliance with certain conditions specified in the Indenture, the County may issue additional securities (without limitation as to principal amount) that are secured by the Indenture on a parity with the Outstanding Parity

Securities and the Series 2003-B Warrants with respect to the pledge of the aforesaid revenues from the System.

The Indenture permits the amendment of the Series 2003-B 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.

As provided in the Indenture and subject to certain limitations therein set forth, this warrant is transferable on the Warrant Register maintained at the Office of the Trustee, upon surrender of this warrant for transfer at the Office of the Trustee, together with all necessary endorsements for transfer, and thereupon one or more new Series 2003-B Warrants of the same Maturity, subseries and interest rate, of any Authorized Denominations and for a like aggregate principal amount, will be issued to the designated transferee or transferees.

As provided in the Indenture and subject to certain limitations therein set forth, the Series 2003-B Warrants are exchangeable for other Series 2003-B Warrants of the same Maturity, subseries and interest rate, of any Authorized Denominations and of a like aggregate principal amount, as requested by the Holder surrendering the same.

No service charge shall be made for any transfer or exchange hereinbefore referred to, but the County may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

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.

Any terms used herein which are defined in the Indenture shall have the respective meanings set forth in the Indenture.

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.

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]

CERTIFICATE OF AUTHENTICATION

This is one of the Series 2003-B Warrants referred to in the within-mentioned Indenture.

Date of authentication: _____, _____.

THE BANK OF NEW YORK,
as Trustee

By _____
Authorized Officer

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)

**FORM OF SERIES 2003-B WARRANTS
IN AUCTION RATE MODE**

No. ____

UNITED STATES OF AMERICA

STATE OF ALABAMA

JEFFERSON COUNTY

SEWER REVENUE REFUNDING WARRANT

SERIES 2003-B

SUBSERIES DESIGNATION
[insert if applicable]

MATURITY DATE

DATE OF INITIAL DELIVERY

INTEREST RATE

February 1, ____

Auction Rate

CUSIP

472682 ____

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

_____,

or registered assigns, upon presentation and surrender hereof, so levy out of the revenues hereinafter referred to, the principal sum of

D O L L A R S

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 Auction Rate, as hereinafter provided. Series 2003-B Warrants bearing interest at an interest rate other than the Auction Rate shall be evidenced by a different warrant form containing certain terms and provisions specifically applicable to such warrants (which special terms and provisions are not contained herein).

Interest at the Auction Rate shall be computed on the basis of a 360-day year for the actual number of days elapsed.

Interest shall be payable (but solely out of the revenues hereinafter described) on overdue principal on this warrant and (to the extent legally enforceable) on any overdue installment of interest on this warrant at the rate of interest last applicable to this warrant when such overdue principal or interest became delinquent.

Interest on this warrant shall be payable in arrears on the following dates (each such date being herein called an "Interest Payment Date"): (i) for an Auction Period of 91 days or less, the Business Day immediately succeeding such Auction Period and (ii) for an Auction Period of more than 91 days, each 13th Friday after the first day of such Auction Period and the Business Day immediately succeeding such Auction Period.

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 interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the 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 Business Day next preceding any Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered Holder on 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 2003-B Warrants not less than 10 days prior to such Special Record Date.

Payment of principal, premium (if applicable) and interest on this warrant and payment of the Purchase Price of this warrant due upon mandatory tender shall be made by the applicable method specified in the Indenture. All such payments 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.

This warrant is one of a duly authorized issue or series of warrants authorized to be issued in the aggregate principal amount of \$1,155,765,000 and designated Sewer Revenue Refunding Warrants, Series 2003-B (the "Series 2003-B Warrants"). The Series 2003-B Warrants have been issued, on a parity with the Outstanding Parity Securities hereinafter referred to, under a Trust Indenture dated as of February 1, 1997 (the "Original Indenture"), between the County and The Bank of New York, Birmingham, Alabama, as Trustee (herein, in such capacity, together with its successors in trust, called the "Trustee"), as supplemented and amended by a First Supplemental Indenture dated as of March 1, 1997 (the "First Supplemental Indenture"), by a Second Supplemental Indenture dated as of March 1, 1999 (the "Second Supplemental Indenture"), by a Third Supplemental Indenture

dated as of March 1, 2001 (the "Third Supplemental Indenture"), by a Fourth Supplemental Indenture dated as of February 1, 2002 (the "Fourth Supplemental Indenture"), by a Fifth Supplemental Indenture dated as of September 1, 2002 (the "Fifth Supplemental Indenture"), by a Sixth Supplemental Indenture dated as of October 1, 2002 (the "Sixth Supplemental Indenture"), by a Seventh Supplemental Indenture dated as of November 1, 2002 (the "Seventh Supplemental Indenture"), by an Eighth Supplemental Indenture dated as of January 1, 2003 (the "Eighth Supplemental Indenture"), and by a Ninth Supplemental Indenture dated as of April 1, 2003 (the "Ninth Supplemental Indenture"). The County has heretofore issued under the Original Indenture, as supplemented and amended by the First, Second, Third, Fourth, Fifth, Sixth, Seventh and Eighth Supplemental Indentures, (i) \$211,040,000 principal amount of its Sewer Revenue Refunding Warrants, Series 1997-A, dated February 1, 1997, (ii) \$296,395,000 principal amount of Sewer Revenue Warrants, Series 1997-D, dated March 1, 1997, (iii) \$952,695,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 1999-A, dated March 1, 1999, (iv) \$275,000,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 2001-A, dated March 1, 2001, (v) \$110,000,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 2002-A, dated March 6, 2002, (vi) \$540,000,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 2002-B, dated September 1, 2002, (vii) \$839,500,000 principal amount of Sewer Revenue Refunding Warrants, Series 2002-C, dated October 25, 2002, (viii) \$475,000,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 2002-D, dated November 1, 2002, and (ix) \$41,820,000 principal amount Sewer Revenue Refunding Warrant, Series 2003-A, dated January 9, 2003 (all of said warrants which are now outstanding being herein together called the "Outstanding Parity Securities"). As used herein, the term "Indenture" means the Original Indenture as supplemented and amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture and the Ninth Supplemental Indenture. Reference is hereby made to the Indenture for a more complete description of the rights of the owners of the Series 2003-B Warrants and of the Trustee and of the County with respect to the County's sanitary sewer system (herein called the "System") and the revenues therefrom, the terms and conditions upon which the Series 2003-B Warrants are issued, and the terms and conditions upon which any Additional Parity Securities may be issued under the Indenture. Each owner of this warrant, by the acceptance hereof, shall be deemed to assent to the provisions of the Indenture. A copy of the Indenture is on file at the Office of the Trustee.

The Trustee will serve as the initial Tender Agent under the Indenture until a successor is appointed in accordance with the terms of the Indenture.

Interest Rate Provisions

THE AUCTION PERIOD, THE AUCTION RATE, THE SELECTION OF THE METHOD OF DETERMINING THE RATE AND DATES OF PAYMENT OF INTEREST ON THE SERIES 2003-B WARRANTS BEARING THE AUCTION RATE AND THE AUCTION PROCEDURES RELATED THERETO WILL BE DETERMINED UPON THE

TERMS AND CONDITIONS, INCLUDING REQUIRED NOTICES THEREOF TO THE OWNERS, DESCRIBED IN THE INDENTURE, TO WHICH PROVISIONS SPECIFIC REFERENCE IS HEREBY MADE AND ALL OF WHICH PROVISIONS ARE HEREBY SPECIFICALLY INCORPORATED HEREIN BY REFERENCE.

During any Auction Rate Period, the affected Series 2003-B Warrants shall bear interest at an Auction Rate. The initial Auction Rate for the initial Auction Period for each affected subseries of the Series 2003-B Warrants shall be as set forth in the Indenture. After the expiration of the initial Auction Period for each such subseries of Series 2003-B Warrants, each Auction Period immediately succeeding such initial Auction Period shall be a Standard Auction Period. The Auction Rate for any initial Auction Period immediately after any Change in the Interest Rate Mode to an Auction Rate for an Auction Rate Period, shall be the rate of interest per annum certified to the Trustee by the Remarketing Agent on a date not later than the effective date of such Change in the Interest Rate Mode as the minimum rate of interest which, in the opinion of the Remarketing Agent, would be necessary as of such date to market Auction Rate Warrants in a secondary market transaction at a price equal to the principal amount thereof. For any other Auction Period, the Auction Rate shall be the rate of interest per annum that results from implementation of the Auction Procedures. The Auction Procedures are set forth in Article III of the Ninth Supplemental Indenture.

Series 2003-B Warrants may also bear interest to but not including the Fixed Rate Conversion Date at one of the following interest rates (each, an "Adjustable Rate") at the times and in the manner set forth in the Indenture: a Commercial Paper Rate, a Daily Rate, a Weekly Rate or a Term Rate.

Conversion of Interest Rate Modes

Prior to the Fixed Rate Conversion Date, all or any portion of Series 2003-B Warrants shall cease to bear interest at the Adjustable Rate then borne by such warrants and shall bear interest at such different Adjustable Rate as shall be specified by the County, or, if so specified by the County, the interest rate applicable to all Series 2003-B Warrants may be converted to a Fixed Rate specified in accordance with the terms and subject to the conditions set forth in the Ninth Supplemental Indenture.

If any condition to the establishment of a different Adjustable Rate or Rates is not met on any date, then the mandatory tender that is scheduled to occur in connection with such conversion shall not take place, and this Series 2003-B Warrant shall continue to bear interest at the Adjustable Rate then borne by this Series 2003-B Warrant and be subject to all provisions of the Indenture applicable thereto while this Series 2003-B Warrant bears interest at such Adjustable Rate.

Fixed Rate

On a Fixed Rate Conversion Date, the affected Series 2003-B Warrants shall cease to bear interest at the Adjustable Rate then borne by such Series 2003-B Warrants and shall bear interest at the Fixed Rate until maturity, upon the election by the County, to exercise its Option to Convert (as

defined in the Ninth Supplemental Indenture). The Fixed Rate means the rate of interest per annum established and certified to the Trustee by the Remarketing Agent no later than 12:00 noon (New York City time) on and as of the Fixed Rate Conversion Date as the minimum rate of interest per annum which, in the opinion of the Remarketing Agent, would be necessary on and as of such date to remarket the affected Series 2003-B Warrants in a secondary market transaction at a price equal to the principal amount thereof, not to exceed 12% per annum. The Fixed Rate shall be established in accordance with the terms and subject to the conditions set forth in the Ninth Supplemental Indenture. Anything in the Indenture to the contrary notwithstanding, in no event shall the interest rate borne by any Series 2003-B Warrant exceed the maximum rate allowable by applicable law.

If any condition to the establishment of the Fixed Rate is not met on the proposed Fixed Rate Conversion Date, the mandatory tender that is scheduled to occur in connection with such conversion shall not take place, and this Series 2003-B Warrant shall continue to bear interest at the Adjustable Rate then borne by this warrant and be subject to the provisions of the Indenture applicable while this Series 2003-B Warrant bears interest at such Adjustable Rate.

If Series 2003-B Warrants begin to bear interest at the Fixed Rate as provided above, the interest rate on such Series 2003-B Warrants may not thereafter be changed to an Adjustable Rate.

Mandatory Tenders

Upon a Change in the Interest Rate Mode (including, without limitation, a change to the Fixed Rate on the Fixed Rate Conversion Date), the Series 2003-B Warrants shall be subject to mandatory tender for purchase in accordance with the Ninth Supplemental Indenture on the effective date of such Change in the Interest Rate Mode, at a price equal to the principal amount thereof.

General Tender Provisions

If interest has been paid on the Series 2003-B Warrants, or an amount sufficient to pay interest thereon has been deposited in the Debt Service Fund, or an amount sufficient to pay accrued interest thereon, if any, has been set aside in the Warrant Purchase Fund and the purchase price equal to the principal of, and premium, if any, on the Series 2003-B Warrants shall be available in the Warrant Purchase Fund for payment of Series 2003-B Warrants subject to tender for purchase pursuant to the Ninth Supplemental Indenture, and if a registered owner fails to deliver or does not properly deliver the Series 2003-B Warrants to the Tender Agent for which a Notice of Election to Tender has been properly filed or which are subject to mandatory tender for purchase on the purchase date therefor, such Series 2003-B Warrants shall nevertheless be deemed tendered and purchased on the date established for the purchase thereof, interest on such Series 2003-B Warrants shall cease to be payable to the former registered owners thereof from and after the date of purchase and such former registered owners shall have no rights under the Indenture as the registered owners of such Series 2003-B Warrants, except the right to receive the purchase price of and interest to the purchase date, if any, on such Series 2003-B Warrants upon delivery thereof to the Tender Agent in accordance with the provisions of the Ninth Supplemental Indenture. The payment of Series 2003-B

Warrants tendered upon the election of the registered owner shall be subject to delivery of such Series 2003-B Warrants duly endorsed in blank for transfer or accompanied by an instrument of transfer thereof in form satisfactory to the Tender Agent executed in blank for transfer at the principal office of the Tender Agent at or prior to 11:30 a. m. for Series 2003-B Warrants bearing interest at a Weekly Rate and 12:00 noon for Series 2003-B Warrants bearing interest at a Daily Rate (New York City time), on a specified purchase date. The Tender Agent may refuse to make payment with respect to any Series 2003-B Warrants tendered for purchase pursuant to the Ninth Supplemental Indenture not endorsed in blank or for which an instrument of transfer satisfactory to the Tender Agent has not been provided.

Redemption

In the manner and with the effect provided in the Indenture, the Series 2003-B Warrants will be subject to redemption prior to Maturity as follows:

Optional Redemption. For any Auction Rate Period, the affected Series 2003-B Warrants shall be subject to redemption at the option of the County on the Business Day immediately preceding each Auction Date, as a whole or in part, at the principal amount thereof, plus accrued interest, if any, to the date fixed for redemption.

Scheduled Mandatory Redemption. The Series 2003-B-1 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 February 1 (or, in the case of Auction Rate Warrants, if any such February 1 is not an Interest Payment Date, then on the first Interest Payment Date subsequent thereto) in years and principal amounts (after credit as provided below) as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2009	\$ 3,875,000	2026	\$ 21,100,000
2010	4,025,000	2027	23,400,000
2011	4,175,000	2028	44,700,000
2012	4,350,000	2029	44,825,000
2013	4,525,000	2030	3,950,000
2014	4,675,000	2031	4,100,000
2015	4,850,000	2032	51,300,000
2016	5,025,000	2033	53,225,000
2017	5,250,000	2034	3,225,000
2018	5,450,000	2035	3,350,000
2019	21,125,000	2036	3,475,000
2020	27,200,000	2037	21,750,000
2021	26,675,000	2038	19,025,000
2022	12,725,000	2039	88,700,000
2023	14,250,000	2040	37,475,000
2024	15,900,000	2041	100,900,000
2025	7,750,000		

\$39,475,000 of the Series 2003-B-1 Warrants
will be retired at Maturity

Not less than 60 days prior to each such scheduled mandatory redemption date, the County may specify the particular subseries from which Series 2003-B-1 Warrants are to be called for such redemption and (if more than one subseries is so specified) the respective principal amounts to be called for redemption from each thereof. In any such case, the particular Series 2003-B-1 Warrants (or portions thereof) within a given subseries to be called for redemption shall be selected by the Trustee by lot. If the County fails to make such a specification with respect to any scheduled mandatory redemption date, not less than 45 or more than 60 days prior to each such scheduled mandatory redemption date, the Trustee shall proceed to select for redemption, as provided in the Ninth Supplemental Indenture, Series 2003-B-1 Warrants or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such Series 2003-B-1 Warrants or portions thereof for redemption on such scheduled mandatory redemption date. 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 2003-B-1 Warrants scheduled for redemption on such date: (i) the principal amount of Series 2003-B-1 Warrants delivered by the County to the Trustee for cancellation and not previously claimed as a credit; and (ii) the principal amount of Series 2003-B-1 Warrants previously redeemed (other than Series 2003-B-1 Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit.

The Series 2003-B-2 through 2003-B-7 Warrants (herein called the "XLCA-Insured 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 February 1 (or, in the case of Auction Rate Warrants, if any such February 1 is not an Interest Payment Date, then on the first Interest Payment Date subsequent thereto) in years and principal amounts (after credit as provided below) as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2009	\$ 1,525,000	2026	\$ 8,225,000
2010	1,575,000	2027	9,100,000
2011	1,650,000	2028	17,400,000
2012	1,700,000	2029	17,425,000
2013	1,750,000	2030	1,525,000
2014	1,825,000	2031	1,575,000
2015	1,900,000	2032	19,925,000
2016	1,975,000	2033	20,675,000
2017	2,025,000	2034	1,250,000
2018	2,100,000	2035	1,300,000
2019	8,225,000	2036	1,350,000
2020	10,575,000	2037	8,450,000
2021	10,375,000	2038	7,375,000
2022	4,975,000	2039	34,475,000
2023	5,550,000	2040	14,550,000
2024	6,200,000	2041	39,225,000
2025	16,900,000		

\$15,350,000 of the XLCA-Insured Warrants
will be retired at Maturity

Not less than 60 days prior to each such scheduled mandatory redemption date, the County may specify the particular subseries from which XLCA-Insured Warrants are to be called for such redemption and (if more than one subseries is so specified) the respective principal amounts to be called for redemption from each thereof. In any such case, the particular XLCA-Insured Warrants (or portions thereof) within a given subseries to be called for redemption shall be selected by the Trustee by lot. If the County fails to make such a specification with respect to any scheduled mandatory redemption date, not less than 45 or more than 60 days prior to each such scheduled mandatory redemption date, the Trustee shall proceed to select for redemption, as provided in the Ninth Supplemental Indenture, XLCA-Insured Warrants or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such XLCA-Insured Warrants or portions thereof for redemption on such scheduled mandatory redemption date. 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 XLCA-Insured Warrants scheduled for redemption on such date: (i) the principal amount of XLCA-Insured Warrants delivered by the County to the Trustee for cancellation and not previously claimed as a credit; and (ii) the principal amount of XLCA-Insured Warrants previously redeemed (other than XLCA-Insured Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit.

Procedure for Redemption. In the event any of the Series 2003-B Warrants are called for redemption, the Trustee shall give notice of the redemption of such warrants, which notice shall specify the full title, including the subseries, if any, of the Series 2003-B Warrants, the redemption date, the place of redemption and the redemption price payable upon such redemption; that the interest on the Series 2003-B Warrants, or on the principal amount thereof to be redeemed, shall cease to accrue from and after such redemption date; and that on such date there will become due and payable on the Series 2003-B Warrants, the principal amount thereof to be redeemed and the interest accrued on such principal amount to the redemption date, if any, and the premium, if any, thereon. Each notice of redemption mailed to the Holder of a Series 2003-B Warrant to be redeemed shall, if less than the entire principal amount thereof is to be redeemed, also state the principal amount thereof and the distinctive numbers of the Series 2003-B Warrants to be redeemed and that such warrant must be surrendered to the Trustee in exchange for the payment of the principal amount thereof to be redeemed, premium, if any, thereon, and accrued interest, if any, thereon, and the issuance of a new Series 2003-B Warrant equaling in principal amount that portion of the principal amount not to be redeemed of the Series 2003-B Warrant to be surrendered.

Except as otherwise provided in the Ninth Supplemental Indenture, notice of redemption shall be given by mailing a copy of the redemption notice by first-class mail at least 30 days (15 days for Series 2003-B Warrants bearing interest at an Adjustable Rate) prior to the date fixed for redemption to the registered owners of the Series 2003-B Warrants to be redeemed at the addresses shown on the registration books maintained by the Trustee; provided, however, that failure to give notice to any Holder of a Series 2003-B Warrant, or any defects in such notice, shall not affect the proceedings for the redemption of the Series 2003-B Warrants for which notice has been given.

If at any time of mailing of notice of an optional redemption there shall not have been deposited with the Trustee moneys sufficient to redeem all the Series 2003-B Warrants called for redemption, such notice may state that it is conditional, that is, subject to the deposit of moneys sufficient for the redemption with the Trustee on or prior the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

Under the Indenture, the Outstanding Parity Securities and the Series 2003-B Warrants are equally and ratably secured by a pledge of certain revenues from the System that remain after the payment of the expenses of operating and maintaining the System. Upon compliance with certain conditions specified in the Indenture, the County may issue additional securities (without limitation as to principal amount) that are secured by the Indenture on a parity with the Outstanding Parity

Securities and the Series 2003-B Warrants with respect to the pledge of the aforesaid revenues from the System.

The Indenture permits the amendment of the Series 2003-B 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.

As provided in the Indenture and subject to certain limitations therein set forth, this warrant is transferable on the Warrant Register maintained at the Office of the Trustee, upon surrender of this warrant for transfer at the Office of the Trustee, together with all necessary endorsements for transfer, and thereupon one or more new Series 2003-B Warrants of the same Maturity, subseries and interest rate, of any Authorized Denominations and for a like aggregate principal amount, will be issued to the designated transferee or transferees.

As provided in the Indenture and subject to certain limitations therein set forth, the Series 2003-B Warrants are exchangeable for other Series 2003-B Warrants of the same Maturity, subseries and interest rate, of any Authorized Denominations and of a like aggregate principal amount, as requested by the Holder surrendering the same.

No service charge shall be made for any transfer or exchange hereinbefore referred to, but the County may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

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.

Any terms used herein which are defined in the Indenture shall have the respective meanings set forth in the Indenture.

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.

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]

CERTIFICATE OF AUTHENTICATION

This is one of the Series 2003-B Warrants referred to in the within-mentioned Indenture.

Date of authentication: _____, _____.

THE BANK OF NEW YORK,
as Trustee

By _____
Authorized Officer

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)

**FORM OF SERIES 2003-B
WARRANTS IN FIXED RATE MODE**

No. R- _____

\$ _____

UNITED STATES OF AMERICA

STATE OF ALABAMA

JEFFERSON COUNTY, ALABAMA

**SEWER REVENUE REFUNDING WARRANT
Series 2003-B**

Interest Rate
_____ %

Maturity Date
February 1, _____

CUSIP
472682 _____

JEFFERSON COUNTY, ALABAMA, a political subdivision of the State of Alabama (herein called the "County"), hereby acknowledges itself indebted to and orders and directs the County Treasurer of the County to pay to Cede & Co., or registered assigns, solely out of the revenues hereinafter referred to, the principal sum of

_____ DOLLARS

on the maturity date specified above, with interest thereon from the date hereof until the maturity hereof at the per annum rate specified above (computed on the basis of a 360-day year of twelve consecutive 30-day months), payable on August 1, 2003, and semiannually thereafter on each February 1 and August 1 until maturity or earlier redemption. The principal of and the premium (if any) on this warrant shall be payable in lawful money of the United States of America at the principal corporate trust office of The Bank of New York in East Syracuse, New York, or its successors as Trustee under the Indenture hereinafter referred to, and the interest payable on this warrant on each interest payment date shall be remitted, by the Trustee hereinafter referred to, by check or draft mailed or otherwise delivered to the registered holder hereof at the address shown on the registry books of the said Trustee. The principal of and the interest and premium (if any) on this warrant shall bear interest after their respective due dates until paid at the per annum rate shown above.

This warrant is one of a duly authorized issue or series of warrants authorized to be issued in the aggregate principal amount of \$1,155,765,000 and designated Sewer Revenue Refunding Warrants, Series 2003-B (herein called the "Series 2003-B Warrants"). The Series 2003-B Warrants

have been issued, on a parity with the Outstanding Parity Securities hereinafter referred to, under a Trust Indenture dated as of February 1, 1997 (herein called the "Original Indenture"), between the County and The Bank of New York, Birmingham, Alabama, as Trustee (herein, in such capacity, together with its successors in trust, called the "Trustee"), as supplemented and amended by a First Supplemental Indenture dated as of March 1, 1997 (herein called the "First Supplemental Indenture"), by a Second Supplemental Indenture dated as of March 1, 1999 (herein called the "Second Supplemental Indenture"), by a Third Supplemental Indenture dated as of March 1, 2001 (herein called the "Third Supplemental Indenture"), by a Fourth Supplemental Indenture dated as of February 1, 2002 (herein called the "Fourth Supplemental Indenture"), by a Fifth Supplemental Indenture dated as of September 1, 2002 (herein called the "Fifth Supplemental Indenture"), by a Sixth Supplemental Indenture dated as of October 1, 2002 (herein called the "Sixth Supplemental Indenture"), by a Seventh Supplemental Indenture dated as of November 1, 2002 (herein called the "Seventh Supplemental Indenture"), by an Eighth Supplemental Indenture dated as of January 1, 2003 (herein called the "Eighth Supplemental Indenture"), and by a Ninth Supplemental Indenture dated as of April 1, 2003 (herein called the "Ninth Supplemental Indenture"). The County has heretofore issued under the Original Indenture, as supplemented and amended by the First, Second, Third, Fourth, Fifth, Sixth, Seventh and Eighth Supplemental Indentures, (i) \$211,040,000 principal amount of its Sewer Revenue Refunding Warrants, Series 1997-A, dated February 1, 1997, (ii) \$48,020,000 principal amount of its Taxable Sewer Revenue Refunding Warrants, Series 1997-B, dated February 1, 1997, (iii) \$52,880,000 principal amount of its Taxable Sewer Revenue Refunding Warrants, Series 1997-C, dated February 15, 1997, (iv) \$296,395,000 principal amount of its Sewer Revenue Warrants, Series 1997-D, dated March 1, 1997, (v) \$952,695,000 principal amount of its Sewer Revenue Capital Improvement Warrants, Series 1999-A, dated March 1, 1999, (vi) \$275,000,000 principal amount of its Sewer Revenue Capital Improvement Warrants, Series 2001-A, dated March 1, 2001, (vii) \$110,000,000 principal amount of its Sewer Revenue Capital Improvement Warrants, Series 2002-A, dated March 6, 2002, (viii) \$540,000,000 principal amount of its Sewer Revenue Capital Improvement Warrants, Series 2002-B, dated September 1, 2002, (ix) \$839,500,000 principal amount of its Sewer Revenue Refunding Warrants, Series 2002-C, dated October 25, 2002, (x) \$475,000,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 2002-D, dated November 1, 2002, and (xi) \$41,820,000 principal amount Sewer Revenue Refunding Warrant, Series 2003-A, dated January 9, 2003 (all of said warrants which are now outstanding being herein together called the "Outstanding Parity Securities"). As used herein, the term "Indenture" means the Original Indenture as supplemented and amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture and the Ninth Supplemental Indenture.

The Series 2003-B-8 Warrants are subject to redemption and prepayment prior to maturity, at the option of the County, as a whole or in part, from such maturity or maturities as shall be specified by the County, on February 1, 2010, and on any date thereafter, such redemption to be at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the date fixed for redemption.

If less than all of the outstanding Series 2003-B Warrants of a particular maturity within a particular subseries are to be called for redemption, the Series 2003-B Warrants (or principal portions thereof) to be redeemed shall be selected by the Trustee by lot in the principal amounts designated to the Trustee by the County or otherwise as required by the Indenture. In the event any of the Series 2003-B Warrants are called for redemption, the Trustee shall give notice, in the name of the County, of the redemption of such Warrants, which notice shall state that on the redemption date the Series 2003-B Warrants to be redeemed shall cease to bear interest. Such notice shall be given by mailing a copy thereof by registered or certified mail at least thirty (30) days prior to the date fixed for redemption to the holders of the Series 2003-B Warrants to be redeemed at the addresses shown on the registration books of the Trustee; provided, however, that failure to give such notice, or any defect therein, shall not affect the validity of the redemption of any of the Series 2003-B Warrants for which notice was properly given. Any Series 2003-B Warrants which have been duly selected for redemption and which are deemed to be paid in accordance with the Indenture shall cease to bear interest on the date fixed for redemption and shall thereafter cease to be entitled to any lien, benefit or security under the Indenture.

Under the Indenture, the Outstanding Parity Securities and the Series 2003-B Warrants are equally and ratably secured by a pledge of certain revenues from the sanitary sewer system of the County (herein, as it may at any time exist, called the "System") that remain after the payment of the expenses of operating and maintaining the System. Upon compliance with certain conditions specified in the Indenture, the County may issue additional securities (without limitation as to principal amount) that are secured by the Indenture on a parity with the Outstanding Parity Securities and the Series 2003-B Warrants with respect to the pledge of the aforesaid revenues from the System (the Outstanding Parity Securities, the Series 2003-B Warrants and all such additional securities being herein together called the "Parity Securities").

The holders of the Parity Securities shall never have the right to demand payment of the Parity Securities out of any funds raised or to be raised by taxation or from any source whatsoever, except the payments and amounts described in this warrant and the Indenture. Except for the revenues from the System and the other moneys that may be held by the Trustee under the Indenture, no property of the County is encumbered by any lien or security interest for the benefit of the holder of this warrant. Neither the faith and credit, nor the taxing power, of the State of Alabama or the County, or any other public corporation, subdivision or agency of the State of Alabama or the County, is pledged to the payment of the principal of or the interest or premium (if any) on this warrant.

The transfer of this warrant shall be registered upon the registration books kept at the principal corporate office of the Trustee, at the written request of the holder hereof or his attorney duly authorized in writing, upon surrender of this warrant at said office, together with a written instrument of transfer satisfactory to the Trustee duly executed by the holder hereof or his duly authorized attorney. Upon payment of any required tax or other governmental charge, this warrant may, upon the surrender hereof at the principal corporate trust office of the Trustee, be exchanged for an equal aggregate principal amount of Series 2003-B Warrants of the same maturity in any other authorized denominations.

The Trustee shall not be required to transfer or exchange this warrant during the period of fifteen days next preceding any interest payment date with respect hereto. In the event that this warrant (or any principal portion hereof) is duly called for redemption and prepayment, the Trustee shall not be required to transfer or exchange this warrant during the period of thirty days next preceding the date fixed for such redemption and prepayment.

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

With certain exceptions as provided therein, the Indenture may be modified or amended only with the consent of the holders of a majority in aggregate principal amount of all Parity Securities outstanding under the Indenture.

Reference is hereby made to the Indenture, a copy of which is on file with the Trustee, for the provisions thereof concerning the nature and extent of the rights, duties and obligations of the County, the Trustee and the holders of the Parity Securities. The registered holder of this warrant, by the acceptance hereof, is deemed to have agreed and consented to the terms and provisions of the Indenture.

The County and the Trustee may deem and treat the person in whose name this warrant is registered as the absolute owner hereof for all purposes, whether or not any principal of or interest on this warrant is overdue, and neither the County nor the Trustee shall be affected by any notice to the contrary.

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

No covenant or agreement contained in this warrant or the Indenture shall be deemed to be a covenant or agreement of any official, officer, agent or employee of the County in his individual capacity, and neither the members of the governing body of the County, nor any official executing this warrant, shall be liable personally on this warrant or be subject to any personal liability or accountability by reason of the issuance or sale of this warrant.

This warrant shall not be entitled to any right or benefit under the Indenture, or be valid or become obligatory for any purpose, until this warrant shall have been authenticated by the execution by the Trustee, in its capacity as paying agent for the Series 2003-B Warrants, of the certificate of authentication inscribed hereon.

IN WITNESS WHEREOF, the County has caused this warrant to be executed in its name and behalf by the President of its County Commission, has caused its official seal to be hereunto affixed, has caused the signature of the aforesaid President to be attested by the Minute Clerk of its County Commission, and has caused this warrant to be dated April 1, 2003.

JEFFERSON COUNTY, ALABAMA

By _____
President of the County Commission

ATTEST:

Minute Clerk of the
County Commission

[S E A L]

AUTHENTICATION CERTIFICATE

DATE OF AUTHENTICATION: _____

This warrant is one of the Series 2003-B Warrants described in the within-mentioned Trust Indenture.

THE BANK OF NEW YORK,
as Trustee

By _____
Its Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____ the within warrant and hereby irrevocably constitutes and

appoints _____ attorney, with full power of substitution in the premises, to transfer the within warrant on the books kept for registration thereof by the within-mentioned Trustee.

Dated this _____ day of _____, _____.

NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears upon the face of the within warrant in every particular, without alteration or enlargement or any change whatsoever.

Signature guaranteed:

(Bank, Trust Company or Firm)*

By _____
(Authorized Officer)

Medallion Number: _____

*Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a 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).

**JEFFERSON COUNTY, ALABAMA
SEWER REVENUE REFUNDING WARRANTS
SERIES 2003-B
CUSIP NO. _____**

NOTICE OF CHANGE TO A _____ RATE

Notice is hereby given to the registered owners of \$_____ of the above-captioned issue (the "Warrants") of Jefferson County, Alabama (the "County") that:

1. In accordance with the Ninth Supplemental Indenture relating to the Warrants (the "Indenture"), dated as of April 1, 2003, between the County and The Bank of New York (the "Trustee"), subject to the conditions hereinafter set forth, if any, the interest rate on the Warrants (or such lesser principal amount thereof as may be specified in an attachment hereto) will be changed to a _____ Rate. Capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Indenture. The following statements are summaries of certain provisions of the Indenture which do not purport to be complete and are qualified in their entirety by reference to the Indenture.

2. The _____ Rate will be effective from and after _____ (the "Effective Date").

3. The Warrants are subject to mandatory tender on the Effective Date at a purchase price equal to the principal amount thereof.

4. The proposed Change in the Interest Rate Mode shall take effect only if the applicable conditions set forth in Article IV of the Indenture have been satisfied.

5. Registered owners of Warrants are required to deliver their Warrants to the Tender Agent at The Bank of New York, _____, New York, New York _____ no later than [Tender Agent to insert proper time], New York City time, on the Effective Date endorsed in blank by the registered owner thereof or accompanied by an instrument of transfer thereof in form satisfactory to the Tender Agent executed for transfer in blank by the registered owner thereof (the Tender Agent being able to refuse to make payment with respect to any such Warrant not endorsed in blank or for which an instrument of transfer satisfactory to it has not been provided).

6. Each registered owner of Warrants who has properly tendered such Warrants in accordance with the above provisions will be paid the purchase price therefor on the Effective Date and, if such purchase price is paid, such registered owner shall have no further rights with respect to said Warrants.

7. Holders of Warrants subject to mandatory tender shall have no right to retain such Warrants and shall be required to tender such Warrants on the date established for the mandatory tender for purchase thereof.

8. With respect to any registered owner of Warrants who has not properly tendered such Warrants in accordance with the above provisions of this notice, (A) such registered owner's Warrants will be deemed tendered and purchased on the Effective Date at a purchase price equal to the principal amount thereof, (B) such registered owner will be paid interest on such Warrants on the Effective Date as provided in the Indenture and will be paid such purchase price for such Warrants upon the tender of such Warrants to the Tender Agent and (C) interest on such Warrants shall cease to be payable to such registered owner from and after the Effective Date, and after the Effective Date such registered owner will have no rights with respect to such Warrants except to receive payment of the purchase price equal to the principal amount thereof upon tender of such Warrants to the Tender Agent.

Dated: _____

JEFFERSON COUNTY, ALABAMA

By: THE BANK OF NEW YORK, as Trustee

By _____
Authorized Representative

**JEFFERSON COUNTY, ALABAMA
SEWER REVENUE REFUNDING WARRANTS
SERIES 2003-B
CUSIP NO. ____**

**CERTIFICATE PURSUANT TO
SECTION [4.1(c)(i)(2) or 4.2(c)(i)(2)] OF THE
NINTH SUPPLEMENTAL INDENTURE**

NOTICE IS HEREBY GIVEN to The Bank of New York, as Trustee for the above-captioned issue (the "Warrants") [and to The Bank of New York as Auction Agent, if applicable] that Jefferson County, Alabama (the "County") hereby authorizes the establishment of a _____ Rate.

Notice is also hereby given that the County has obtained confirmation that (a) Bond Counsel expects to be able to give its opinion on the effective date of the Change in the Interest Rate Mode to the effect that the change to the _____ Rate is authorized by the Ninth Supplemental Indenture referred to below, is permitted under the Act and will not have an adverse effect on the exclusion of interest on the Warrants from gross income for federal income tax purposes, and (b) any amendments to the Ninth Supplemental Indenture referred to below necessary to provide for the application of moneys available under the Liquidity Facility have been agreed to by the parties hereto and will be in effect prior to the Change in the Interest Rate Mode.

Capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Ninth Supplemental Indenture relating to the above-captioned Warrants, dated as of April 1, 2003, by and between the County and The Bank of New York, as trustee.

JEFFERSON COUNTY, ALABAMA

By _____
Authorized County Representative

**JEFFERSON COUNTY, ALABAMA
SEWER REVENUE REFUNDING WARRANTS
SERIES 2003-B
CUSIP NO. ____**

**CERTIFICATE PURSUANT TO
SECTION [4.1(c)(ii)] OF THE
NINTH SUPPLEMENTAL INDENTURE**

NOTICE IS HEREBY GIVEN to The Bank of New York, as Trustee for the above-captioned issue (the "Warrants") [and to The Bank of New York, as Auction Agent, if applicable] that with respect to a Change in the Interest Rate Mode pursuant to Section 4.1 of the Ninth Supplemental Indenture referred to below all of the Warrants tendered or deemed tendered have been purchased at a price equal to the principal amount thereof with funds provided from the remarketing of such Warrants in accordance with the Remarketing Agreement or from other funds deposited with the Tender Agent, and that accrued and unpaid interest, if any, and premium, if any, have been paid from money deposited with the Trustee.

Capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Ninth Supplemental Indenture, dated as of April 1, 2003, by and between Jefferson County, Alabama and The Bank of New York, as trustee.

JEFFERSON COUNTY, ALABAMA

By _____
Authorized County Representative

**JEFFERSON COUNTY, ALABAMA
SEWER REVENUE REFUNDING WARRANTS
SERIES 2003-B
CUSIP NO. _____**

**NOTICE REGARDING ESTABLISHMENT OF
NEW ADJUSTABLE RATE**

NOTICE IS HEREBY GIVEN to The Bank of New York, as Trustee for the above-captioned issue (the "Warrants") [and to The Bank of New York, as Auction Agent, if applicable] that with respect to a Change in the Interest Rate Mode pursuant to Section 4.1 of the Ninth Supplemental Indenture referred to below all of the Auction Rate Warrants during an Auction Rate Period tendered or deemed tendered have been purchased at a price equal to the principal amount thereof with funds provided from the remarketing of such Auction Rate Warrants in accordance with the Remarketing Agreement, and that accrued and unpaid interest, if any, and premium, if any, on the Warrants have been paid pursuant to the Indenture from funds deposited with the Trustee.

Capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Ninth Supplemental Indenture, dated as of April 1, 2003, by and between Jefferson County, Alabama, and The Bank of New York, as trustee.

JEFFERSON COUNTY, ALABAMA

By _____
Authorized County Representative

**JEFFERSON COUNTY, ALABAMA
SEWER REVENUE REFUNDING WARRANTS
SERIES 2003-B**

**NOTICE OF PROPOSED CHANGE IN PERCENTAGES
USED TO DETERMINE THE
ALL HOLD RATE AND THE MAXIMUM AUCTION RATE**

NOTICE IS HEREBY GIVEN THAT [Name of Remarketing Agent], as Remarketing Agent for the above-referenced issue, proposes to change the percentage used to determine the All Hold Rate and the Applicable Percentage used to determine the Maximum Auction Rate to reflect a Change in Preference Law in accordance with the Ninth Supplemental Indenture relating to the Warrants (the "Indenture"), dated as of April 1, 2003, between the County and The Bank of New York (the "Trustee"). Assuming the conditions set forth below are met, such change will be effective on _____ (the "Effective Date").

[Insert a description of the changes in the percentages.]

An adjustment in such percentages shall take effect only if:

(i) the Trustee and the Auction Agent receive by 11:00 a.m., New York City time, on the Business Day immediately preceding the Effective Date, a certificate from the Remarketing Agent by telecopy, facsimile or similar means (A) authorizing the adjustment in the percentages, which shall be specified in such authorization, and (B) confirming that Bond Counsel expects to be able to give an opinion on the Effective Date to the effect that the adjustment in the percentages is authorized by Section 3.10 of the Indenture and will not have an adverse effect on the exclusion of interest on the Auction Rate Warrants from gross income for federal income tax purposes; and

(ii) the Trustee and the Auction Agent receive by 9:30 a.m., New York City time, on the Effective Date, an Opinion of Bond Counsel to the effect that the adjustment in the percentages is authorized by Section 3.10 of the Indenture and will not have an adverse effect on the exclusion of interest on the Auction Rate Warrants from gross income for federal income tax purposes.

If any of the conditions referred to in subparagraph (i) above is not met, the existing percentage used to determine the All Hold Rate and the existing Applicable Percentage used to determine the Maximum Auction Rate shall remain in effect and the rate of interest on the Auction Rate Warrants for the next succeeding Interest Period shall be determined in accordance with the Auction

Procedures. If any of the conditions referred to in subparagraph (ii) above is not met, the existing percentage used to determine the All Hold Rate and the existing Applicable Percentage used to determine the Maximum Auction Rate shall remain in effect and the rate of interest on the Auction Rate Warrants for the next succeeding Interest Period shall equal the Maximum Auction Rate on the Effective Date.

Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Indenture.

[NAME OF REMARKETING AGENT],
as Remarketing Agent

By _____
Authorized Officer

Dated: _____

**JEFFERSON COUNTY, ALABAMA
SEWER REVENUE REFUNDING WARRANTS
SERIES 2003-B
CUSIP NO. _____**

NOTICE OF FAILURE OF CONDITIONS

NOTICE IS HEREBY GIVEN that the conditions for effecting a Change in the Interest Rate Mode to a _____ Rate have not been met.

The above-captioned warrants (the "Warrants") will not be subject to mandatory tender for purchase on [DATE] and will therefore continue to bear interest at the Current Adjustable Rate and be subject to the provisions of the Ninth Supplemental Indenture referred to below applicable while such Warrants bear interest at the Current Adjustable Rate.

Capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Ninth Supplemental Indenture, dated as of April 1, 2003, by and between Jefferson County, Alabama and The Bank of New York, as trustee.

THE BANK OF NEW YORK, as Trustee

By _____
Title

**JEFFERSON COUNTY, ALABAMA
SEWER REVENUE REFUNDING WARRANTS
SERIES 2003-B**

NOTICE OF PROPOSED CONVERSION TO FIXED RATE

Notice is hereby given to the registered owners of the above-captioned issue (the "Warrants") of Jefferson County, Alabama (the "County") that:

1. The County is proposing to convert the interest rate on the Warrants to a fixed interest rate (the "Fixed Rate") on _____ (the "Fixed Rate Conversion Date"). Capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Ninth Supplemental Indenture dated as of April 1, 2003, between the County and The Bank of New York, as Trustee (the "Indenture"). The following statements are summaries of certain provisions of the Indenture which do not purport to be complete and are qualified in their entirety by reference to the Indenture.

2. All Warrants are subject to mandatory tender for purchase on the Fixed Rate Conversion Date at a purchase price equal to the principal amount thereof plus, in the case of a Change in the Interest Rate Mode from a Term Rate, premium, if any.

3. The Fixed Rate shall take effect only if the conditions set forth in Section 4.2 of the Indenture have been satisfied.

4. There is no right of election to retain Warrants.

5. Registered owners of Warrants are required to deliver their Warrants to the Tender Agent by no later than [Tender Agent shall insert appropriate time], New York City time, on the proposed Fixed Rate Conversion Date at the office of the Tender Agent located at _____, endorsed in blank for transfer by the registered owner thereof or accompanied by an instrument of transfer thereof in form satisfactory to the Tender Agent executed in blank for transfer by the registered owner thereof (the Tender Agent being able to refuse payment with respect to any such Warrant not endorsed in blank or for which an instrument of transfer satisfactory to it has not been provided).

6. Each registered owner of Warrants who has properly tendered such Warrants in accordance with the above provisions will be paid the purchase price plus, in the case of a Change in the Interest Rate Mode from a Term Rate, premium, if any, therefor on the Fixed Rate Conversion Date and if such purchase price plus premium, if any, plus interest accrued to the Fixed Rate

Conversion Date (which interest will be paid in accordance with the Indenture) is paid, such registered owner shall have no further rights with respect to said Warrants.

7. With respect to any registered owner of Warrants who has not properly tendered such Warrants in accordance with the above provisions of this notice, (A) such registered owner's Warrants will be deemed tendered and purchased on such Fixed Rate Conversion Date at a purchase price equal to the principal amount thereof plus, in the case of a Change in the Interest Rate Mode from a Term Rate, premium, if any, (B) such registered owner will be paid interest on such Warrants on the proposed Fixed Rate Conversion Date as provided in the Indenture and will be paid such purchase price plus premium, if any, for such Warrants upon the tender of such Warrants to the Tender Agent and (C) interest on such Warrants shall cease to be payable to such registered owner from and after the proposed Fixed Rate Conversion Date, and after the proposed Fixed Rate Conversion Date such registered owner will have no rights with respect to such Warrants except to receive payment of the purchase price plus, in the case of a Change in the Interest Rate Mode from a Term Rate, premium, if any, upon tender of such Warrants to the Tender Agent.

Dated: _____

JEFFERSON COUNTY, ALABAMA

By: THE BANK OF NEW YORK, as Trustee

By _____
Authorized Representative

**JEFFERSON COUNTY, ALABAMA
SEWER REVENUE REFUNDING WARRANTS
SERIES 2003-B**

**CERTIFICATE PURSUANT TO
SECTION 4.2(c)(ii)(2) OF THE INDENTURE**

NOTICE IS HEREBY GIVEN that, with respect to a Change in the Interest Rate Mode pursuant to Section 4.2 of the Ninth Supplemental Indenture referred to below, all of the Warrants tendered or deemed tendered have been purchased at a price equal to the principal amount thereof, with funds provided from the remarketing of such Warrants in accordance with the Remarketing Agreement or from other funds deposited with the Tender Agent, and accrued and unpaid interest, if any, plus, in the case of a Change in the Interest Rate Mode from a Term Rate, premium, if any, have been paid from money deposited with the Trustee on terms permitting the payment of such premium when due.

Capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Ninth Supplemental Indenture, dated as of April 1, 2003, by and between Jefferson County, Alabama and The Bank of New York, as trustee.

JEFFERSON COUNTY, ALABAMA

By _____
Authorized County Representative

**JEFFERSON COUNTY, ALABAMA
SEWER REVENUE REFUNDING WARRANTS
SERIES 2003-B**

**NOTICE OF FAILURE OF CONDITIONS
TO FIXED RATE CONVERSION**

NOTICE IS HEREBY GIVEN that the conditions for effecting a Change in the Interest Rate Mode to a Fixed Rate have not been met.

The above-captioned Warrants will therefore not be subject to mandatory tender for purchase on [DATE] and will continue to bear interest at the Current Adjustable Rate and be subject to the provisions of the Ninth Supplemental Indenture referred to below applicable while such Warrants bear interest at the Current Adjustable Rate.

Capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Ninth Supplemental Indenture, dated as of April 1, 2003, by and between Jefferson County, Alabama and The Bank of New York, as trustee.

THE BANK OF NEW YORK, as Trustee

By _____
Title

**JEFFERSON COUNTY, ALABAMA
SEWER REVENUE REFUNDING WARRANTS
SERIES 2003-B**

NOTICE OF ELECTION TO TENDER

Note: The substance of this Notice must be given to the Remarketing Agent by telephone at or prior to the time this Notice must be delivered.

1. The undersigned, _____, owner of the following Warrants:

Cusip Number**	Principal Amount
----------------	------------------

hereby notifies you of its election to tender such Warrants for purchase on [_____, ____], (which date shall be a Business Day) and (a) if this Warrant bears interest at a Daily Rate as defined in the Ninth Supplemental Indenture referred to below, the date of purchase shall be the date of delivery of this Notice to the Tender Agent and the Remarketing Agent if received by 11:00 a.m., New York City time, or may be any Business Day thereafter; and (b) if this Warrant bears interest at a Weekly Rate as defined in said Ninth Supplemental Indenture, the date of purchase shall be a Business Day not prior to the seventh day immediately following the date of delivery of this Notice to the Tender Agent and the Remarketing Agent.

2. If only a portion of a Warrant is being tendered, both the tendered portion and untendered portion must be authorized denominations (\$100,000 or any integral multiple of \$5,000 in excess of such amount) for Warrants bearing a Daily Rate or Weekly Rate.

3. After its execution and delivery by the undersigned, this notice will be irrevocable.

4. The person or persons to whom or to whose order the proceeds of the purchase of the above-referenced Warrants are to be paid, such person's or persons' taxpayer identification number or numbers and the address or addresses of such payee or payees is _____

which information the undersigned, under the penalties of perjury, certifies to be true, correct and complete.

**Warrant Number, if Warrants are no longer held by Securities Depository.

5. The undersigned hereby undertakes to deliver the Warrants to The Bank of New York (the "Tender Agent") no later than 11:30 a.m., New York City time, for Warrants bearing interest at the Weekly Rate, and 12:00 noon, New York City time, for Warrants bearing interest at a Daily Rate, on the date of purchase at the office of the Tender Agent located _____, endorsed in blank for transfer or accompanied by an instrument of transfer executed in blank for transfer, and acknowledges that any instrument of transfer must be in a form satisfactory to the Tender Agent and that the Tender Agent may refuse to make payment with respect to any Warrant not endorsed in blank or for which an instrument of transfer satisfactory to the Tender Agent has not been provided.

6. The undersigned hereby also assigns and transfers and directs the Tender Agent to transfer the Warrants delivered in connection herewith to the appropriate party under the terms and conditions contained in said Ninth Supplemental Indenture.

7. The undersigned acknowledges that, in the event of a failure to deliver the Warrants or in the event such Warrants are not properly delivered, such Warrants shall nevertheless be deemed tendered and purchased on the date referred to in (1) above, no interest shall accrue thereon to the undersigned from and after such date of purchase and that the undersigned shall have no rights under the Warrants or under said Ninth Supplemental Indenture except the right to receive the purchase price of the Warrants.

8. Capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Ninth Supplemental Indenture, dated as of April 1, 2003, by and between Jefferson County, Alabama and The Bank of New York, as Trustee. The statements contained herein are summaries of certain provisions of said Ninth Supplemental Indenture, which summaries do not purport to be complete and are qualified in their entirety by reference to such document.

Dated: _____

Name of Owner as it is written on the face of the above-listed Warrants in every particular, without alteration, enlargement or any change whatsoever

Witness

**JEFFERSON COUNTY, ALABAMA
SEWER REVENUE REFUNDING WARRANTS
SERIES 2003-B**

**NOTICE OF MANDATORY TENDER UPON EXPIRATION,
TERMINATION, SUBSTITUTION OR AMENDMENT
OF LIQUIDITY FACILITY
OR FAILURE TO MAINTAIN RATING**

Notice is hereby given to the registered owners of the above-captioned issue (the "Warrants") of Jefferson County, Alabama (the "County") that:

1. In accordance with the Ninth Supplemental Indenture (the "Indenture") dated as of April 1, 2003, between the County and The Bank of New York, notice is hereby given that [the Liquidity Facility issued by _____ with respect to the Warrants (the "Liquidity Facility") will expire, terminate, or be amended, or an Alternate Liquidity Facility will be substituted therefor, which expiration, termination, amendment or substitution will result in a reduction in or withdrawal of the short-term or long-term rating or both assigned to the affected Warrants by Moody's or S&P, on _____] [_____, the provider of a Liquidity Facility (the "Liquidity Facility") with respect to certain of the Warrants, has failed to maintain its ratings as specified in the Indenture] and that all Warrants covered by the Liquidity Facility, other than Bank Warrants and Warrants held by or for the account of the County, are subject to mandatory tender under the circumstances set forth in Section 5.4 of the Indenture as hereinafter set forth at a purchase price equal to the principal amount thereof.

2. Those of the Warrants covered by the Liquidity Facility are subject to mandatory tender for purchase on _____ (the "Mandatory Tender Date").

3. Holders of Warrants subject to mandatory tender for purchase on the Mandatory Tender Date shall have no right to retain their Warrants and shall be required to tender such Warrants no later than the Mandatory Tender Date as provided herein.

4. On and after the Mandatory Tender Date, the [short-term] [long term] rating on the Warrants covered by the Liquidity Facility by [insert, as appropriate: (i) Moody's and/or S&P will be _____ and/or (ii) Moody's and/or S&P may be reduced or withdrawn].

5. Registered owners of Warrants are required to deliver their Warrants to the Tender Agent on the Mandatory Tender Date at the office of the Tender Agent located at _____, endorsed in blank by the registered owner thereof or accompanied by an instrument of transfer thereof in form satisfactory to the Tender Agent

executed in blank by the registered owner thereof (the Tender Agent being able to refuse to make payment with respect to any such Warrant not endorsed in blank or for which an instrument of transfer satisfactory to it has not been provided).

6. Each registered owner of Warrants who has properly tendered such Warrants in accordance with the above provisions will be paid the purchase price therefor, plus interest accrued to the Mandatory Tender Date, which interest will be paid to such registered owner in accordance with the Indenture, and if such purchase price and interest is paid, such registered owner shall have no further rights with respect to said Warrants.

7. With respect to any registered owner of Warrants who has not properly tendered such Warrants in accordance with the above provisions of this notice (A) such registered owner's Warrants will nevertheless be deemed tendered and purchased on the Mandatory Tender Date at a purchase price equal to the principal amount thereof, (B) such registered owner will be paid interest on such Warrants on the Mandatory Tender Date as provided in the Indenture and will be paid such purchase price for such Warrants upon the tender of such Warrants to the Tender Agent and (C) interest on such Warrants shall cease to be payable to such registered owner from and after the Mandatory Tender Date, and after the Mandatory Tender Date such registered owner will have no rights with respect to such Warrants except to receive payment of the purchase price upon tender of such Warrants to the Tender Agent.

8. Capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Indenture. The statements contained herein are summaries of certain provisions of the Indenture which do not purport to be complete and are qualified in their entirety by reference to the Indenture.

Dated: _____

JEFFERSON COUNTY, ALABAMA

By: THE BANK OF NEW YORK, as Trustee

By _____
Authorized Officer