

**SEMINOLE COUNTY GOVERNMENT
AGENDA MEMORANDUM**

SUBJECT: Refinancing the Solid Waste Bonds

DEPARTMENT: Fiscal Services **DIVISION:** Administration

AUTHORIZED BY: Lisa Spriggs  **CONTACT:** _____ **EXT.** 7172

Agenda Date <u>11/18/03</u> Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Work Session <input type="checkbox"/> Briefing <input type="checkbox"/>
Public Hearing – 1:30 <input type="checkbox"/> Public Hearing – 7:00 <input type="checkbox"/>

MOTION/RECOMMENDATION:

Request the Board to approve the Resolution authorizing the completion of the refunding.

BACKGROUND:

On July 25, 2003, the Board authorized staff, the Financial Advisor (Stifel, Nicolaus and Company, Inc) and Underwriters (William R. Hough, Senior Manager and Bank of America, Co-Manager) to proceed with the refinancing of the County's Solid Waste Bonds.

A commitment for bond insurance has been received from FSA, which will result in Aaa/AAA ratings by Moody's Investor Services and Standard and Poors respectively. A final maturity of 10/01/2017 is recommended for the refunding bonds. The outstanding bonds have a final maturity of 10/01/2020. Based on available County funds of \$8,000,000 used in the refunding and other monies in the bond funds, there is an average annual reduction in debt service of \$646,200 through 2017. The average annual reduction over the term (2020) of the refunded bonds is estimated to be \$860,000. The estimated gross reduction in debt service is \$14,476,195. After deducting the County's contribution, this results in an estimated Net Present Value savings of \$2,076,229, which is 10.26% of the refunded bonds. Attached is the Authorizing Resolution.

Reviewed by:
Co Atty: _____
DFS: _____
Other: _____
DCM:  _____
CM:  _____
File No <u>CFSA00</u>

SEMINOLE COUNTY, FLORIDA

SOLID WASTE DISPOSAL SYSTEM REVENUE BOND RESOLUTION

ADOPTED NOVEMBER 18, 2003

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RESOLUTION NO. 03-R-__

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF SEMINOLE COUNTY, FLORIDA AUTHORIZING THE REFUNDING OF THE COUNTY'S OUTSTANDING SOLID WASTE DISPOSAL SYSTEM REVENUE BONDS, SERIES 1993; AUTHORIZING THE ISSUANCE BY SEMINOLE COUNTY OF NOT EXCEEDING \$12,850,000 ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF SOLID WASTE DISPOSAL SYSTEM REVENUE REFUNDING BONDS, SERIES 2003 TO PROVIDE FUNDS, TOGETHER WITH OTHER AVAILABLE MONEYS, SUFFICIENT TO REFUND THE SERIES 1993 BONDS; PLEDGING THE NET REVENUES OF THE COUNTY'S SOLID WASTE DISPOSAL SYSTEM TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS; AUTHORIZING A DELEGATED NEGOTIATED SALE OF THE SERIES 2003 BONDS; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SAID BONDS; PROVIDING FOR THE ISSUANCE OF ADDITIONAL BONDS; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE FOR THIS RESOLUTION.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SEMINOLE COUNTY, FLORIDA:

ARTICLE I
GENERAL

SECTION 1.01. DEFINITIONS. When used in this Resolution, the following terms shall have the following meanings, unless the context clearly otherwise requires:

"Accreted Value" shall mean, as of any date of computation with respect to any Capital Appreciation Bond, an amount equal to the principal amount of such Capital Appreciation Bond (the principal amount at its initial offering) plus the interest accrued on such Capital Appreciation Bond from the date of delivery to the original purchasers thereof to the Interest Date next preceding the date of computation or the date of computation if an Interest Date, such interest to accrue at a rate not exceeding the legal rate, compounded semiannually, plus, with respect to matters related to the payment upon redemption or acceleration of the Capital Appreciation Bonds, if such date of computation shall not be an Interest Date, a portion of the difference between the Accreted Value as of the immediately preceding Interest Date and the Accreted Value as of the immediately succeeding Interest Date, calculated based on the assumption that Accreted Value accrues during any semi-annual period in equal daily amounts on the basis of a 360-day year.

"Act" shall mean Chapter 125, Florida Statutes, Part I, Chapter 159, Florida Statutes, Part IV, Chapter 403, Florida Statutes and other applicable provisions of law.

"Additional Bonds" shall mean the obligations issued at any time under the provisions of Section 6.02 hereof on a parity with the Series 2003 Bonds.

"Annual Audit" shall mean the annual audit prepared pursuant to the requirements of Section 5.06 hereof.

"Annual Budget" shall mean the annual budget prepared pursuant to the requirements of Section 5.03 hereof.

"Annual Debt Service" shall mean, at any time, the aggregate amount in the then current Bond Year of (1) interest required to be paid on the Outstanding Bonds during such Bond Year, except to the extent that such interest is to be paid from deposits in the Interest Account made from Bond proceeds, (2) principal of Outstanding Serial Bonds maturing in such Bond Year, and (3) the Sinking Fund Installments herein or by Supplemental Resolution designated with respect to such Bond Year. For purposes of this definition, all amounts payable on a Capital Appreciation Bond shall be considered a principal payment due in the year of its maturing or earlier mandatory redemption.

"Authorized Investments" shall mean any of the following, if and to the extent that the same are at the time legal for investment of funds of the Issuer:

(1) Direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("United States Treasury Obligations"), (b) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America, (c) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, or (d) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.

(2) Federal Housing Administration debentures.

(3) The listed obligations of government-sponsored agencies which are not backed by the full faith and credit of the United States of America:

- (a) Federal Home Loan Mortgage Corporation (FHLMC)
- (b) Participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts) - Senior Debt obligations
- (c) Farm Credit Banks (formerly: Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives) Consolidated system-wide bonds and notes
- (d) Federal Home Loan Banks (FHL Banks) Consolidated debt obligations
- (e) Federal National Mortgage Association (FNMA) Senior debt obligations Mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts)
- (f) Student Loan Marketing Association (SLMA) Senior debt obligations (excluded are securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date)
- (g) Financing Corporation (FICO) Debt obligations
- (h) Resolution Funding Corporation (REFCORP) Debt obligations

(4) Unsecured certificates of deposit, time deposits, and bankers' acceptances (having maturities of not more than 30 days) of any bank the short-term obligations of which are rated 'A-1' or better by S&P.

(5) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least \$5 million.

(6) Commercial paper (having original maturities of not more than 270 days) rated 'A-1+' by S&P and 'Prime-1' by Moody's.

(7) Money market funds rated 'AAM' or 'AAM-G' by S&P, or better or "Aaa" by Moody's.

(8) "State Obligations", which means:

(a) Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated 'A3' by Moody's and 'A' by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.

(b) Direct general short-term obligations of any state agency or subdivision or agency thereof described in (A) above and rated 'A-1+' by S&P and 'MIG-1' by Moody's.

(c) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (A) above and rated 'AA' or better by S&P and 'Aa' or better by Moody's.

(9) Pre-refunded municipal obligations rated "AAA" by S & P and "Aaa" by Moody's meeting the following requirements:

(a) the municipal obligations are (1) not subject to redemption prior to maturity or (2) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

(b) the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

- (c) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("Verification");
- (d) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;
- (e) no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and
- (f) the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

(10) Repurchase agreements:

With (1) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least "A" by S&P and Moody's; or (2) any broker-dealer with "retail customers" or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least "A" by S&P and Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated "A" or better by S&P and Moody's and acceptable to the Insurer, provided that:

- (a) The market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S & P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach);
- (b) A third party acting solely as agent therefor or for the Issuer (the "Holder of the Collateral") has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);
- (c) The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the

case of bearer securities, this means the Holder of the Collateral is in possession);

- (d) All other requirements of S&P in respect of repurchase agreements shall be met.
- (e) The repurchase agreement shall provide that if during its term the provider's rating by either Moody's or S&P is withdrawn or suspended or falls below "A-" by S&P or "A3" by Moody's, as appropriate, the provider must, at the direction of the Issuer (who shall give such direction if so directed by the Insurer), within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the Issuer.

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (A) above, so long as such collateral levels are 103% or better and the provider is rated at least "A" by S&P and Moody's, respectively.

(11) Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "AA" by S&P and "Aa" by Moody's; provided that, by the terms of the investment agreement:

- (a) interest payments are to be made to the Paying Agent at times and in amounts as necessary to pay debt service (or, if the investment agreement is for the construction fund, construction draws) on the Bonds;
- (b) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days' prior notice; the Issuer hereby agrees to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;
- (c) the investment agreement shall state that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks pari passu with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;

- (d) the Issuer receives the opinion of domestic counsel (which opinion shall be addressed to the Issuer and the Insurer) that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the Insurer;
- (e) the investment agreement shall provide that if during its term
 - (i) the provider's rating by either S&P or Moody's falls below "AA-" or "Aa3", respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the provider's books) to the Issuer or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S & P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (ii) repay the principal of and accrued but unpaid interest on the investment, and
 - (ii) the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A-" or "A3", respectively, the provider must, at the direction of the Issuer (who shall give such direction if so directed by the Insurer), within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the Issuer, and
- (f) The investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);
- (g) the investment agreement must provide that if during its term
 - (i) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the Issuer (who shall give such direction if so directed by the Insurer), be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Issuer; and

(ii) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Issuer.

(12) Units of participation in the Local Government Surplus Funds Trust Fund established pursuant to Part IV, Chapter 218, Florida Statutes, or any similar common trust fund which is established pursuant to State law as a legal depository of public moneys.

(13) Other investments approved by the Insurer or Insurers of the Bonds, provided all Outstanding Bonds are insured as to payment by such Insurer or Insurers.

"Authorized Issuer Officer" shall mean the County Manager, the County's Director of Environmental Services (or any successor department) or the County's Manager of its Solid Waste Division (or their designee), and when used in reference to any act or document, also means any other person authorized by resolution of the Issuer to perform such act or sign such document.

"Bond Counsel" shall mean Nabors, Giblin & Nickerson, P.A. or any other attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

"Bondholder" or **"Holder"** or **"holder"** or any similar term, when used with reference to a Bond or Bonds, shall mean any person who shall be the registered owner of any Outstanding Bond or Bonds as provided in the registration books of the Issuer.

"Bond Insurance Policy" shall mean, with respect to the Series 2003 Bonds, the municipal bond new issue insurance policy issued by Financial Security guaranteeing the payment, when due, of the principal of and interest on the Series 2003 Bonds as provided therein. With respect to any other Series of Bonds, "Bond Insurance Policy" shall mean the municipal bond new issue insurance policy or policies issued by an Insurer guaranteeing the payment of the principal of and interest on any portion of such Series of Bonds.

"Bond Year" shall mean the period commencing October 2 each year, to and including October 1 of the next succeeding year.

"Bonds" shall mean the Series 2003 Bonds, together with any Additional Bonds issued pursuant to this Resolution and any Subordinated Indebtedness which accedes to the status of Bonds pursuant to Section 6.04 hereof.

"Business Day" or **"business day"** shall mean any day other than a Saturday, Sunday or a day on which banking institutions within the State are authorized by law to remain closed.

"Capital Appreciation Bonds" shall mean those Bonds so designated by Supplemental Resolution of the Issuer, which may be either Serial Bonds or Term Bonds and which shall bear interest payable at maturity or redemption. In the case of Capital Appreciation Bonds that are convertible to Bonds with interest payable prior to maturity or redemption of such Bonds, such Bonds shall be considered Capital Appreciation Bonds only during the period of time prior to such conversion.

"Chairman" shall mean the Chairman or Vice-Chairman of the Board of County Commissioners of Seminole County, Florida and such other person as may be duly authorized to act on his or her behalf.

"Clerk" shall mean the Clerk of the Circuit Court for Seminole County, Florida, ex-officio Clerk of the Board of County Commissioners of Seminole County, Florida and such other person as may be duly authorized to act on his or her behalf.

"Closure Reserve Fund" shall mean the fund created pursuant to Section 4.04(E) hereof.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the regulations and rules thereunder in effect or proposed.

"Construction Fund" shall mean the fund established pursuant to Section 4.03 hereof.

"Consulting Engineers" shall mean any engineering firm of reputation for skill and experience with respect to the construction and operation of facilities similar to the System, which is duly licensed under the laws of the State of Florida and designated by the Issuer to perform the duties of the Consulting Engineers under the provisions hereof.

"Cost" or "Costs", when used in connection with a Project, shall, to the extent permitted by the Act, mean (1) the Issuer's cost of physical construction; (2) costs of acquisition by or for the Issuer of such Project; (3) costs of land and interests therein and the cost of the Issuer incidental to such acquisition; (4) the cost of any indemnity and surety bonds and premiums for insurance during construction; (5) all interest due to be paid on the Bonds and other obligations relating to the System during the period of construction of such Project and, if deemed advisable by the Issuer for a reasonable period thereafter; (6) engineering, legal and other consultant fees and expenses; (7) costs and expenses of the financing, including audits, fees and expenses of any Paying Agent, Registrar or depository; (8) amounts, if any, required by this Resolution to be paid into the Interest Account upon the issuance of any Series of Bonds; (9) payments, when due

(whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the Issuer (other than the Bonds) incurred for a Project or for the System; (10) costs of machinery, equipment and supplies and reserves required by the Issuer for the commencement of operation of such Project; and (11) any other costs properly attributable to such construction or acquisition, as determined by generally accepted accounting standards applicable to solid waste disposal systems, and shall include reimbursement to the Issuer for any such items of Cost heretofore paid by the Issuer. Any Supplemental Resolution may provide for additional items to be included in the aforesaid Costs.

"Credit Bank" shall mean as to any particular Series of Bonds, the Person (other than an Insurer) providing a letter of credit, a line of credit or another credit or liquidity enhancement facility, as designated in the Supplemental Resolution providing for the issuance of such Bonds.

"Credit Facility" shall mean as to any particular Series of Bonds, a letter of credit, a line of credit or another credit or liquidity enhancement facility (other than an insurance policy issued by an Insurer), as approved in the Supplemental Resolution providing for the issuance of such Bonds.

"Debt" of the Issuer means at any date (without duplication) all of the following to the extent that they are general obligations of the Issuer or are payable in whole or in part from Non-Ad Valorem Funds: (1) all obligations of the Issuer for borrowed money or evidenced by bonds, debentures, notes or other similar instruments; (2) all obligations of the Issuer to pay the deferred purchase price of property or services, except trade accounts payable under normal trade terms and which arise in the ordinary course of business; (3) all obligations of the Issuer as lessee under capitalized leases; and (4) all indebtedness of other persons to the extent guaranteed by, or secured by Non-Ad Valorem Funds of, the Issuer.

"Escrow Agent" shall mean Bank One Trust Company, N.A..

"Escrow Deposit Agreement" shall mean that certain Escrow Deposit Agreement to be executed by and between the Issuer and the Escrow Agent prior to the issuance of the Series 2003 Bonds, for the purpose of providing for payment of the Refunded Bonds, such Escrow Deposit Agreement to be substantially in the form attached hereto as Exhibit D.

"Federal Securities" shall mean obligations described in paragraph (1) of the definition of "Authorized Investments."

"Financial Security" shall mean Financial Security Assurance Inc., its successors and assigns.

"Fiscal Year" shall mean the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law.

"Fitch" shall mean Fitch Ratings, Inc., and any assigns or successors thereto.

"Government Grant", when used with respect to the System, shall mean any sum of money heretofore or hereafter received by the Issuer from the United States of America or any agency thereof or from the State of Florida or any agency or political subdivision thereof as or on account of a grant or contribution, not repayable by the Issuer, for or with respect to (1) the construction, acquisition or other development of an addition, extension or improvement to any part of the System or any costs of any such construction, acquisition or development, or (2) the financing of any such construction, acquisition, development or costs.

"Gross Revenues" shall mean all income and moneys received by the Issuer from the rates, fees, rentals, charges, and other income to be made and collected by the Issuer for the use of the products, services and facilities provided or to be provided by the System, or otherwise received by the Issuer or accruing to the Issuer in the management and operation of the System, calculated in accordance with generally accepted accounting methods employed in the operation of public solid waste disposal systems similar to the System, including, without limiting the generality of the foregoing (1) moneys deposited into the Revenue Fund from the Rate Stabilization Fund in accordance with the terms hereof, provided any moneys transferred from the Rate Stabilization Fund into the Revenue Fund within 90 days following the end of a Fiscal Year may be designated by the Issuer as Gross Revenues of such prior Fiscal Year, (2) any proceeds from use and occupancy insurance on the System, and (3) all earnings and income derived from the investment of moneys under the provisions of this Resolution other than earnings derived from investment of amounts in the Construction Fund. "Gross Revenues" shall not include (A) Government Grants, (B) proceeds of Bonds or other Issuer debt and (C) unrealized gains or losses on investments.

"Insurer" shall mean, with respect to the Series 2003 Bonds, Financial Security. With respect to any other Series of Bonds, "Insurer" shall mean such Person as shall be in the business of insuring or guaranteeing the payment of principal of and interest on such Series when due.

"Interest Account" shall mean the separate account in the Sinking Fund established pursuant to Section 4.04(C) hereof.

"Interest Date" or **"interest payment date"** shall be such date or dates established for the payment of interest on a Series of Bonds as shall be provided by Supplemental Resolution of the Issuer.

"Issuer" shall mean Seminole County, Florida, a political subdivision of the State, and also includes any authority or other governmental entity to which may hereafter be transferred some or all of the powers and responsibilities of the Issuer with respect to the ownership, financing, operation, enlargement, improvement and maintenance of the System.

"Maximum Annual Debt Service" shall mean the largest aggregate amount in any Bond Year, excluding all Bond Years which shall have ended prior to the Bond Year in which the Maximum Annual Debt Service shall at any time be computed, of the Annual Debt Service.

"Maximum Interest Rate" shall mean, with respect to any particular Variable Rate Bonds, a numerical rate of interest, which shall be set forth in the Supplemental Resolution of the Issuer delineating the details of such Bonds, that shall be the maximum rate of interest such Bonds may at any particular time bear in the future in accordance with the terms of such Supplemental Resolution.

"Moody's" shall mean Moody's Investors Service, and any assigns and successors thereto.

"Net Revenues" shall mean Gross Revenues less Operating Expenses.

"Non-Ad Valorem Funds" shall mean all revenues of the Issuer derived from any source whatsoever other than ad valorem taxation on real or personal property, as to which the Issuer is not legally precluded from making the payments required herein, but only after provision has been made by the Issuer for the payment of all essential or legally mandated services.

"Operating Expenses" shall mean the Issuer's expenses for operation, maintenance, repairs and replacements with respect to the System and shall include, without limiting the generality of the foregoing, administration expenses, insurance and surety bond premiums, the fees to the provider of a Reserve Account Insurance Policy or Reserve Account Letter of Credit (but excluding any expenses or reimbursement obligations for draws made thereunder), legal and engineering expenses, ordinary and current rentals of equipment or other property, refunds of moneys lawfully due to others, payments to others for disposal or recycling of solid wastes, payments to pension, retirement, health and hospitalization funds, and any other expenses required to be paid for or with respect to proper operation or maintenance of the System, all to the extent properly attributable to the System in accordance with generally accepted accounting standards employed in the operation of public solid waste disposal systems similar to the System, and disbursements for the expenses, liabilities and compensation of any Paying Agent or Registrar under this Resolution, but does not include (1) any costs or expenses in respect of original construction or improvement other than expenditures necessary to prevent an interruption or continuance of an interruption of Gross Revenues or minor

capital expenditures necessary for the proper and economical operation or maintenance of the System, (2) any provision for interest, depreciation, amortization or similar charges, or (3) amounts reserved for closure of the landfill portion of the System in accordance with Section 4.05(B)(6) hereof and Section 403.7125, Florida Statutes.

"Operation and Maintenance Fund" shall mean the fund created pursuant to Section 4.04(B) hereof.

"Outstanding", when used with reference to Bonds and as of any particular date, shall describe all Bonds theretofore and thereupon being authenticated and delivered except, (1) any Bond in lieu of which other Bond or Bonds have been issued under agreement to replace lost, mutilated or destroyed Bonds, (2) any Bond surrendered by the Holder thereof in exchange for another Bond or other Bonds under Sections 2.06 and 2.08 hereof, (3) Bonds deemed to have been paid pursuant to Section 9.01 hereof and (4) Bonds cancelled after purchase in the open market or because of payment at or redemption prior to maturity.

"Paying Agent" shall mean for each Series of Bonds any paying agent for such Series of Bonds appointed by or pursuant to this Resolution and its successor or assigns, and any other Person which may at any time be substituted in its place pursuant to this Resolution.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or governmental entity.

"Pledged Funds" shall mean, (1) the Net Revenues, and (2) until applied in accordance with the provisions of this Resolution, all moneys, including investments thereof, in the funds and accounts established hereunder, except (A) for the Rebate Fund, and (B) to the extent moneys on deposit in a subaccount of the Reserve Account shall be pledged solely for the payment of the Series of Bonds for which it was established in accordance with the provisions hereof, in which case such moneys shall be pledged solely to such Series.

"Prerefunded Obligations" shall mean any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state (1) which are (A) not callable prior to maturity or (B) as to which irrevocable instructions have been given to the fiduciary for such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified in such instructions, (2) which are fully secured as to principal, redemption premium, if any, and interest by a fund held by a fiduciary consisting only of cash or Federal Securities, secured in the manner set forth in Section 9.01 hereof, which fund may be applied only to the payment of such principal of, redemption premium, if any, and interest on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such

irrevocable instructions, as the case may be, (3) as to which the principal of and interest on the Federal Securities, which have been deposited in such fund along with any cash on deposit in such fund are sufficient to pay principal of, redemption premium, if any, and interest on the bonds or other obligations on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in clause (1) above and are not available to satisfy any other claims, including those against the fiduciary holding the same, and (4) which are rated in the highest rating category of either Standard & Poor's Corporation or Moody's.

"Principal Account" shall mean the separate account in the Sinking Fund established pursuant to Section 4.04(C) hereof.

"Project" shall mean any structure, property or facility for public use which the Issuer from time to time may determine to construct or acquire as part of the System, together with all equipment, structures and other facilities necessary or appropriate in connection therewith which are financed in whole or in part with indebtedness secured by this Resolution. This term is to be broadly construed as including any lawful undertaking which will accrue to the benefit of the System, including joint ventures and acquisition of partial interests or contractual rights, and including modification, disposal or cancellation of a Project previously authorized, should such modification, disposal or cancellation be permitted under this Resolution.

"Purchase Agreement" shall mean the Bond Purchase Agreement to be executed between the Issuer and the Underwriter in accordance with Section 2.02(b) hereof, which Purchase Agreement shall set forth the terms of the Series 2003 Bonds and the form of which is attached hereto as Exhibit B.

"Rate Stabilization Fund" shall mean the "Rate Stabilization Fund" established pursuant to Section 4.04(G) hereof.

"Rating Agency" shall mean the agency or agencies at the time providing a rating on the Series of Bonds Outstanding hereunder.

"Rebate Fund" shall mean the Rebate Fund established pursuant to Section 4.04(H) hereof.

"Redemption Price" shall mean, with respect to any Bond or portion thereof, the principal amount or portion thereof, plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or this Resolution.

"Refunded Bonds" shall mean the Issuer's Outstanding Solid Waste Disposal System Revenue Refunding Bonds, Series 1993.

"Refunded Resolution" shall mean Issuer Resolution No. 93-R-182, adopted on June 11, 1993, as amended and supplemented, which Resolution authorized the issuance of the Refunded Bonds.

"Refunding Securities" shall mean the Federal Securities and the Prerefunded Obligations.

"Registrar" shall mean for each Series of Bonds any registrar for such Series of Bonds appointed by or pursuant to this Resolution and its successors and assigns, and any other Person which may at any time be substituted in its or their place pursuant to this Resolution.

"Renewal and Replacement Fund" shall mean the fund created pursuant to Section 4.04(D) hereof.

"Renewal and Replacement Fund Requirement" shall mean, on the date of calculation, an amount of money equal to the lesser of (1) five percent (5%) of the Gross Revenues received by the Issuer in the immediately preceding Fiscal Year, or (2) \$500,000, or (3) such other greater or lesser amount as may be certified to the Issuer by the Consulting Engineers as the appropriate amount for the System.

"Reserve Account" shall mean the separate account in the Sinking Fund established pursuant to Section 4.04(C) hereof.

"Reserve Account Insurance Policy" shall mean the insurance policy or surety bond deposited in the Reserve Account in lieu of or in partial substitution for cash on deposit therein pursuant to Section 4.05(B)(4).

"Reserve Account Letter of Credit" shall mean an unconditional irrevocable letter of credit or line of credit or other credit facility (other than a Reserve Account Insurance Policy) deposited in the Reserve Account in lieu of or in partial substitution for cash on deposit therein pursuant to Section 4.05(B)(4) hereof.

"Reserve Account Requirement" shall mean, as of any date of calculation for the Reserve Account or any particular subaccount of the Reserve Account, an amount equal to the lesser of (1) Maximum Annual Debt Service for all Outstanding Bonds which are secured by the Reserve Account or any such subaccount, (2) 125% of the average annual debt service for all Outstanding Bonds which are secured by the Reserve Account or any such subaccount, or (3) 10% of the proceeds of the Bonds. In computing the Reserve Account Requirement in respect of the Reserve Account or any subaccount of the Reserve Account which secures Bonds that constitute Variable Rate Bonds, the interest rate on such Bonds shall be assumed to be a fixed interest rate equal to the most recently published Bond Buyer Revenue Bond Index (or comparable index if no longer published) plus fifty (50) basis points. In computing the Reserve Account Requirement

in accordance with clause (3) of this definition in respect of any Capital Appreciation Bonds, the proceeds of such Bonds shall be determined using the original principal amount thereof, not the Accreted Value.

"Resolution" shall mean this Resolution, as the same may from time to time be amended, modified or supplemented by Supplemental Resolution.

"Revenue Fund" shall mean the fund created pursuant to Section 4.04(A) hereof.

"Serial Bonds" shall mean all of the Bonds other than the Term Bonds.

"Series" shall mean all the Bonds delivered on original issuance in a simultaneous transaction and identified pursuant to Sections 2.01 and 2.02 hereof or a Supplemental Resolution authorizing the issuance by the Issuer of such Bonds as a separate Series, regardless of variations in maturity, interest rate, Sinking Fund Installments or other provisions.

"Series 2003 Bonds" shall mean the Issuer's Solid Waste Disposal System Revenue Refunding Bonds, Series 2003 authorized pursuant to Section 2.02 hereof.

"Sinking Fund" shall mean the fund established pursuant to Section 4.04(C) hereof.

"Sinking Fund Installment" shall mean an amount designated as such by Supplemental Resolution of the Issuer and established with respect to the Term Bonds.

"Standard and Poor's Corporation" or **"S & P"** shall mean Standard and Poor's Corporation, and any assigns and successors thereto.

"State" shall mean the State of Florida.

"Subordinated Indebtedness" shall mean that indebtedness of the Issuer, subordinate and junior to the Bonds as to the lien on and pledge of the Pledged Funds, issued in accordance with the provisions of Section 6.01 hereof.

"Supplemental Resolution" shall mean any resolution of the Issuer amending or supplementing this Resolution enacted and becoming effective in accordance with the terms of Sections 8.01, 8.02 and 8.03 hereof.

"Surplus Fund" shall mean the fund created pursuant to Section 4.04(F) hereof.

"System" shall mean any and all solid waste disposal facilities (including landfills, construction demolition debris disposal sites and transfer stations and recycling facilities) now owned and operated or hereafter owned and operated or otherwise utilized by the Issuer, which System shall also include any and all improvements, extensions and

additions thereto hereafter constructed or acquired either from the proceeds of Bonds or from any other sources, together with all property, real or personal, tangible or intangible, now or hereafter owned or used in connection therewith.

"Taxable Bonds" means any Bond which states, in the body thereof, that the interest income thereon is includible in the gross income of the Holder thereof for Federal income taxation purposes or that such interest is subject to Federal income taxation.

"Term Bonds" shall mean those Bonds which shall be designated as Term Bonds hereby or by Supplemental Resolution of the Issuer.

"Term Bonds Redemption Account" shall mean the separate account in the Sinking Fund established pursuant to Section 4.04(C) hereof.

"Underwriter" shall mean with respect to the Series 2003 Bonds, William R. Hough & Co. and Banc of America Securities LLC.

"Variable Rate Bonds" shall mean Bonds issued with a variable, adjustable, convertible or other similar rate which is not fixed in percentage for the entire term thereof at the date of issue.

The terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms, shall refer to this Resolution; the term "heretofore" shall mean before the date of adoption of this Resolution; and the term "hereafter" shall mean after the date of adoption of this Resolution.

Words importing the masculine gender include every other gender.

Words importing the singular number include the plural number, and vice versa.

SECTION 1.02. AUTHORITY FOR RESOLUTION. This Resolution is adopted pursuant to the provisions of the Act. The Issuer has ascertained and hereby determined that adoption of this Resolution is necessary to carry out the powers, purposes and duties expressly provided in the Act, that each and every matter and thing as to which provision is made herein is necessary in order to carry out and effectuate the purposes of the Issuer in accordance with the Act and to carry out and effectuate the plan and purpose of the Act, and that the powers of the Issuer herein exercised are in each case exercised in accordance with the provisions of the Act and in furtherance of the purposes of the Issuer.

SECTION 1.03. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the purchase and acceptance of any or all of the Bonds by those who shall hold the same from time to time, the provisions of this Resolution shall be a part of the contract of the Issuer with the Holders of the Bonds, and shall be deemed to be and shall constitute a contract between the Issuer and the Holders from time to time of the Bonds. The pledge made in the Resolution and the provisions, covenants and agreements

herein set forth to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security of the Holders of any and all of said Bonds in accordance with the terms hereof. All of the Bonds, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or pursuant to this Resolution.

SECTION 1.04. FINDINGS. It is hereby ascertained, determined and declared:

(A) That the Issuer now owns, operates and maintains solid waste disposal facilities for the collection and disposal of solid waste for the protection, health and well-being of its residents.

(B) That the Pledged Funds are not pledged or encumbered in any manner except for the Refunded Bonds.

(C) The Issuer has heretofore issued the Refunded Bonds in the original principal amount of \$26,360,000, of which \$20,235,000 remains outstanding.

(D) The Issuer hereby deems it in its best interests to refund the Refunded Bonds in order to achieve debt service savings.

(E) There is hereby authorized the payment and refunding of the Refunded Bonds in order to achieve debt service savings, all in the manner herein provided. For the payment and refunding of said Refunded Bonds, the Issuer shall deposit surplus cash and part of the proceeds derived from the sale of the Series 2003 Bonds in a special escrow deposit trust fund, to purchase Federal Securities or other obligations permitted by the Refunded Resolution which shall be sufficient, together with investment earnings therefrom, to pay the Refunded Bonds as the same become due and payable or are redeemed prior to maturity, all as provided herein, in the Escrow Deposit Agreement and in the Refunded Resolution. Subsequent to the defeasance of the Refunded Bonds, the Refunded Bonds shall no longer be payable from or be secured by any portion of the Pledged Funds.

(F) That the estimated Gross Revenues to be derived in each year hereafter from the operation of the System will be sufficient to pay all the Operating Expenses, the principal of and interest on the Bonds to be issued pursuant to this Resolution, as the same become due, and all other payments provided for in this Resolution.

(G) That the principal of and interest on the Bonds to be issued pursuant to this Resolution, and all other payments provided for in this Resolution will be paid solely from the Pledged Funds in accordance with the terms hereof; and the ad valorem taxing power of the Issuer will never be necessary or authorized to pay the principal of and

interest on the Bonds to be issued pursuant to this Resolution, or to make any other payments provided for in this Resolution, and the Bonds shall not constitute a lien upon the System or upon any other property whatsoever of or in the Issuer.

(H) Due to the potential volatility of the market for tax-exempt obligations such as the Series 2003 Bonds and the complexity of the transactions relating to such Series 2003 Bonds, it is in the best interest of the Issuer to sell the Series 2003 Bonds by a delegated, negotiated sale, allowing the Issuer to enter the market at the most advantageous time, rather than at a specified advertised date, thereby permitting the Issuer to obtain the best possible price and interest rate for the Series 2003 Bonds.

SECTION 1.05. AUTHORIZATION OF REFUNDING. The Issuer does hereby authorize the refunding of the Refunded Bonds in accordance with the terms hereof and of the Refunded Resolution.

ARTICLE II

AUTHORIZATION, TERMS, EXECUTION AND REGISTRATION OF BONDS

SECTION 2.01. AUTHORIZATION OF BONDS. This Resolution creates an issue of Bonds of the Issuer to be designated as "Seminole County, Florida Solid Waste Disposal System Revenue [Refunding] Bonds" which may be issued in one or more Series as hereinafter provided. The aggregate principal amount of the Bonds which may be executed and delivered under this Resolution is not limited except as is or may hereafter be provided in this Resolution or as limited by the Act or by law.

The Bonds may, if and when authorized by the Issuer pursuant to this Resolution, be issued in one or more Series, with such further appropriate particular designations added to or incorporated in such title for the Bonds of any particular Series as the Issuer may determine and as may be necessary to distinguish such Bonds from the Bonds of any other Series. Each Bond shall bear upon its face the designation so determined for the Series to which it belongs.

The Bonds shall be issued for such purpose or purposes; shall bear interest at such rate or rates not exceeding the maximum rate permitted by law; and shall be payable in lawful money of the United States of America on such dates; all as determined by Supplemental Resolution of the Issuer.

The Bonds shall be issued in such denominations and such form, whether coupon or registered; shall be dated such date; shall bear such numbers; shall be payable at such place or places; shall contain such redemption provisions; shall have such Paying Agents and Registrars; shall mature in such years and amounts; and the proceeds shall be used in such manner; all as determined by Supplemental Resolution of the Issuer. The Issuer may issue Bonds which may be secured by a Credit Facility or by a Bond Insurance Policy of an Insurer all as shall be determined by Supplemental Resolution of the Issuer.

SECTION 2.02. AUTHORIZATION AND DESCRIPTION OF SERIES 2003 BONDS; DELEGATED, NEGOTIATED, SALE OF THE SERIES 2003 BONDS. (a) A Series of Bonds entitled to the benefit, protection and security of this Resolution is hereby authorized in the original aggregate principal amount of not exceeding \$12,850,000 for the principal purposes of providing funds, together with other available funds, to refund the Refunded Bonds and paying certain costs of issuance incurred with respect to the Series 2003 Bonds. Such Series of Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, "Seminole County, Florida Solid Waste Disposal System Revenue Refunding Bonds, Series 2003"; provided the Issuer may change such designation in the event that the total amount of Series 2003 Bonds authorized herein are not issued in a simultaneous transaction or the Series 2003 Bonds are not issued in calendar year 2003.

The Series 2003 Bonds shall be dated as of the first day of the month in which occurs the delivery of the Series 2003 Bonds to the purchaser or purchasers thereof or such other date as may be set forth in the Purchase Agreement or determined by Supplemental Resolution of the Issuer; shall be issued as fully registered Bonds; shall be numbered consecutively from one upward in order of maturity preceded by the letter "R"; shall be in such denominations and shall bear interest at a rate or rates not exceeding the maximum rate permitted by law, payable in such manner and on such dates; shall consist of such amounts of Serial Bonds, Term Bonds, Variable Rate Bonds and Capital Appreciation Bonds maturing in such years and amounts not exceeding such period as shall be permitted by the Act; shall be payable in such place or places; shall have such Paying Agents and Registrars; and shall contain such redemption provisions; all as the Issuer shall provide hereafter by Supplemental Resolution.

The principal of, Accreted Value or Redemption Price, if applicable, on the Series 2003 Bonds are payable upon presentation of the Series 2003 Bonds at the designated office of the Paying Agent. Interest payable on any Series 2003 Bond on any Interest Date will be paid by check or draft of the Paying Agent to the Holder in whose name such Bond shall be registered at the close of business on the date which shall be the fifteenth day (whether or not a business day) of the calendar month next preceding such Interest Date, or, at the prior written request and expense of such Holder, by bank wire transfer for the account of such Holder. All payments of principal of or Redemption Price, if applicable, and interest on the Series 2003 Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

(b) Subject to full satisfaction of the conditions set forth in this Section 2.02(b), the Issuer hereby authorizes a delegated negotiated sale of the Series 2003 Bonds to the Underwriter in accordance with the terms of a Purchase Agreement to be dated the date of sale and to be substantially in the form attached hereto as Exhibit B, with such changes, amendments, modifications, omissions and additions thereto as shall be approved by the Chairman or the County Manager in accordance with the provisions of this Section 2.02(b), the execution thereof being deemed conclusive evidence of the approval of such changes and the full and complete satisfaction of the conditions set forth in this Section 2.02(b). The Purchase Agreement shall not be executed by the Chairman until such time as all of the following conditions have been satisfied:

(1) Receipt by the Chairman or the County Manager of a written offer to purchase the Series 2003 Bonds by the Underwriter substantially in the form of the Purchase Agreement, said offer to provide for, among other things, (i) the issuance of not exceeding \$12,850,000 initial aggregate principal amount of Series 2003 Bonds, (ii) an underwriting discount (including management fee and all expenses) not in excess of .65% of the initial par amount of the Series 2003 Bonds, (iii) a

true interest cost of not more than 4.50% per annum, and (iv) the maturities of the Series 2003 Bonds with the final maturity no later than October 1, 2020.

(2) With respect to any redemption terms of the Series 2003 Bonds, the first call date may be no later than October 1, 2014 and no call premium may exceed 2% of the par amount of that portion of the Series 2003 Bonds to be redeemed.

(3) Receipt by the Chairman and Superintendent from the Underwriters of a disclosure statement and truth-in-bonding information complying with Section 218.385, Florida Statutes and substantially in the form contained in the Purchase Agreement.

SECTION 2.03. APPLICATION OF SERIES 2003 BOND PROCEEDS.

Except as otherwise provided by Supplemental Resolution of the Issuer, the proceeds derived from the sale of the Series 2003 Bonds, including accrued interest and premium, if any, shall, simultaneously with the delivery of the Series 2003 Bonds to the purchaser or purchasers thereof, be applied by the Issuer as follows:

(A) Accrued interest shall be deposited in the Interest Account and shall be used only for the purpose of paying the interest which shall thereafter become due on the Series 2003 Bonds.

(B) An amount of the proceeds of the Series 2003 Bonds shall be deposited with the Escrow Agent which, together with other amounts held for such purpose, shall be sufficient to pay all of the principal of and interest on the Refunded Bonds.

(C) A sufficient amount of Series 2003 Bond proceeds shall be deposited in the Series 2003 Subaccount of the Reserve Account established pursuant to Section 4.05(B)(4) hereof which, together with any moneys and securities on deposit therein and Reserve Account Insurance Policy and/or Reserve Account Letter of Credit obtained in accordance with Section 4.05(B)(4) hereof, shall equal the Reserve Account Requirement for the Series 2003 Bonds.

(D) A sufficient amount of the Series 2003 Bond proceeds shall be applied to the payment of costs and expenses relating to the issuance of the Series 2003 Bonds. Such amount may, at the option of the Issuer, be deposited in and disbursed from the Construction Fund.

SECTION 2.04. EXECUTION OF BONDS. The Bonds shall be executed in the name of the Issuer with the manual or facsimile signature of the Chairman and the official seal of the Issuer shall be imprinted thereon, attested and countersigned with the manual or facsimile signature of the Clerk. In case any one or more of the officers who shall have signed or sealed any of the Bonds or whose facsimile signature shall appear

thereon shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bond may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such Bond shall hold the proper office of the Issuer, although at the date of such Bond such person may not have held such office or may not have been so authorized. The Issuer may adopt and use for such purposes the facsimile signatures of any such persons who shall have held such offices at any time after the date of the adoption of this Resolution, notwithstanding that either or both shall have ceased to hold such office at the time the Bonds shall be actually sold and delivered.

SECTION 2.05. AUTHENTICATION. No Bond of any Series shall be secured hereunder or entitled to the benefit hereof or shall be valid or obligatory for any purpose unless there shall be manually endorsed on such Bond a certificate of authentication by the Registrar or such other entity as may be approved by the Issuer for such purpose. Such certificate on any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Resolution. The form of such certificate shall be substantially in the form provided in Section 2.09 hereof.

SECTION 2.06. TEMPORARY BONDS. Until the definitive Bonds of any Series are prepared, the Issuer may execute, in the same manner as is provided in Section 2.04, and deliver, upon authentication by the Registrar pursuant to Section 2.05 hereof, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds, except as to the denominations thereof, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in denominations authorized by the Issuer by subsequent resolution and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The Issuer, at his own expense, shall prepare and execute definitive Bonds, which shall be authenticated by the Registrar. Upon the surrender of such temporary Bonds for exchange, the Registrar, without charge to the Holder thereof, shall deliver in exchange therefor definitive Bonds, of the same aggregate principal amount and Series and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds issued pursuant to this Resolution. All temporary Bonds surrendered in exchange for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith cancelled by the Registrar.

SECTION 2.07. BONDS MUTILATED, DESTROYED, STOLEN OR LOST. In case any Bond shall become mutilated, or be destroyed, stolen or lost, the Issuer may, in its discretion, issue and deliver, and the Registrar shall authenticate, a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated

Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder furnishing the Issuer and the Registrar proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer or the Registrar may prescribe and paying such expenses as the Issuer and the Registrar may incur. All Bonds so surrendered or otherwise substituted shall be cancelled by the Registrar. If any of the Bonds shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same or cause the Bond to be paid, upon being indemnified as aforesaid, and if such Bonds be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bonds issued pursuant to this Section 2.07 shall constitute original, additional contractual obligations on the part of the Issuer whether or not the lost, stolen or destroyed Bond be at any time found by anyone, and such duplicate Bond shall be entitled to equal and proportionate benefits and rights as to lien on the Pledged Funds to the same extent as all other Bonds issued hereunder.

SECTION 2.08. INTERCHANGEABILITY, NEGOTIABILITY AND TRANSFER; FULL BOOK ENTRY FOR SERIES 2003 BONDS. (a) Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing, may, at the option of the Holder thereof, be exchanged for an equal aggregate principal amount of registered Bonds of the same Series and maturity of any other authorized denominations.

The Bonds issued under this Resolution shall be and have all the qualities and incidents of negotiable instruments under the law merchant and the Uniform Commercial Code of the State of Florida, subject to the provisions for registration and transfer contained in this Resolution and in the Bonds. So long as any of the Bonds shall remain Outstanding, the Issuer shall maintain and keep, at the office of the Registrar, books for the registration and transfer of the Bonds.

Each Bond shall be transferable only upon the books of the Issuer, at the office of the Registrar, under such reasonable regulations as the Issuer may prescribe, by the Holder thereof in person or by his attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed and guaranteed by the Holder or his duly authorized attorney. Upon the transfer of any such Bond, the Issuer shall issue, and cause to be authenticated, in the name of the transferee a new Bond or Bonds of the same aggregate principal amount and Series and maturity as the surrendered Bond. The Issuer, the Registrar and any Paying Agent or fiduciary of the Issuer may deem and treat the Person in whose name any Outstanding Bond shall be registered upon the books of the Issuer as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price, if applicable, and interest on such Bond and for all other purposes, and all such payments so made to any such Holder or upon his

order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid and neither the Issuer nor the Registrar nor any Paying Agent or other fiduciary of the Issuer shall be affected by any notice to the contrary.

The Registrar, in any case where it is not also the Paying Agent in respect to any Series of Bonds, forthwith (A) following the fifteenth day prior to an interest payment date for such Series; (B) following the fifteenth day next preceding the date of first mailing of notice of redemption of any Bonds of such Series; and (C) at any other time as reasonably requested by the Paying Agent of such Series, certify and furnish to such Paying Agent the names, addresses and holdings of Bondholders and any other relevant information reflected in the registration books. Any Paying Agent of any fully registered Bond shall effect payment of interest on such Bonds by mailing a check to the Holder entitled thereto or may, in lieu thereof, upon the request and at the expense of such Holder, transmit such payment by bank wire transfer for the account of such Holder.

In all cases in which the privilege of exchanging Bonds or transferring Bonds is exercised, the Issuer shall execute and deliver Bonds to the Registrar and the Registrar shall authenticate and deliver such Bonds in accordance with the provisions of this Resolution. Execution of Bonds by the Chairman or Vice-Chairman and Clerk for purposes of exchanging, replacing or transferring Bonds may occur at the time of the original delivery of the Series of which such Bonds are a part. All Bonds surrendered in any such exchanges or transfers shall be cancelled by the Registrar and the Registrar shall provide the Issuer with certificates of cancellation regarding the same. For every such exchange or transfer of Bonds, the Issuer or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or transfer. The Issuer and the Registrar shall not be obligated to make any such exchange or transfer of Bonds of any Series during the fifteen (15) days next preceding an Interest Date on the Bonds of such Series (other than Capital Appreciation Bonds and Variable Rate Bonds), or, in the case of any proposed redemption of Bonds of such Series, then, for the Bonds subject to such redemption, during the fifteen (15) days next preceding the date of the first mailing of notice of such redemption and continuing until such redemption date.

The Issuer may elect to issue any Bonds as uncertificated registered public obligations (not represented by instruments), commonly known as book-entry obligations, provided it shall establish a system of registration therefor by Supplemental Resolution.

(b) Notwithstanding the provisions set forth in Section 2.08(a) hereof, the Series 2003 Bonds shall be initially issued in the form of a separate single certificated fully registered Bond for each of the maturities of the Series 2003 Bonds. Upon initial issuance, the ownership of each such Bond shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of The Depository Trust

Company ("DTC"). All of the Outstanding Series 2003 Bonds shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC. As long as the Series 2003 Bonds shall be registered in the name of Cede & Co., all payments of principal on the Series 2003 Bonds shall be made by the Paying Agent by check or draft or by bank wire transfer to Cede & Co., as Holder of the Series 2003 Bonds, upon presentation of the Series 2003 Bonds to be paid, to the Paying Agent.

With respect to the Series 2003 Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the Issuer, the Registrar and the Paying Agent shall have no responsibility or obligation to any direct or indirect participant in the DTC book-entry program (the "Participants"). Without limiting the immediately preceding sentence, the Issuer, the Registrar and the Paying Agent shall have no responsibility or obligation with respect to (A) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest on the Series 2003 Bonds, (B) the delivery to any Participant or any other Person other than a Bondholder, as shown in the registration books kept by the Registrar, of any notice with respect to the Series 2003 Bonds, including any notice of redemption, or (C) the payment to any Participant or any other Person, other than a Bondholder, as shown in the registration books kept by the Registrar, of any amount with respect to principal of, redemption premium, if any, or interest on the Series 2003 Bonds. The Issuer, the Registrar and the Paying Agent may treat and consider the Person in whose name each Bond is registered in the registration books kept by the Registrar as the Holder and absolute owner of such Bond for the purpose of payment of principal, redemption premium, if any, and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, redemption premium, if any, and interest on the Series 2003 Bonds only to or upon the order of the respective Holders, as shown in the registration books kept by the Registrar, or their respective attorneys duly authorized in writing, as provided herein and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal, redemption premium, if any, and interest on the Series 2003 Bonds to the extent of the sum or sums so paid. No Person other than a Holder, as shown in the registration books kept by the Registrar, shall receive a certificated Bond evidencing the obligation of the Issuer to make payments of principal, redemption premium, if any, and interest pursuant to the provisions of the Resolution. Upon delivery by DTC to the Issuer of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to transfers during the 15 days next preceding an Interest Date or mailing of notice of redemption, the words "Cede & Co." shall refer to such new nominee of DTC; and upon receipt of such notice, the Issuer shall promptly deliver a copy of the same to the Registrar and the Paying Agent.

Upon (A) receipt by the Issuer of written notice from DTC (i) to the effect that a continuation of the requirement that all of the Outstanding Series 2003 Bonds be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the Series 2003 Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, or (B) determination by the Issuer that such book-entry only system is burdensome to the Issuer, the Series 2003 Bonds shall no longer be restricted to being registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names Holders shall designate, in accordance with the provisions of this Resolution. In such event, the Issuer shall issue, and the Registrar shall authenticate, transfer and exchange the Series 2003 Bonds of like principal amount and maturity, in denominations of \$5,000 or any integral multiple thereof to the Holders thereof. The foregoing notwithstanding, until such time as participation in the book-entry only system is discontinued, the provisions set forth in the Letter of Representations executed by the Issuer and the Registrar and delivered to DTC in order to induce DTC to act as securities depository for the Series 2003 Bonds shall apply to the payment of principal of and interest on the Series 2003 Bonds.

SECTION 2.09. FORM OF BONDS. The text of the Bonds, except for Capital Appreciation Bonds and Variable Rate Bonds, the form of which shall be provided by Supplemental Resolution of the Issuer, shall be in substantially the following form with such omissions, insertions and variations as may be necessary and/or desirable and approved by the Chairman or Vice-Chairman and the Clerk prior to the issuance thereof (which necessity and/or desirability and approval shall be presumed by such officer's execution of the Bonds and the Issuer's delivery of the Bonds to the purchaser or purchasers thereof):

No. R-

\$

**UNITED STATES OF AMERICA
STATE OF FLORIDA
SEMINOLE COUNTY
SOLID WASTE DISPOSAL SYSTEM REVENUE [REFUNDING] BOND,
SERIES**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>Initial CUSIP Number</u>
_____ %			

Registered Holder:

Principal Amount:

KNOW ALL MEN BY THESE PRESENTS, that Seminole County, Florida, a political subdivision of the State of Florida (the "Issuer"), for value received, hereby promises to pay, solely from the Pledged Funds hereinafter described, to the Registered Holder identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest on such Principal Amount from the Date of Original Issue identified above or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum identified above on _____ and _____ of each year commencing _____ until such Principal Amount shall have been paid, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto.

Such Principal Amount and interest and the premium, if any, on this Bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts. Such Principal Amount and the premium, if any, on this Bond, are payable, upon presentation and surrender hereof, at the designated corporate trust office of _____, _____, _____, as Paying Agent. Payment of

of debt service on bonds or other debt instruments) and also to the payment of services and programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the Issuer or which are legally mandated by applicable law.

IT IS EXPRESSLY AGREED BY THE REGISTERED HOLDER OF THIS BOND THAT THE FULL FAITH AND CREDIT OF THE ISSUER ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THIS BOND AND THAT SUCH HOLDER SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF ANY TAXING POWER OF THE ISSUER TO THE PAYMENT OF SUCH PRINCIPAL, PREMIUM, IF ANY, AND INTEREST. THIS BOND AND THE OBLIGATION EVIDENCED HEREBY SHALL NOT CONSTITUTE A LIEN UPON THE SYSTEM OR ANY OTHER PROPERTY OF THE ISSUER, BUT SHALL CONSTITUTE A LIEN ONLY ON, AND SHALL BE PAYABLE SOLELY FROM, THE PLEDGED FUNDS IN ACCORDANCE WITH THE TERMS OF THE RESOLUTION.

Neither the members of the Board of County Commissioners of the Issuer nor any person executing this Bond shall be liable personally hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

[REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS BOND SET FORTH ON THE REVERSE SIDE HEREOF AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH ON THE FRONT SIDE HEREOF.] [FOR CERTIFICATED BONDS ONLY]

The transfer of this Bond is registrable in accordance with the terms of the Resolution only upon the books of the Issuer kept for that purpose at the designated corporate trust office of the Registrar by the Registered Holder hereof in person or by his attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or his attorney duly authorized in writing, and thereupon a new Bond or Bonds in the same aggregate principal amount shall be issued to the transferee in exchange therefor, and upon the payment of the charges, if any, therein prescribed. For every such exchange or registration of transfer, the Issuer or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or registration of transfer. The Bonds are issuable in the form of fully registered Bonds in the denomination of \$5,000 and any integral multiple thereof, not exceeding the aggregate principal amount of the Bonds. The Issuer, the Registrar and any Paying Agent may treat the Registered Holder of this Bond as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary. The Issuer shall not be obligated to make any exchange or transfer of the Bonds during the fifteen (15) days next preceding an interest payment date or, in the case of any proposed redemption of the

Bonds, then, for the Bonds subject to such redemption, during the fifteen (15) days next preceding the date of the first mailing of notice of such redemption.

[INSERT REDEMPTION PROVISIONS]

Redemption of this Bond under the preceding paragraphs shall be made as provided in the Resolution upon notice given by first class mail sent at least thirty (30) days prior to the redemption date to the Registered Holder hereof at the address shown on the registration books maintained by the Registrar; provided, however, that failure to mail notice to the Registered Holder hereof, or any defect therein, shall not affect the validity of the proceedings for redemption of other Bonds as to which no such failure or defect has occurred. In the event that less than the full principal amount hereof shall have been called for redemption, the Registered Holder hereof shall surrender this Bond in exchange for one or more Bonds in an aggregate principal amount equal to the unredeemed portion of principal, as provided in the Resolution.

Reference to the Resolution and any and all resolutions supplemental thereto and modifications and amendments thereof and to the Act is made for a description of the pledge and covenants securing this Bond, the nature, manner and extent of enforcement of such pledge and covenants, and the rights, duties, immunities and obligations of the Issuer.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond, exist, have happened and have been performed, in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, and that the issuance of the Bonds does not violate any constitutional or statutory limitations or provisions.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

IN WITNESS WHEREOF, the Board of County Commissioners of Seminole County has issued this Bond and has caused the same to be executed by the manual or facsimile signature of the [Vice] Chairman, and by the manual or facsimile signature of the Clerk of the Board of County Commissioners of Seminole County, Florida, and its corporate seal or a facsimile thereof to be affixed or reproduced hereon, all of the _____ day of _____, _____.

SEMINOLE COUNTY, FLORIDA

(SEAL)

[Vice] Chairman of the Board of County
Commissioners of Seminole County, Florida

Clerk of the Board of County Commissioners of
Seminole County, Florida

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the Issue described in the within-mentioned Resolution.

DATE OF AUTHENTICATION:

Registrar

By: _____
Authorized Signatory

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the Trustee for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by the authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____

Insert Social Security or Other
Identifying Number of Assignee

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____,
as attorney to register the transfer of the said Bond on the books kept for registration thereof
with full power of substitution in the premises.

Dated: _____

Signature guaranteed:

NOTICE: Signature(s) must be
guaranteed by a member firm of the New
York Stock Exchange or a commercial
bank or trust Company

NOTICE: The signature to this
assignment must correspond with the
name of the Registered Holder as it
appears upon the face of the within Bond
in every particular, without alteration or
enlargement or any change whatever and
the Social Security or other identifying
number of such assignee must be
supplied.

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

TEN ENT -- as tenants by the entireties

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

UNIF TRANS MIN ACT -- _____
(Cust.)

Custodian for _____

under Uniform Transfers to Minors Act of _____
(State)

Additional abbreviations may also be used though not in list above.

ARTICLE III
REDEMPTION OF BONDS

SECTION 3.01. PRIVILEGE OF REDEMPTION. The terms of this Article III shall apply to redemption of Bonds other than Capital Appreciation Bonds or Variable Rate Bonds. The terms and provisions relating to redemption of Capital Appreciation Bonds and Variable Rate Bonds shall be provided by Supplemental Resolution.

SECTION 3.02. SELECTION OF BONDS TO BE REDEEMED. The Bonds shall be redeemed only in the principal amount of \$5,000 each and integral multiples thereof. The Issuer shall, at least forty five (45) days prior to the redemption date (unless a shorter time period shall be satisfactory to the Registrar) notify the Registrar of such redemption date and of the principal amount of Bonds to be redeemed. For purposes of any redemption of less than all of the Outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected not more than forty-five (45) days prior to the redemption date by the Registrar from the Outstanding Bonds of the maturity or maturities designated by the Issuer, with the selection of Bonds within a maturity or maturities designated by the Issuer to be determined by such method as the Registrar shall deem fair and appropriate and which may provide for the selection for redemption of Bonds or portions of Bonds in principal amounts of \$5,000 and integral multiples thereof.

If less than all of the Outstanding Bonds of a single maturity are to be redeemed, the Registrar shall promptly notify the Issuer and Paying Agent (if the Registrar is not the Paying Agent for such Bonds) in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

SECTION 3.03. NOTICE OF REDEMPTION. Notice of such redemption, which shall specify the Bond or Bonds (or portions thereof) to be redeemed and the date and place for redemption, shall be given by the Registrar on behalf of the Issuer, and (A) shall be filed with the Paying Agents of such Bonds, and (B) shall be mailed first class, postage prepaid, at least thirty (30) days and not more than sixty (60) days prior to the redemption date to all Holders of Bonds to be redeemed at their addresses as they appear on the registration books kept by the Registrar as of the date of mailing of such notice. Failure to mail notice to the Holders of the Bonds to be redeemed, or any defect therein, shall not affect the proceedings for redemption of Bonds as to which no such failure or defect has occurred.

Each notice of redemption shall state: (1) the CUSIP numbers of all Bonds being redeemed, (2) the original issue date of such Bonds, (3) the maturity date and rate of interest borne by each Bond being redeemed, (4) the redemption date, (5) the Redemption

Price, (6) the date on which such notice is mailed, (7) if less than all Outstanding Bonds are to be redeemed, the certificate number (and, in the case of a partial redemption of any Bond, the principal amount) of each Bond to be redeemed, (8) that on such redemption date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable, and (9) that the Bonds to be redeemed, whether as a whole or in part, are to be surrendered for payment of the Redemption Price at the designated office of the Registrar at an address specified. Any redemption may be subject to the occurrence of a condition specified in the notice of redemption on or prior to the date set for redemption.

Within sixty (60) days of the date of redemption, the Registrar shall give a second notice of redemption by mailing another copy of the redemption notice to the registered Owners of Bonds called for redemption but which have not been presented for payment within thirty (30) days after the date set for redemption. Failure to mail such additional notice shall not affect the redemption of said Bonds.

In addition to the mailing of the notice described above, each notice of redemption and payment of the redemption price shall meet the following requirement; provided, however, the failure to provide such further notice of redemption or to comply with the terms of this paragraph shall not in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above:

Each further notice of redemption shall be sent by certified mail or overnight delivery service or telecopy to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds (such depositories now being The Depository Trust Company, New York, New York and Midwest Securities Trust Company, Chicago, Illinois and to four or more national information services which disseminate notices of prepayment or redemption of obligations such as the Bonds (such information services now being Financial Information, Inc.'s "Daily Called Bond Service," Jersey City, New Jersey, Kenny Information Services "Called Bond Service," New York, New York, Moody's "Municipal and Government," New York, New York and Standard & Poor's "Called Bond Record," New York, New York).

SECTION 3.04. REDEMPTION OF PORTIONS OF BONDS. Any Bond which is to be redeemed only in part shall be surrendered at any place of payment specified in the notice of redemption (with due endorsement by, or written instrument of transfer in form satisfactory to the Registrar duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Issuer shall execute and the Registrar shall authenticate and deliver to the Holder of such Bond, without service charge, a new Bond or Bonds, of the same interest rate and maturity, and of any authorized denomination, as

requested by such Holder, in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bonds so surrendered.

SECTION 3.05. PAYMENT OF REDEEMED BONDS. Notice of redemption having been given substantially as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar and/or Paying Agent at the appropriate Redemption Price, plus accrued interest. Each check or other transfer of funds issued by the Paying Agent to pay the Redemption Price of Bonds being redeemed shall bear the CUSIP number or numbers of such Bonds and identify the payments applicable to each CUSIP number. All Bonds which have been redeemed shall be cancelled and destroyed by the Registrar and shall not be reissued.

ARTICLE IV

SECURITY, SPECIAL FUNDS AND APPLICATION THEREOF

SECTION 4.01. BONDS NOT TO BE INDEBTEDNESS OF ISSUER. The Bonds shall not be or constitute general obligations or indebtedness of the Issuer as "bonds" within the meaning of any constitutional or statutory provision, but shall be special obligations of the Issuer, payable solely from and secured by a lien upon and pledge of the Pledged Funds, in the manner and to the extent provided in this Resolution. No Holder of any Bond or any Credit Bank or Insurer shall ever have the right to compel the exercise of any ad valorem taxing power to pay such Bond, or be entitled to payment of such Bond from any moneys of the Issuer except from the Pledged Funds in the manner and to the extent provided herein.

SECTION 4.02. SECURITY FOR BONDS. Except as otherwise provided herein, the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds shall be secured forthwith equally and ratably by a pledge of and lien upon the Pledged Funds; provided, however, a Series of Bonds may be further secured by a Credit Facility or Bond Insurance Policy in addition to the security provided herein; and provided further that each Series of Bonds may be secured independently of any other Series of Bonds by the establishment of a separate subaccount in the Reserve Account for such Series of Bonds. The Issuer does hereby irrevocably pledge the Pledged Funds to the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds in accordance with the provisions hereof. The Pledged Funds shall immediately be subject to the lien of this pledge without any physical delivery thereof or further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Issuer.

SECTION 4.03. CONSTRUCTION FUND. The Issuer covenants and agrees to establish, a special fund in a bank, trust company or such other entity in the State, which is eligible under the laws of the State to be a depository for county funds, to be known as the "Solid Waste Disposal System Construction Fund," which shall be used only for payment of the Costs of Projects in the manner hereinafter provided, shall be held in trust by the Issuer and shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders.

There shall be paid into the Construction Fund the amounts required to be so paid by the provisions of this Resolution, and there may be paid into the Construction Fund, at the option of the Issuer, any moneys received for or in connection with a Project by the Issuer from any other source.

The Issuer shall establish within the Construction Fund a separate account for each Project, the Cost of which is to be paid in whole or in part out of the Construction Fund.

The proceeds of insurance maintained pursuant to this Resolution against physical loss of or damage to a Project, or of contractors' performance bonds with respect thereto pertaining to the period of construction thereof, shall be deposited into the appropriate account of the Construction Fund.

Any moneys received by the Issuer from the State or from the United States of America or any agencies thereof for the purpose of financing part of the Cost of a Project shall be deposited into the appropriate account of the Construction Fund and used in the same manner as Bond proceeds are used therein; provided that separate accounts or subaccounts may be established in the Construction Fund for moneys received pursuant to the provisions of this paragraph whenever required by Federal or State law.

The Issuer covenants that the acquisition, construction and installation of each Project will be completed without delay and in accordance with sound engineering practices. The Issuer shall make disbursements or payments from the Construction Fund to pay the Cost of a Project upon the filing with the Clerk of certificates and/or documents signed by an Authorized Issuer Officer, stating with respect to each disbursement or payment to be made: (A) the item number of the payment, (B) the name and address of the Person to whom payment is due, (C) the amount to be paid, (D) the Construction Fund account from which payment is to be made, (E) the purpose, by general classification, for which payment is to be made, and (F) that (1) each obligation, item of cost or expense mentioned therein has been properly incurred, is in payment of a part of the Cost of a Project and is a proper charge against the account of the Construction Fund from which payment is to be made and has not been the basis of any previous disbursement or payment, or (2) each obligation, item of cost or expense mentioned therein has been paid by the Issuer, is a reimbursement of a part of the Cost of a Project, is a proper charge against the account of the Construction Fund from which payment is to be made, has not been theretofore reimbursed to the Issuer or otherwise been the basis of any previous disbursement or payment and the Issuer is entitled to reimbursement thereof. The Clerk shall retain all such certificates and/or documents of the Authorized Issuer Officers and the Consulting Engineers for five (5) years from the dates of such certificates and/or documents.

Notwithstanding any of the other provisions of this Section 4.03, to the extent that other moneys are not available therefor, amounts in the Construction Fund shall be applied to the payment of principal and interest on Bonds when due.

The date of completion of acquisition and construction of a Project shall be determined by an Authorized Issuer Officer which shall certify such fact in a writing filed with the Clerk. An Authorized Issuer Officer may perform such tests relating to a Project as he or she shall deem necessary in order to make such certification. Promptly after the date of the completion of a Project, and after paying or making provision for the payment of all unpaid items of the Cost of such Project, the Issuer shall deposit in the following order of priority any balance of moneys remaining in the Construction Fund in (A) the

Sinking Fund to pay the principal of and interest on the Bonds to the extent needed if an Event of Default, as described in Section 7.01 hereof, has occurred and is continuing, (B) another account of the Construction Fund for which an Authorized Issuer Officer has stated that there are insufficient moneys present to pay the Cost of the related Project, (C) the Reserve Account or the Closure Reserve Fund, to the extent of a deficiency therein, and (D) such other fund or account established hereunder as shall be determined by the Issuer, provided the Issuer has received an Opinion of Bond Counsel to the effect that such transfer shall not adversely affect the exemption, if any, of interest on the Bonds from Federal income taxation.

SECTION 4.04. CREATION OF FUNDS AND ACCOUNTS. The Issuer covenants and agrees to establish with a bank, trust company or such other entity in the State, which is eligible under the laws of the State to be a depository for county funds the following funds and accounts:

(A) The "Seminole County, Florida Solid Waste Disposal System Revenue Fund."

(B) The "Seminole County, Florida Solid Waste Disposal System Operation and Maintenance Fund."

(C) The "Seminole County, Florida Solid Waste Disposal System Sinking Fund." The Issuer shall maintain four separate accounts in the Sinking Fund: the "Interest Account," the "Principal Account," the "Term Bonds Redemption Account" and the "Reserve Account."

(D) The "Seminole County, Florida Solid Waste Disposal System Renewal and Replacement Fund."

(E) The "Seminole County, Florida Solid Waste Disposal System Closure Reserve Fund."

(F) The "Seminole County, Florida Solid Waste Disposal System Surplus Fund."

(G) The "Seminole County, Florida Solid Waste Disposal System Rate Stabilization Fund."

(H) The "Seminole County, Florida Solid Waste Disposal System Rebate Fund."

Moneys in the aforementioned funds and accounts (except for moneys in the Rebate Fund), until applied in accordance with the provisions hereof, shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders in accordance with the terms hereof.

The Issuer may at any time and from time to time appoint one or more depositaries to hold, for the benefit of the Bondholders, any one or more of the funds and accounts established hereby. Such depositary or depositaries shall perform at the direction of the Issuer the duties of the Issuer in depositing, transferring and disbursing moneys to and from each of such funds or accounts as herein set forth, and all records of such depositary in performing such duties shall be open at all reasonable times to inspection by the Issuer and its agents and employees. Any such depositary shall be a bank or trust company duly authorized to exercise corporate trust powers and subject to examination by federal or state authority, of good standing, and having a combined capital, surplus and undivided profits aggregating not less than thirty million dollars (\$30,000,000).

SECTION 4.05. DISPOSITION OF REVENUES.

(A) Except as otherwise provided by Section 4.08 hereof with respect to investment income, the Issuer shall deposit promptly into the Revenue Fund, as received, all Gross Revenues. In the event the Issuer receives a Government Grant, the use and withdrawal of moneys shall be governed by the terms of the Government Grant and applicable law.

Operation and Maintenance Fund. Moneys in Revenue Fund shall first be used each month to deposit in the Operation and Maintenance Fund such sums as are necessary to pay Operating Expenses for the ensuing month; provided the Issuer may transfer moneys from the Revenue Fund to the Operation and Maintenance Fund at any time to pay Operating Expenses to the extent there is a deficiency in the Operation and Maintenance Fund for such purpose. Amounts in the Operation and Maintenance Fund shall be paid out from time to time by the Issuer for reasonable and necessary Operating Expenses; provided, however, that no such payment shall be made unless the provisions of Section 5.03 hereof in regard to the current Annual Budget are complied with.

(B) All moneys at any time remaining in the Revenue Fund after the aforementioned transferrals to the Operation and Maintenance Fund shall be disposed of by the Issuer on or before the twenty-fifth (25th) day of each month, commencing in the month immediately following the delivery of any of the Bonds to the purchasers thereof, or such later date as hereinafter provided, in the following manner and in the following order of priority:

(1) Interest Account. The Issuer shall deposit or credit to the Interest Account the sum which, together with the balance in said Account, shall equal the interest on all Bonds Outstanding (except as to Capital Appreciation Bonds) accrued and unpaid and to accrue to the end of the then current calendar month. Moneys in the Interest Account shall be applied by the Issuer for deposit with the Paying Agents to pay the interest on the Bonds on or prior to the date the same shall become due. The Issuer shall adjust the amount of the deposit to the Interest Account not later than a month immediately preceding any Interest Date so as to

provide sufficient moneys in the Interest Account to timely pay the interest on the Bonds coming due on such Interest Date. No further deposit need be made to the Interest Account when the moneys therein are equal to the interest coming due on the Outstanding Bonds on the next succeeding Interest Date.

(2) Principal Account. Commencing in the month which is one year prior to the first principal payment due date, the Issuer shall next deposit into the Principal Account the sum which, together with the balance in said Account, shall equal the principal amounts on all Bonds Outstanding due and unpaid and that portion of the principal next due which would have accrued on such Bonds during the then current calendar month if such principal amounts were deemed to accrue monthly (assuming that a year consists of twelve (12) equivalent calendar months having thirty (30) days each) in equal amounts from the next preceding principal payment due date, or, if there be no such preceding payment due date from a date one year preceding the due date of such principal amount. Moneys in the Principal Account shall be applied by the Issuer for deposit with the Paying Agents to pay the principal of the Bonds on or prior to the date the same shall mature, and for no other purpose. Serial Capital Appreciation Bonds shall be payable from the Principal Account in the years in which such Bonds mature and monthly payments into the Principal Account on account of such Bonds shall commence twelve months prior to the month in which such Bonds mature. The Issuer shall adjust the amount of the deposit to the Principal Account not later than the month immediately preceding any principal payment date so as to provide sufficient moneys in the Principal Account to timely pay the principal on Bonds becoming due on such principal payment date. No further deposit need be made to the Principal Account when the moneys therein are equal to the principal coming due on the Outstanding Bonds on the next succeeding principal payment due date.

(3) Term Bonds Redemption Account. Commencing in the month which is one year prior to the first Sinking Fund Installment due date, there shall be deposited to the Term Bonds Redemption Account the sum which, together with the balance in such Account, shall equal the Sinking Fund Installments on all Bonds Outstanding due and unpaid and that portion of the Sinking Fund Installments of all Bonds Outstanding next due which would have accrued on such Bonds during the then current calendar month if such Sinking Fund Installments were deemed to accrue monthly (assuming that a year consists of twelve (12) equivalent calendar months having thirty (30) days each) in equal amounts from the next preceding Sinking Fund Installment due date, or, if there is no such preceding Sinking Fund Installment due date, from a date one year preceding the due date of such Sinking Fund Installment. Moneys in the Term Bonds Redemption Account shall be used to purchase or redeem Term Bonds in the manner herein provided, and for no other purpose. The Issuer shall adjust the

amount of the deposit to the Term Bonds Redemption Account on the month immediately preceding any Sinking Fund Installment Date so as to provide sufficient moneys in the Term Bonds Redemption Account to pay the Sinking Fund Installments becoming due on such date. Payments to the Term Bonds Redemption Account shall be on parity with payments to the Principal Account.

Amounts accumulated in the Term Bonds Redemption Account with respect to any Sinking Fund Installment (together with amounts accumulated in the Interest Account with respect to interest, if any, on the Term Bonds for which such Sinking Fund Installment was established) may be applied by the Issuer, on or prior to the sixtieth (60th) day preceding the due date of such Sinking Fund Installment, (a) to the purchase of Term Bonds of the Series and maturity for which such Sinking Fund Installment was established at a price not exceeding par plus accrued interest, or (b) to the redemption at the applicable Redemption Prices of such Term Bonds, if then redeemable by their terms at a price not exceeding par plus accrued interest. The applicable Redemption Price (or principal amount of maturing Term Bonds) of any Term Bonds so purchased or redeemed shall be deemed to constitute part of the Term Bonds Redemption Account until such Sinking Fund Installment date, for the purposes of calculating the amount of such Account. As soon as practicable after the sixtieth (60th) day preceding the due date of any such Sinking Fund Installment, the Issuer shall proceed to call for redemption on such due date, by causing notice to be given as provided in Section 3.03 hereof, Term Bonds of the Series and maturity for which such Sinking Fund Installment was established (except in the case of Term Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The Issuer shall pay out of the Term Bonds Redemption Account and the Interest Account to the appropriate Paying Agents, on or before the day preceding such redemption date (or maturity date), the amount required for the redemption (or for the payment of such Term Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Term Bonds shall be paid by the Issuer from the Operation and Maintenance Fund.

(4) Reserve Account. There shall be established within the Reserve Account a separate subaccount designated the "Series 2003 Bonds Subaccount of the Reserve Account" which shall only secure the payment of debt service on the Series 2003 Bonds. There shall be deposited to the Reserve Account an amount which shall not be less than one twelfth (1/12) of the amount which would enable the Issuer to restore the funds on deposit in the Reserve Account to an amount equal to the Reserve Account Requirement applicable thereto in one (1) year from the date of any shortfall, whether such shortfall was caused by decreased market value or withdrawal (whether from cash or a Reserve Account Insurance Policy or

Reserve Account Letter of Credit); provided deficiencies resulting from a decrease in market value of investments in the Reserve Account must be remedied only if the market value of such investments is less than ninety-five percent (95%) of the Reserve Account Requirement on the immediately preceding date of valuation as provided in Section 4.08 hereof. On or prior to each principal payment date and Interest Date for the Bonds, moneys in the Reserve Account shall be applied by the Issuer to the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds which are secured by such moneys to the extent moneys in the Interest Account, the Principal Account and the Term Bonds Redemption Account shall be insufficient for such purpose, but only to the extent the moneys transferred from the Surplus Fund or Renewal and Replacement Fund for such purposes pursuant to Sections 4.05(B)(9) and 4.05(B)(5) hereof, respectively, shall be inadequate to fully provide for such insufficiency. Whenever there shall be surplus moneys in the Reserve Account by reason of a decrease in the Reserve Account Requirement, such surplus moneys shall be deposited by the Issuer first, into the Renewal and Replacement Fund to the extent necessary to cause the amounts in such Fund to equal the Renewal and Replacement Fund Requirement, and second, into the Surplus Fund. The Issuer shall inform each Insurer and Credit Bank of any draw upon the Reserve Account for purposes of paying the principal of and interest on the Bonds.

Upon the issuance of any Series of Bonds under the terms, limitations and conditions as herein provided, the Issuer shall, on the date of delivery of such Series of Bonds, fund the Reserve Account in an amount at least equal to the Reserve Account Requirement. Such required amount may be paid in full or in part from the proceeds of such Series of Bonds or may be accumulated in equal monthly payments to the Reserve Account over a period of months from the date of issuance of such Series of Bonds, which shall not exceed the greater of (a) thirty-six (36) months, or (b) the number of months for which interest on such Series of Bonds has been capitalized, as determined by Supplemental Resolution. In the event moneys in the Reserve Account are accumulated as provided above, (i) the amount in said Reserve Account on the date of delivery of the Additional Bonds shall not be less than the Reserve Account Requirement on all Bonds Outstanding (excluding the Additional Bonds) on such date, and (ii) the incremental difference between the Reserve Account Requirement on all Bonds Outstanding (excluding the Additional Bonds) on the date of delivery of the Additional Bonds and the Reserve Account Requirement on all such Bonds and the Additional Bonds shall be at least fifty percent (50%) funded upon delivery of the Additional Bonds.

Notwithstanding the foregoing provisions, in lieu of the required deposits into the Reserve Account, the Issuer may cause to be deposited into the Reserve Account a Reserve Account Insurance Policy and/or Reserve Account Letter of

Credit for the benefit of the Bondholders in an amount equal to the difference between the Reserve Account Requirement applicable thereto and the sums then on deposit in the Reserve Account, if any; provided, that the Issuer shall not deposit a Reserve Account Letter of Credit or Reserve Account Insurance Policy in the Series 2003 Bonds Subaccount of the Reserve Account without the prior written consent of Financial Security. The Issuer may also substitute a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit for cash on deposit in the Reserve Account upon compliance with the terms of this Section 4.05(B)(4). Such Reserve Account Insurance Policy and/or Reserve Account Letter of Credit shall be payable to the Paying Agent (upon the giving of notice as required thereunder) on any principal payment date or Interest Date on which a deficiency exists which cannot be cured by moneys in any other fund or account held pursuant to this Resolution and available for such purpose. A Reserve Account Insurance Policy issued to the Paying Agent, as agent of the Bondholders, by a company licensed to issue an insurance policy guaranteeing the timely payment of debt service on the Bonds (a "municipal bond insurer") may be deposited in the Reserve Account to meet the Reserve Account Requirement if the claims-paying ability of the issuer thereof shall be rated at least "AAA" by Standard & Poor's Corporation or at least "Aaa" by Moody's Investors Service.

A Reserve Account Letter of Credit issued to the Paying Agent, as agent of the Bondholders, by a bank may be deposited in the Reserve Account to meet the Reserve Account Requirement if the issuer thereof is rated at least "AA" by Standard & Poor's Corporation and "Aa" by Moody's (without regard to gradation). The Reserve Account Letter of Credit shall be payable in one or more draws upon presentation by the beneficiary of a sight draft accompanied by its certificate that it then holds insufficient funds to make a required payment of principal or interest on the Bonds. The draws shall be payable within two days of presentation of the sight draft. The Reserve Account Letter of Credit shall be for a term of not less than three years and shall be subject to an "evergreening" feature so as to provide the Issuer with at least 30 months notice of termination or expiration. The issuer of the Reserve Account Letter of Credit shall be required to notify the Issuer and the Paying Agent, not later than 30 months prior to the stated expiration date of the Reserve Account Letter of Credit, as to whether such expiration date shall be extended, and if so, shall indicate the new expiration date. If such notice indicates that the expiration date shall not be extended, the Issuer shall deposit in the Reserve Account an amount sufficient to cause the cash or Authorized Investments on deposit in the Reserve Account, together with any other Reserve Account Insurance Policies and Reserve Account Letters of Credit, to equal the Reserve Account Requirement on all Outstanding Bonds, such deposit to be paid in equal installments on at least a semiannual basis over the remaining term of the Reserve Account Letter of Credit, unless the Reserve Account Letter of Credit is replaced by a Reserve Account Insurance Policy and/or Reserve

Account Letter of Credit meeting the requirements of this Section 4.05(B)(4). The Reserve Account Letter of Credit shall permit a draw in full not less than two weeks prior to the expiration or termination of such Reserve Account Letter of Credit if the Reserve Account Letter of Credit has not been replaced or renewed. The Paying Agent shall draw upon the Reserve Account Letter of credit prior to its expiration or termination unless an acceptable replacement is in place or the Reserve Account is fully funded in its required amount.

The obligation to reimburse the issuer of a Reserve Account Insurance Policy or Reserve Account Letter of Credit for any fees or expenses or claims or draws upon such Reserve Account Insurance Policy or Reserve Account Letter of Credit shall be subordinate to the payment of debt service on the Bonds. The right of the issuer of a Reserve Account Insurance Policy or Reserve Account Letter of Credit to payment or reimbursement of its fees and expenses shall be subordinated to cash replenishment of the Reserve Account, and, subject to the second succeeding sentence of this paragraph, its right to reimbursement for claims or draws shall be on a parity with the cash replenishment of the Reserve Account. Each Reserve Account Insurance Policy and Reserve Account Letter of Credit shall provide for a revolving feature under which the amount available thereunder will be reinstated to the extent of any reimbursement of draws or claims paid. If the revolving feature is suspended or terminated for any reason, the right of the issuer of the Reserve Account Insurance Policy or Reserve Account Letter of Credit to reimbursement will be further subordinated to cash replenishment of the Reserve Account to an amount equal to the difference between the full original amount available under the Reserve Account Insurance Policy or Reserve Account Letter of Credit and the amount then available for further draws or claims. In the event (a) the issuer of a Reserve Account Insurance Policy or Reserve Account Letter of Credit becomes insolvent, or (b) the issuer of a Reserve Account Insurance Policy or Reserve Account Letter of Credit defaults in its payment obligations thereunder, or (c) the claims paying ability of the issuer of the Reserve Account Insurance Policy falls below "AAA" by Standard & Poor's Corporation or "Aaa" by Moody's Investors Service, or (d) the rating of the issuer of Reserve Account Letter of Credit falls below "AA" by Standard & Poor's Corporation or "Aa" by Moody's Investors Service, the obligation to reimburse the issuer of such Reserve Account Insurance Policy or Reserve Account Letter of Credit shall be subordinate to the cash replenishment of the Reserve Account.

In the event (a) the revolving reinstatement feature described in the preceding paragraph is suspended or terminated, or (b) the rating of the claims-paying ability of the issuer of the Reserve Account Insurance Policy falls below "AAA" by Standard & Poor's Corporation or "Aaa" by Moody's Investors Service, or (c) the rating of the issuer of the Reserve Account Letter of Credit falls below "AA" by Standard & Poor's Corporation or "Aa" by Moody's Investors

Service, the Issuer shall either (i) deposit into the Reserve Account an amount sufficient to cause the cash or Authorized Investments on deposit in the Reserve Account to equal the Reserve Account Requirement on all Outstanding Bonds, such amount to be paid over the ensuing five years in equal installments deposited at least semiannually or (ii) replace such Reserve Account Insurance Policy or Reserve Account Insurance Letter of Credit with a Reserve Account Insurance Policy or Reserve Account Letter of Credit meeting the requirements provided herein within six months of such occurrence. In the event (a) the rating of the claims-paying ability of the issuer of the Reserve Account Insurance Policy falls below "A", or (b) the rating of the issuer of the Reserve Account Letter of Credit falls below "A", or (c) the issuer of the Reserve Account Insurance Policy or Reserve Account Letter of Credit defaults in its payment obligations hereunder, or (d) the issuer of the Reserve Account Insurance Policy or Reserve Account Letter of Credit becomes insolvent, the Issuer shall either (i) deposit into the Reserve Account an amount sufficient to cause the cash or Authorized Investments on deposit in the Reserve Account to equal the Reserve Account Requirement on all Outstanding Bonds, such amount to be paid over the ensuing year in equal installments on at least a monthly basis, or (ii) replace such instrument with a Reserve Account Insurance Policy or Reserve Account Letter of Credit meeting the requirements provided herein within six months of such occurrence. The amount available for draws or claims under the Reserve Account Insurance Policy or Reserve Account Letter of Credit may be reduced by the amount of cash or Authorized Investments deposited in the Reserve Account.

Cash on deposit in the Reserve Account shall be used (or investments purchased with such cash shall be liquidated and the proceeds applied as required) prior to any drawing on any Reserve Account Insurance Policy or Reserve Account Letter of Credit. If and to the extent that more than one Reserve Account Insurance Policy or Reserve Account Letter of Credit is deposited in the Reserve Account, drawings thereunder and repayments of costs associated therewith shall be made on a pro rata basis, calculated by reference to the maximum amounts available thereunder.

If a disbursement is made from a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit provided pursuant to this Section 4.05(B)(4), the Issuer shall reinstate the maximum limits of such Reserve Account Insurance Policy and/or Reserve Account Letter of Credit immediately following such disbursement from moneys received in accordance with the provisions of this Section 4.05(B)(4).

If three (3) days prior to an interest payment or redemption date, the Issuer shall determine that a deficiency exists in the amount of moneys available to pay in accordance with the terms hereof interest and/or principal due on the Bonds on

such date, the Issuer shall immediately notify (A) the issuer of the applicable Reserve Account Insurance Policy and/or the issuer of the Reserve Account Letter of Credit, and (B) the Insurer, if any, of the amount of such deficiency and the date on which such payment is due, and shall take all action to cause such Issuer or Insurer to provide moneys sufficient to pay all amounts due on such interest payment date.

The Issuer may evidence its obligation to reimburse the issuer of any Reserve Account Letter of Credit or Reserve Account Insurance Policy by executing and delivering to such issuer a promissory note therefor, provided, however, any such note (a) shall not be a general obligation of the Issuer the payment of which is secured by the full faith and credit or taxing power of the Issuer, and (b) shall be payable solely from the Pledged Funds in the manner provided herein.

Any consent or approval of any Insurer described in this Section 4.05(B)(4) shall be required only so long as there are Outstanding Bonds secured by a Bond Insurance Policy issued by such Insurer which is in full force and effect and the commitments of which have been honored by such Insurer. The term "Paying Agent" as used in this Section 4.05(B)(4) may include one or more Paying Agents for the Outstanding Bonds.

If any Reserve Account Letter of Credit or Reserve Account Insurance Policy shall terminate prior to the stated expiration date thereof, the Issuer agrees that it shall fund the Reserve Account over a period not to exceed sixty (60) months during which it shall make consecutive equal monthly payments in order that the amount on deposit in the Reserve Account shall equal the Reserve Account Requirement; provided, the Issuer may obtain a new Reserve Account Letter of Credit or a new Reserve Account Insurance Policy in lieu of making the payments required by this paragraph.

Whenever the amount of cash or securities in the Reserve Account, together with the other amounts in the Debt Service Fund, are sufficient to fully pay all Outstanding Bonds in accordance with their terms (including principal or applicable Redemption Price and interest thereon), the funds on deposit in the Reserve Account may be transferred to the other Accounts of the Debt Service Fund for the payment of the Bonds.

The Issuer may also establish a separate subaccount in the Reserve Account for any Series of Bonds and provide a pledge of such subaccount to the payment of such Series of Bonds apart from the pledge provided herein. To the extent a Series of Bonds is secured separately by a subaccount of the Reserve Account, the Holders of such Bonds shall not be secured by any other moneys in the Reserve Account. Moneys in a separate subaccount of the Reserve Account shall be

maintained at the Reserve Account Requirement applicable to such Series of Bonds secured by the subaccount unless otherwise provided by Supplemental Resolution. Moneys shall be deposited to the Reserve Account and separate subaccounts in the Reserve Account on a pro-rata basis. In the event the Issuer shall maintain a Reserve Account Insurance Policy or Reserve Account Letter of Credit and moneys in such subaccount, the moneys shall be used prior to making any disbursements under such Reserve Account Insurance policy or Reserve Account Letter of Credit.

(5) Renewal and Replacement Fund. There shall be deposited to the Renewal and Replacement Fund such sums as shall be sufficient to pay one-twelfth (1/12) of five percent (5%) of the Gross Revenues derived from the System during the preceding Fiscal Year until the amount accumulated in such Fund is equal to the Renewal and Replacement Fund Requirement; provided, however, that (a) such Renewal and Replacement Fund Requirement may be increased or decreased as the Consulting Engineers shall certify to the Issuer is necessary for the purposes of the Renewal and Replacement Fund, and (b) in the event that the Consulting Engineers shall certify that the Renewal and Replacement Fund Requirement is excessive for the purposes of the Renewal and Replacement Fund such excess amount as may be on deposit therein may be transferred by the Issuer from the Renewal and Replacement Fund for deposit into the Surplus Fund. The moneys in the Renewal and Replacement Fund shall be applied by the Issuer for the purpose of paying the cost of major extensions, improvements or additions to, or the replacement or renewal of capital assets of, the System, or extraordinary repairs of the System; provided, however, that on or prior to each principal and interest payment date for the Bonds (in no event earlier than the twenty-fifth (25th) day of the month next preceding such payment date), moneys in the Renewal and Replacement Fund shall be applied for the payment into the Interest Account, the Principal Account, and the Term Bonds Redemption Account when the moneys therein are insufficient to pay the principal of and interest on the Bonds coming due, but only to the extent moneys transferred from the Surplus Fund for such purpose pursuant to Section 4.05(B)(9) hereof and the Rate Stabilization Fund pursuant to Section 4.06 hereof, together with moneys available in the Reserve Account for such purpose pursuant to Section 4.05(B)(4) hereof, shall be inadequate to fully provide for such insufficiency. Moneys in the Renewal and Replacement Fund may also be transferred to the Operation and Maintenance Fund to fund Operating Expenses to the extent Gross Revenues shall be insufficient for such purpose; provided, however, such transfer shall be treated as an interfund loan and shall be repaid from Gross Revenues as described in this Section 4.05(B)(5) within one year from the date of such transfer.

(6) Closure Reserve Fund. There shall be deposited to the Closure Reserve Fund such sums as shall be sufficient to ensure the availability of

financial resources for the proper closure of the landfill portion of the System in accordance with Section 403.7125, Florida Statutes, or any successor provision. Amounts deposited in the Closure Reserve Fund and any investment income thereon shall be applied by the Issuer solely for the purpose of landfill closure; provided, if such expenditures do not deplete the Closure Reserve Fund to the detriment of eventual closure, such amounts may be applied by the Issuer for planning and construction of resource recovery or landfill facilities and provided, further, that amounts on deposit in the Closure Reserve Fund may be transferred by the Issuer for deposit into the Interest Account, the Principal Account and the Term Bonds Redemption Account when the moneys on deposit therein are insufficient to pay the principal of and interest on Bonds coming due if such Bonds were issued in whole or in part for the purpose of complying with State and Federal landfill closure requirements, but only to the extent moneys transferred from the Surplus Fund for such purpose pursuant to Section 4.05(B)(9) hereof and the Rate Stabilization Fund pursuant to Section 4.06 hereof, shall be inadequate to fully provide for such insufficiency. Any moneys remaining in the Closure Reserve Fund after paying for proper and complete closure of the landfill portion of the System, shall, if the Issuer does not operate a landfill on the date of such closure, be deposited by the Issuer in its general fund and be applied for any lawful purpose. Any determination as to whether a landfill has been properly and completely closed by the Issuer shall be made by the Issuer and the Florida Department of Environmental Regulation or any successor agency performing a like function.

(7) Subordinated Indebtedness. Gross Revenues shall next be applied by the Issuer for the payment of any accrued debt service on Subordinated Indebtedness incurred by the Issuer in connection with the System and in accordance with the proceedings authorizing such Subordinated Indebtedness.

(8) Sinking Fund. There shall be deposited to the Interest Account, the Principal Account and the Term Bonds Redemption Account, in that order, sufficient moneys such that the amounts on deposit therein shall equal, respectively, the interest, principal and Sinking Fund Installment next coming due on the Bonds Outstanding; provided, however, no deposit need be made to the Principal Account or Term Bonds Redemption Account until a date one year preceding the due date of such principal amount or Sinking Fund Installment.

(9) Surplus Fund. The balance of any Gross Revenues remaining in said Revenue Fund shall be deposited in the Surplus Fund and applied to the payment, on or prior to each principal and interest payment date for the Bonds (in no event earlier than the twenty-fifth (25th) day of the month next preceding such payment date), into the Interest Account, the Principal Account and the Term Bonds Redemption Account when the moneys therein shall be insufficient to pay the

principal of and interest on the Bonds coming due. Moneys not required to meet such a deficiency shall be deposited to the Reserve Account to make up any deficiency therein. Thereafter, moneys in the Surplus Fund may be applied for any lawful purpose, including, but not limited to, purchase or redemption of Bonds, payment of Subordinated Indebtedness, deposit to the Rate Stabilization Fund and improvements, renewals and replacements to the System; provided, however, that none of such revenues shall ever be used for the purposes provided in this paragraph (9) unless all payments required in paragraphs (1) through (7) above of this Section 4.05(B), including any deficiencies for prior payments, have been made in full to the date of such use.

(C) Whenever moneys on deposit in the Reserve Account, together with the other amounts in the Sinking Fund, are sufficient to fully pay all Outstanding Bonds in accordance with their terms (including principal or applicable Redemption Price and interest thereon), no further deposits to the Sinking Fund need be made. If on any payment date the Gross Revenues are insufficient to deposit the required amount in any of the funds or accounts or for any of the purposes provided above, the deficiency shall be made up on the subsequent payment dates.

The Issuer, in its discretion, may use moneys in the Principal Account and the Interest Account to purchase or redeem Bonds coming due on the next principal payment date, provided such purchase or redemption does not adversely affect the Issuer's ability to pay the principal or interest coming due on such principal payment date on the Bonds not so purchased or redeemed.

(D) At least two (2) Business Days prior to the date established for payment of any principal of or Redemption Price, if applicable, or interest on the Bonds, the Issuer shall withdraw from the appropriate account of the Sinking Fund sufficient moneys to pay such principal or Redemption Price, if applicable, or interest and deposit such moneys with the Paying Agent for the Bonds to be paid.

(E) In the event the Issuer shall issue a Series of Bonds secured by a Credit Facility, the Issuer may establish separate subaccounts in the Interest Account, the Principal Account and the Term Bonds Redemption Account to provide for payment of the principal of and interest on such Series; provided payment from the Pledged Funds of one Series of Bonds shall not have preference over payment of any other Series of Bonds. The Issuer may also deposit moneys in such subaccounts at such other times and in such other amounts from those provided in Section 4.05(B) as shall be necessary to pay the principal of and interest on such Bonds as the same shall become due, all as provided by the Supplemental Resolution authorizing such Bonds.

In the case of Bonds secured by a Credit Facility, amounts on deposit in the Sinking Fund may be applied as provided in the applicable Supplemental Resolution to reimburse the Credit Bank for amounts drawn under such Credit Facility to pay the

principal of, premium, if any, and interest on such Bonds or to pay the purchase price of any such Bonds which are tendered by the holders thereof for payment; provided such Credit Facility shall have no priority over Bondholders or the Insurer to amounts on deposit in the Sinking Fund.

SECTION 4.06. RATE STABILIZATION FUND. The Issuer may transfer into the Rate Stabilization Fund such moneys which are on deposit in the Surplus Fund as it deems appropriate. The Issuer may transfer such amounts of moneys from the Rate Stabilization Fund to the Revenue Fund as it deems appropriate; provided, however, that on or prior to each principal and interest payment date for the Bonds (in no event earlier than the twenty-fifth (25th) day of the month next preceding such payment date), moneys in the Rate Stabilization Fund shall be applied for the payment into the Interest Account, the Principal Account and the Term Bonds Redemption Account when the moneys therein are insufficient to pay the principal of and interest on the Bonds coming due, but only to the extent moneys transferred from the Surplus Fund for such purpose pursuant to Section 4.05(B)(9), shall be inadequate to fully provide for such insufficiency.

SECTION 4.07. COVENANT TO BUDGET AND APPROPRIATE; PAYMENT OF BONDS. The Issuer covenants and agrees to appropriate in its annual budget, by amendment to the budget, if necessary, from Non-Ad Valorem Funds amounts sufficient to (A) pay principal of and interest on the Bonds when due, (B) fund the Reserve Account to the extent of any deficiencies therein, and (C) pay all required deposits to the Rebate Fund pursuant to Section 4.09 hereof. Such covenant and agreement on the part of the Issuer to budget and appropriate such amounts of Non-Ad Valorem Funds shall be cumulative to the extent not paid, and shall continue until such Non-Ad Valorem Funds in amounts sufficient to make all such required payments shall have been budgeted, appropriated and actually paid. Notwithstanding the foregoing covenant of the Issuer, the Issuer does not covenant to maintain any services or programs, now provided or maintained by the Issuer, which generate Non-Ad Valorem Funds.

Such covenant to budget and appropriate does not create any lien upon or pledge of such Non-Ad Valorem Funds, nor does it preclude the Issuer from pledging in the future its Non-Ad Valorem Funds, nor does it require the Issuer to levy and collect any particular Non-Ad Valorem Funds, nor does it give the Bondholders a prior claim on the Non-Ad Valorem Funds as opposed to claims of general creditors of the Issuer. Such covenant to appropriate Non-Ad Valorem Funds is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Funds heretofore or hereafter entered into (including the payment of debt service on bonds and other debt instruments). However, the covenant to budget and appropriate for the purposes and in the manner stated herein shall have the effect of making available for the payment of the Bonds and for payment to the Reserve Account, as necessary, in the manner described herein, Non-Ad Valorem Funds and placing on the Issuer a positive duty to appropriate and budget, by amendment, if necessary, amount sufficient to meet its obligations

hereunder on a timely basis when Net Revenues are insufficient for such purpose; subject, however, in all respects to the restrictions of Section 129.07, Florida Statutes, which provide that the governing body of each county may only make appropriations for each fiscal year which, in any one year, shall not exceed the amount to be received from taxation or other revenue sources; and subject, further, to the payment of services and programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the Issuer or which are legally mandated by applicable law.

The Issuer agrees to transfer to the Registrar and Paying Agent, solely from funds budgeted and appropriated as described above, at least three business days prior to the date designated for payment of any principal of or interest on the Bonds, sufficient moneys to pay such principal or interest to the extent Net Revenues are insufficient for such purpose. The Registrar and Paying Agent shall utilize such moneys for payment of the principal and interest on the Bonds when due.

SECTION 4.08. ANTI-DILUTION. During such time as any Bonds are outstanding hereunder, the Issuer agrees and covenants with the Bondholders and the Insurer that the average of the non-ad valorem revenues of the Issuer (determined by adding all amounts deposited in the general fund and all special revenue funds of the Issuer and subtracting therefrom the revenues derived from ad valorem taxes) over the prior two Fiscal Years, must cover projected maximum annual debt service on Debt secured by and/or payable solely from such non-ad valorem revenues by at least 2.0x, based on the Issuer's audited financial statements. Prior to the issuance of any Debt secured by and/or payable from such non-ad valorem revenues, the Issuer shall perform the calculation set forth in the foregoing sentence to determine if it will be in compliance with this Section 4.08 after the issuance of such Debt.

SECTION 4.09. REBATE FUND. Amounts on deposit in the Rebate Fund shall be held in trust by the Issuer and used solely to make required rebates to the United States (except to the extent the same may be transferred to the Revenue Fund or the Issuer) and the Bondholders shall have no right to have the same applied for debt service on the Bonds. For any Series of Bonds for which the rebate requirements of Section 148(f) of the Code are applicable, the Issuer agrees to undertake all actions required of it in its arbitrage certificate related to such Series of Bonds including, but not limited to:

(A) making a determination in accordance with the Code of the amount required to be deposited in the Rebate Fund;

(B) depositing the amount determined in clause (A) above into the Rebate Fund;

(C) paying on the dates and in the manner required by the Code to the United States Treasury from the Rebate Fund and any other legally available moneys of the

Issuer such amounts as shall be required by the Code to be rebated to the United States Treasury; and

(D) keeping such records of the determinations made pursuant to this Section 4.09 as shall be required by the Code, as well as evidence of the fair market value of any investments purchased with proceeds of the Bonds.

The provisions of the above-described arbitrage certificate may be amended from time to time as shall be necessary, in the opinion of Bond Counsel, to comply with the provisions of the Code.

SECTION 4.10. INVESTMENTS. The Construction Fund, the Revenue Fund, the Sinking Fund, the Operation and Maintenance Fund, the Surplus Fund, the Closure Reserve Fund, the Rate Stabilization Fund and the Renewal and Replacement Fund shall be continuously secured in the manner by which the deposit of public funds are authorized to be secured by the laws of the State. The moneys in the Construction Fund, the Revenue Fund, Operation and Maintenance Fund, the Principal Account, the Interest Account, the Term Bonds Redemption Account, the Rate Stabilization Fund, the Renewal and Replacement Fund, the Closure Reserve Fund and the Surplus Fund shall be invested and reinvested by the Issuer in Authorized Investments, maturing not later than the dates on which such moneys will be needed for the purposes of such fund or account. Moneys on deposit in the Reserve Account shall be invested in Authorized Investments, maturing no later than seven (7) years from the date of investment. All investments shall be valued at amortized cost; provided that the amounts on deposit in the Reserve Account shall be valued at the market price thereof. Investments on deposit in the Reserve Account shall be valued by the Issuer on an annual basis in April of each year. Notwithstanding any other provision hereof, all amounts on deposit in the Construction Fund or Interest Account representing accrued and capitalized interest shall be held by the Issuer, shall be pledged solely to the payment of interest on the corresponding Series of Bonds and shall be invested only in Authorized Investments maturing in such times and in such amounts as are necessary to pay the interest to which they are pledged.

Any and all income received from the investment of moneys in each separate account of the Construction Fund, the Interest Account, the Principal Account, the Term Bonds Redemption Account, the Surplus Fund, the Renewal and Replacement Fund (to the extent such income and the other amounts in such Fund do not exceed the Renewal and Replacement Fund Requirement), the Closure Reserve Fund, the Surplus Fund, the Rate Stabilization Fund and the Reserve Account (to the extent such income and the other amounts in the Reserve Account does not exceed the Reserve Account Requirement applicable thereto), shall be retained in such respective Fund or Account.

Any and all income received from the investment of moneys in the Renewal and Replacement Fund (only to the extent such income and the other amounts in such Fund exceed the Renewal and Replacement Fund Requirement) may be deposited upon receipt

thereof in the Revenue Fund. Any and all income received from investment of moneys in the Reserve Account (only to the extent such income and the other amounts in the Reserve Account exceeds the Reserve Account Requirement), shall, prior to completion of a Project, be deposited in the Construction Fund and thereafter shall be deposited in the Revenue Fund.

Nothing in this Resolution shall prevent any Authorized Investments acquired as investments of or security for funds held under this Resolution from being issued or held in book-entry form on the books of the Department of the Treasury of the United States.

SECTION 4.11. SEPARATE ACCOUNTS. The moneys required to be accounted for in each of the foregoing funds, accounts and subaccounts established herein may be deposited in a single, non-exclusive bank account, and funds allocated to the various funds, accounts and subaccounts established herein may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds, accounts and subaccounts as herein provided.

The designation and establishment of the various funds, accounts and subaccounts in and by this Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as herein provided.

ARTICLE V COVENANTS

SECTION 5.01. GENERAL. The Issuer hereby makes the following covenants, in addition to all other covenants in this Resolution, with each and every successive Holder of any of the Bonds so long as any of said Bonds remain Outstanding.

SECTION 5.02. CONSTRUCTION, OPERATION AND MAINTENANCE. The Issuer will maintain or cause to be maintained the System and all portions thereof in good condition and will operate or cause to be operated the same in an efficient and economical manner, making or causing to be made such expenditures for equipment and for renewals, repairs and replacements as may be proper for the economical operation and maintenance thereof.

SECTION 5.03. ANNUAL BUDGET. The Issuer shall annually prepare and adopt, prior to the beginning of each Fiscal Year, an Annual Budget in accordance with applicable law. No expenditure for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amount provided therefor in the Annual Budget, (A) without a written finding and recommendation by an Authorized Issuer Officer or the County Budget Officer, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures, and (B) until the Issuer shall have approved such finding and recommendation by resolution. No such increased expenditures in excess of twenty percent (20%) of the amounts provided therefor in the Annual Budget shall in any event be made except upon the further certification of an Authorized Issuer Officer that such increased expenditures are reasonable and necessary to the continued operation of the System, provided, that in making such calculation expenditures to be paid from Government Grants shall be excluded.

If for any reason the Issuer shall not have adopted the Annual Budget before the first day of any Fiscal Year, the preliminary budget for such year, if it be approved by the Consulting Engineers, or otherwise the Annual Budget for the preceding Fiscal Year, shall be deemed to be in effect for such Fiscal Year until the Annual Budget for such Fiscal Year is adopted.

The Issuer may at any time adopt an amended Annual Budget for the then current Fiscal Year, but no such amended Annual Budget shall supersede any prior budget until it shall be approved by the Consulting Engineers as reasonable and necessary.

The Issuer shall mail copies of such Annual Budgets and amended Annual Budgets and all resolutions authorizing increased expenditures for operation and maintenance to any Credit Bank or Insurer who shall file its address with the Clerk and request in writing that copies of all such Annual Budgets and resolutions be furnished to it and shall make available all such Annual Budgets and resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to any

Holder or Holders of Bonds or to anyone acting for and on behalf of such Holder or Holders.

SECTION 5.04. RATES. The Issuer shall fix, establish and maintain such rates and collect such fees, rates, assessments or other charges for the product, services and facilities of its System, and revise the same from time to time, whenever necessary, as will always provide in each Fiscal Year, Net Revenues adequate at all times to pay in each Fiscal Year at least one hundred fifteen percent (115%) of the Annual Debt Service on all Outstanding Bonds becoming due in such Fiscal Year and any amounts required by the terms hereof to be deposited in the Reserve Account or with any issuer of a Reserve Account Letter of Credit or Reserve Account Insurance Policy. Such rates, fees or other charges shall not be so reduced so as to be insufficient to provide adequate Net Revenues for the purposes provided therefor by this Resolution.

If, in any Fiscal Year, the Issuer shall fail to comply with the requirements contained in the immediately preceding paragraph, it shall cause the Consulting Engineers to review its rates, fees, charges, income, Gross Revenues, Operating Expenses and methods of operation and to make written recommendations as to the methods by which the Issuer may promptly seek to comply with the requirements set forth in such paragraph. The Issuer shall forthwith commence to implement such recommendations to the extent required so as to cause it to thereafter comply with said requirements.

SECTION 5.05. BOOKS AND RECORDS. The Issuer shall keep books, records and accounts of the revenues and operations of the System, which shall be kept separate and apart from all other books, records and accounts of the Issuer, and the Holders of any Bonds Outstanding or the duly authorized representatives thereof shall have the right at all reasonable times to inspect all books, records and accounts of the Issuer relating thereto.

SECTION 5.06. ANNUAL AUDITS. The Issuer shall, immediately after the close of each Fiscal Year, cause the books, records and accounts relating to the System to be properly audited by a recognized independent firm of certified public accountants, and shall require such accountants to complete their report of such Annual Audit in accordance with applicable law. Each Annual Audit shall be in conformity with generally accepted auditing standards applicable to entities such as the Issuer and to enterprises such as the System. A copy of each Annual Audit shall regularly be furnished to any Insurer and to any Holder of a Bond who shall have furnished his address to the Clerk and requested in writing that the same be furnished to him.

SECTION 5.07. NO MORTGAGE OR SALE OF THE SYSTEM. The Issuer irrevocably covenants, binds and obligates itself not to sell, lease, encumber or in any manner dispose of the System as a whole or any substantial part thereof (except as provided below) until all of the Bonds and all interest thereon shall have been paid in full or provision for payment has been made in accordance with Section 9.01 hereof.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System in the following manner, if any one of the following conditions exist: (A) such property is not necessary for the operation of the System, (B) such property is not useful in the operation of the System, (C) such property is not profitable in the operation of the System, or (D) in the case of a lease of such property, will be advantageous to the System and will not adversely affect the security for the Bondholders.

Prior to any such sale, lease or other disposition of said property: (1) if the amount to be received therefor is not in excess of \$1,000,000, an Authorized Issuer Officer shall make a finding in writing determining that one or more of the conditions for sale, lease or disposition of property provided for in the second paragraph of this Section 5.07 have been met; or (2) if the amount to be received from such sale, lease or other disposition of said property shall be in excess of \$1,000,000, an Authorized Issuer Officer and the Consulting Engineers shall each first make a finding in writing determining that one or more of the conditions for sale, lease or other disposition of property provided for in the second paragraph of this Section 5.07 have been met, and the Issuer shall, by resolution, duly adopt, approve and concur in the finding of an Authorized Issuer Officer and the Consulting Engineers.

The proceeds from such sale, or other disposition shall be deposited, first, into the Renewal and Replacement Fund to the extent necessary to make the amount therein equal to the Renewal and Replacement Fund Requirement, and, second, into the Surplus Fund. Proceeds from any such lease shall constitute Gross Revenues and shall be deposited in the Revenue Fund.

The transfer of the System as a whole from the control of the Governing Body to some other board or authority which may hereafter be created for such purpose and which constitutes a governmental entity, obligations issued by which are exempt from Federal income taxation under Section 103(a) of the Code, shall not be deemed prohibited by this Section 5.07 and such successor board or authority shall fall within the definition of "Issuer" in Section 1.01 hereof.

Notwithstanding the foregoing provisions of this Section 5.08, the Issuer shall have the authority to sell for fair and reasonable consideration any land comprising a part of the System which is no longer necessary or useful in the operation of the System and the proceeds derived from the sale of such land shall be disposed of in accordance with the provisions of the fourth paragraph of this Section 5.07.

The Issuer may make contracts or grant licenses for the operation of, or grant easements or other rights with respect to, any part of the System if such contract, license, easement or right does not, in the opinion of the Consulting Engineers, as evidenced by a certificate to that effect filed with the Issuer, impede or restrict the operation by the Issuer

of the System, but any payments to the Issuer under or in connection with any such contract, license, easement or right in respect of the System or any part thereof shall constitute Gross Revenues and shall be deposited in the Revenue Fund.

SECTION 5.08. INSURANCE. The Issuer will carry such insurance as is ordinarily carried by private or public corporations owning and operating solid waste disposal facilities (including, without limitation, collection, transfer and recycling facilities) similar to the System with a reputable insurance carrier or carriers, including public and product liability insurance in such amounts as the Issuer shall determine to be sufficient and such other insurance against loss or damage by fire, explosion (including underground explosion), hurricane, tornado or other hazards and risks, and said property loss or damage insurance shall at all times be in an amount or amounts equal to the fair appraisal value of the buildings, properties, furniture, fixtures and equipment of the System, or such other amount or amounts as the Consulting Engineers shall approve as sufficient.

The Issuer may establish certain minimum levels of insurance for which the Issuer may self-insure. Such minimum levels of insurance shall be in amounts as recommended in writing by an insurance consultant who has a favorable reputation and experience and is qualified to survey risks and to recommend insurance coverage for Persons engaged in operations similar to the System.

The Issuer shall, immediately upon receipt, deposit the proceeds from property loss and casualty insurance to the credit of the Revenue Fund. The proceeds from property loss and casualty insurance shall be applied as follows: (A) if such proceeds, together with other available funds of the Issuer, are sufficient to repair or replace the damaged portion of the System, such proceeds and other available funds shall be deposited to the credit of the Renewal and Replacement Fund and, together with any other available funds of the Issuer, applied to such repair or replacement; or (B) if such proceeds, together with other available funds of the Issuer, are not sufficient to repair or replace the damaged portion of the System or if the Issuer makes a determination in accordance with Section 5.07 hereof that such portion of the System is no longer necessary or useful in the operation of the System, such proceeds shall (1) if such proceeds equal or exceed \$1,000,000, (a) be applied to the redemption or purchase of Bonds or (b) be deposited in irrevocable trust for the payment of Bonds in the manner set forth in Section 9.01, provided the Issuer has received an opinion of Bond Counsel to the effect that such deposit shall not adversely affect the exclusion, if any, from gross income of interest on the Bonds for purposes of federal income taxation, or (2) if such proceeds are less than \$1,000,000, remain deposited in the Revenue Fund.

SECTION 5.09. COMPETITIVE FACILITIES. Unless the failure to do so would be in violation of any federal anti-trust law, the Issuer shall not construct, acquire, or operate, or permit or consent to the construction, acquisition or operation of, any "class

1 solid waste disposal area" (as defined in the Act) which may compete or tend to compete with the System.

SECTION 5.10. NO IMPAIRMENT OF RIGHTS. The Issuer will not enter into any contract or contracts, nor take any action, the results of which might impair the rights of the Holders of the Bonds and, to the full extent allowed by law, will not permit the operation of any solid waste disposal or recycling facilities in the County other than the System; provided, however, the Issuer reserves the right to permit the ownership and operation of solid waste disposal or recycling facilities or both by itself or by others in any territory which is not in any service area now or hereafter served by the System.

SECTION 5.11. ENFORCEMENT OF CHARGES. The Issuer shall compel the prompt payment of rates, fees, assessments and charges imposed for the use of the services and facilities of the System, and to that end will vigorously enforce all of the provisions of any ordinance or resolution of the Issuer having to do with charges and control of the solid waste stream in the County, and all of the rights and remedies permitted the Issuer under law, including the securing of injunction against the disposition of solid waste into the System by any premises delinquent in the payment of such charges.

SECTION 5.12. COVENANTS WITH CREDIT BANKS AND INSURERS. The Issuer may make such covenants as it may in its sole discretion determine to be appropriate with any Insurer, Credit Bank or other financial institution that shall agree to insure or to provide for Bonds of any one or more Series credit or liquidity support that shall enhance the security or the value of such Bonds. Such covenants may be set forth in the applicable Supplemental Resolution and shall be binding on the Issuer, the Registrar, the Paying Agent and all the Holders of Bonds the same as if such covenants were set forth in full in this Resolution.

SECTION 5.13. CONSULTING ENGINEERS. The Issuer shall at all times employ Consulting Engineers, whose duties shall be to make any certificates and perform any other acts required or permitted of the Consulting Engineers under this Resolution, and also to review the construction and operation of the System, to make an inspection of the System at least once a year, and, not more than one hundred twenty (120) days prior to the end of each Fiscal Year, to submit to the Issuer a report with recommendations as to the proper maintenance, repair and operation of the System during the ensuing Fiscal Year, including recommendations for expansion and additions to the System to meet anticipated service demands, and an estimate of the amount of money necessary for such purposes. Copies of such reports, recommendations and estimates made as hereinabove provided shall be filed with the Issuer for inspection by Bondholders, if such inspection is requested.

**SECTION 5.14. FEDERAL INCOME TAXATION COVENANTS;
TAXABLE BONDS.**

(A) The Issuer covenants with the Holders of each Series of Bonds (other than Taxable Bonds) that it shall not use the proceeds of such Series of Bonds in any manner which would cause the interest on such Series of Bonds to be or become includable in gross income for purpose of federal income taxation.

(B) The Issuer covenants with the Holders of each Series of Bonds (other than Taxable Bonds) that neither the Issuer nor any Person under its control or direction will make any use of the proceeds of such Series of Bonds (or amounts deemed to be proceeds under the Code) in any manner which would cause such Series of Bonds to be "arbitrage bonds" within the meaning of the Code and neither the Issuer nor any other Person shall do any act or fail to do any act which would cause the interest on such Series of Bonds to become subject to inclusion within gross income for purposes of federal income taxation.

(C) The Issuer hereby covenants with the Holders of each Series of Bonds (other than Taxable Bonds) that it will comply with all provisions of the Code necessary to maintain the exclusion from gross income of interest on the Bonds for purposes of federal income taxation, including, in particular, the payment of any amount required to be rebated to the U.S. Treasury pursuant to the Code.

(D) The Issuer may, if it so elects, issue one or more Series of Taxable Bonds the interest on which is (or may be) includible in the gross income of the Holder thereof for federal income taxation purposes, so long as each Bond of such Series states in the body thereof that interest payable thereon is (or may be) subject to federal income taxation and provided that the issuance thereof will not cause interest on any other Bonds theretofore issued hereunder to be or become subject to federal income taxation. The covenants set forth in paragraphs (A), (B) and (C) above shall not apply to any Taxable Bonds.

SECTION 5.15. NOTICES. (A) Copies of any amendments made hereto which are consented to by an Insurer or Credit Bank shall be sent to Standard & Poor's Corporation.

(B) Each Insurer and Credit Bank shall receive notice of the resignation or removal of the Paying Agent and the appointment of a successor thereto.

(C) Any notice that is required to be given to a Bondholder or to the Paying Agent pursuant hereto shall also be provided to the Insurer or Credit Bank for such Series of Bonds.

(D) All notices required to be given to Financial Security hereunder shall be in writing and shall be sent to 350 Park Avenue, New York, New York, 10022-6022, Attention: Managing Director - Surveillance, Re: Policy No. _____, Telephone: 212/826-0100; Telecopier: 212/339-3556

SECTION 5.16. PROVISIONS RELATING TO FINANCIAL SECURITY BOND INSURANCE POLICY. The following provisions relating to the Bond Insurance Policy issued by Financial Security shall apply to the Series 2003 Bonds so long as such Bond Insurance Policy is in full force and effect and any Series 2003 Bonds shall remain Outstanding:

(a) 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 Issuer, after making all transfers and deposits required under this Resolution, moneys sufficient to pay the principal of and interest on the Series 2003 Bonds due on such Payment Date, the Issuer shall give notice to Financial Security and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or telecopy 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 2003 Bonds due on such Payment Date, the Issuer shall notify the Paying Agent and cause the Paying Agent to make a claim under the Bond Insurance Policy and give notice to Financial Security and the Insurer'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 2003 Bonds and the amount required to pay principal of the Series 2003 Bonds, confirmed in writing to Financial Security and the Insurer'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 Bond Insurance Policy.

(b) In the event the claim to be made is for a mandatory sinking fund redemption installment, upon receipt of the moneys due, the Paying Agent shall authenticate and deliver to affected Series 2003 Bondholders who surrender their Series 2003 Bonds a new Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Series 2003 Bond surrendered. The Paying Agent shall designate any portion of payment of principal on Series 2003 Bonds paid by Financial Security, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Series 2003 Bonds registered to the then current Bondholder, whether DTC or its nominee or otherwise, and shall issue a replacement Series 2003 Bond to Financial Security, 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 Paying Agent's failure to so designate any payment or issue any replacement

Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Series 2003 Bond or the subrogation rights of Financial Security.

(c) The Paying Agent shall keep a complete and accurate record of all funds deposited by Financial Security into the hereinafter defined Policy Payments Account referenced below and the allocation of such funds to payment of interest on and principal paid in respect of any Series 2003 Bond. Financial Security shall have the right to inspect such records at reasonable times upon reasonable notice to the Paying Agent.

(d) Upon payment of a claim under the Bond Insurance Policy, the Paying Agent shall establish a separate special purpose trust account for the benefit of the Series 2003 Bondholders referred to herein as the "Policy Payments Account" and over which the Paying Agent shall have exclusive control and sole right of withdrawal. The Paying Agent shall receive any amount paid under the Bond Insurance Policy in trust on behalf of the Series 2003 Bondholders 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 Paying Agent to Series 2003 Bondholders in the same manner as principal and interest payments are to be made with respect to the Series 2003 Bonds under the terms hereof regarding payment of Series 2003 Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything to the contrary otherwise set forth in this Resolution, and to the extent permitted by law, in the event amounts paid under the Bond Insurance Policy are applied to claims for payment of principal of or interest on the Series 2003 Bonds, interest on such principal of and interest on such Series 2003 Bonds shall accrue and be payable from the date of such payment at the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank or its successor at its principal office in the City of New York, as its prime or base lending rate plus 3%, and (ii) the then applicable rate of interest on the Series 2003 Bonds provided that in no event shall such rate exceed the maximum rate permissible under applicable usury or similar laws limiting interest rates.

(e) Funds held in the Policy Payments Account shall not be invested by the Paying Agent and may not be applied to satisfy any costs, expenses or liabilities of the Paying Agent. Any funds remaining in the Policy Payments Account following a Series 2003 Bond Payment Date shall promptly be remitted to Financial Security.

(f) No modification, amendment or supplement to this Resolution pursuant to Article VIII thereof which requires the consent of any Series 2003 Bondholders or would otherwise impair the interests of Financial Security may become effective except upon obtaining the prior written consent of Financial Security.

(g) Financial Security shall, to the extent it makes any payment of principal of or interest on the Series 2003 Bonds, become subrogated to the rights of the recipients of

such payments in accordance with the terms of the Bond Insurance Policy. The obligations to Financial Security shall survive discharge or termination of this Resolution

(h) The Issuer shall pay or reimburse Financial Security, to the extent permitted by law, any and all charges, fees, costs and expenses which Financial Security may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in this Resolution; (ii) the pursuit of any remedies under this Resolution or any other related document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, this Resolution or any other related document whether or not executed or completed, (iv) the violation by the Issuer 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 this Resolution or any other related document or the transactions contemplated thereby, other than amounts resulting from the failure of Financial Security to honor its obligations under the Bond Insurance Policy. Financial Security reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Resolution or any other related document.

(i) Financial Security shall be entitled to pay principal or interest on the Series 2003 Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Bond Insurance Policy) and any amounts due on the Series 2003 Bonds as a result of acceleration of the maturity thereof in accordance with this Resolution, whether or not Financial Security has received a Notice of Nonpayment (as such terms are defined in the Bond Insurance Policy) or a claim upon the Bond Insurance Policy.

(j) The notice address of Financial Security is: Financial Security Assurance Inc., 350 Park Avenue, New York, New York 10022-6022, Attention: Managing Director – Surveillance; Re: Policy No. _____, Telephone: (212) 826-0100, Telecopier: (212) 339-3556. In each case in which 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."

(k) Financial Security shall be provided with the following information at no charge:

(i) Annual audited financial statements within 30 days after the completion of the Issuer's annual audit (and in any event within 180 days of the end of the Issuer's Fiscal Year) and the Issuer's annual budget and revised budget within 30 days after the approval thereof together with such other information, data or reports as Financial Security shall reasonably request from time to time;

(ii) Notice of any draw upon the Reserve Account within two business days after knowledge thereof other than (a) withdrawals of amounts in excess of the Reserve Account Requirement and (b) withdrawals in connection with a refunding of Bonds;

(iii) Notice of any default known to the Paying Agent or the Issuer within five business days after knowledge thereof;

(iv) Prior notice of the advance refunding or redemption of any of the Series 2003 Bonds, including the principal amount, maturities and CUSIP numbers thereof;

(v) Notice of the resignation or removal of the Paying Agent and the appointment of, and acceptance of duties by, any successor thereto;

(vi) Notice of the commencement of any proceeding by or against the Issuer 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 2003 Bonds;

(viii) A full original transcript of all proceedings relating to the execution of any Supplemental Resolution and any related documents; and

(ix) All reports, notices and correspondence to be delivered under the terms of this Resolution or any related documents.

(l) Financial Security is considered a third party beneficiary under this Resolution.

(m) Copies of any modification or amendment to this Resolution shall be sent to Standard & Poor's Corporation and Moody's at least 10 days prior to the effective date thereof.

(n) The rights granted to Financial Security under this Resolution to request, consent to or direct any action are rights granted to the Insurer in consideration of its issuance of the Bond Insurance Policy. Any exercise by Financial Security of such rights is merely an exercise of Financial Security's contractual rights and shall not be construed or deemed to be taken for the benefit or on behalf of the Series 2003 Bondholders nor does such action evidence any position of Financial Security, positive or negative, as to whether the Series 2003 Bondholder consent is required in addition to consent of Financial Security.

(o) Amounts paid by Financial Security under the Bond Insurance Policy shall not be deemed paid for purposes of this Resolution and shall remain Outstanding and continue to be due and owing until paid by the Issuer in accordance with this Resolution.

(p) Financial Security shall be deemed to be the sole holder of the Series 2003 Bonds insured by it for the purpose of exercising any voting right or privilege or giving any consent or direction or taking of any other action that the holders of the Series 2003 Bonds insured by it are entitled to take pursuant to Article VII of this Resolution and the provisions of the Resolution pertaining to the duties and obligations of the Paying Agent or trustee, if any.

(q) This Resolution shall not be discharged unless all amounts due or to become due to Financial Security have been paid in full or duly provided for.

(r) No contract shall be entered into by the Issuer nor any action taken by the Issuer by which the rights of Financial Security or security for or sources of payment of the Series 2003 Bonds may be materially impaired or materially prejudiced except upon obtaining the prior written consent of Financial Security.

(s) Notwithstanding the provisions of Section 9.01 of this Resolution, to accomplish the defeasance of the Series 2003 Bonds, the Issuer shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to Financial Security ("Accountant") verifying the sufficiency of the escrow established to pay the Series 2003 Bonds in full on the maturity or redemption date ("Verification"), (ii) an Escrow Deposit Agreement (which shall be acceptable in form and substance to Financial Security), and (iii) an opinion of nationally recognized bond counsel to the effect that the Series 2003 Bonds are no longer "Outstanding" under this Resolution, each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Issuer, the Paying Agent and Financial Security. Financial Security shall be provided with final drafts of the above-referenced documentation not less than five business days prior to the funding of the escrow. Series 2003 Bonds shall be deemed "Outstanding" under this Resolution unless and until they are in fact paid and retired or the above criteria and the other criteria set forth in Section 9.01 are met.

(t) The Issuer covenants and agrees to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to otherwise preserve the priority of the pledge of the Pledged Funds under applicable law.

(u) Notwithstanding satisfaction of other conditions to the issuance of Additional Bonds contained in this Resolution, no such issuance may occur (i) should any Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) have occurred and be continuing unless such default shall

be cured upon such issuance and (ii) unless the Reserve Account is fully funded at its requirement (including the new issue) upon the issuance of such Additional Bonds, in either case unless otherwise permitted by Financial Security.

(v) In determining whether any amendment, consent or other action to be taken, or any failure to act, under the Resolution would adversely affect the security for the Series 2003 Bonds or the rights of the Series 2003 Bondholders, the Paying Agent and the Issuer shall consider the effect of any such amendment, consent, action or inaction as if there were no Bond Insurance Policy.

ARTICLE VI

SUBORDINATED INDEBTEDNESS AND ADDITIONAL BONDS

SECTION 6.01. SUBORDINATED INDEBTEDNESS. The Issuer will not issue any other obligations, except under the conditions and in the manner provided herein, payable from the Pledged Funds or the Gross Revenues or voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge having priority to or being on a parity with the lien thereon in favor of the Bonds and the interest thereon. The Issuer may at any time or from time to time issue evidences of indebtedness payable in whole or in part out of Pledged Funds and which may be secured by a pledge of Pledged Funds; provided, however, that such pledge shall be, and shall be expressed to be, subordinated in all respects to the pledge of the Pledged Funds created by this Resolution and provided further that the issuance of such Subordinated Indebtedness shall be subject to any provisions contained in financing documents securing Outstanding Subordinated Indebtedness to the extent such provisions impact on the ability of the Issuer to issue Subordinated Indebtedness. The Issuer shall have the right to covenant with the holders from time to time of any Subordinated Indebtedness to add to the conditions, limitations and restrictions under which any Additional Bonds may be issued under the provisions of Section 6.02 hereof. The Issuer agrees to promptly pay any Subordinated Indebtedness as the same shall become due.

SECTION 6.02. ISSUANCE OF ADDITIONAL BONDS. No Additional Bonds, payable on a parity with the Bonds then Outstanding pursuant to this Resolution, shall be issued except upon the conditions and in the manner herein provided. The Issuer may issue one or more Series of Additional Bonds for any one or more of the following purposes: (i) financing the Cost of a Project, or the completion thereof, or (ii) refunding any or all Outstanding Bonds or of any Subordinated Indebtedness of the Issuer.

No such Additional Bonds shall be issued unless (1) no Event of Default (as specified in Section 7.01 hereof) shall have occurred and be continuing and (2) the following conditions are complied with:

(A) The Issuer shall certify that it is current in all deposits into the various funds and accounts established hereby and all payments theretofore required to have been deposited or made by it under the provisions of this Resolution (including all amounts owing to any issuer of a Reserve Account Letter of Credit or Reserve Account Insurance Policy) and has complied with the covenants and agreements of this Resolution including, without limitation, Section 4.08 hereof.

(B) Except in the case of Additional Bonds issued for the purpose of refunding Outstanding Bonds which satisfy the requirements of Section 6.02(H) hereof, an Authorized Issuer Officer shall certify that the amount of the Net Revenues during the immediate preceding Fiscal Year or any twelve (12) consecutive months selected by the

Issuer of the twenty-four (24) months immediately preceding the issuance of said Additional Bonds, adjusted as hereinafter provided, will be equal to at least one hundred fifteen percent (115%) of the Maximum Annual Debt Service of the Outstanding Bonds and the Additional Bonds then proposed to be issued.

(C) For the purpose of determining the Maximum Annual Debt Service under this Section 6.02, the interest rate on additional parity Variable Rate Bonds then proposed to be issued shall be deemed to be the Bond Buyer Revenue Bond Index most recently published prior to the sale of such Additional Bonds.

(D) For the purpose of determining the Debt Service under this Section 6.02, the interest rate on Outstanding Variable Rate Bonds shall be deemed to be (1) if such Variable Rate Bonds have been Outstanding for at least 12 months prior to the date of sale of such Additional Bonds, the highest of (a) the actual rate of interest borne by such Variable Rate Bonds on the date of sale, (b) the average interest rate borne by such Variable Rate Bonds during the 12-month period preceding the date of sale, and (c) the Bond Buyer Revenue Bond Index most recently published prior to the date of sale of the Additional Bonds, or (2) if such Variable Rate Bonds have not been Outstanding for at least 12 months prior to the date of sale of such Additional Bonds, the higher of (a) the actual rate of interest borne by the Variable Rate Bonds on the date of sale, and (b) the Bond Buyer Revenue Bond Index most recently published prior to the sale of such Additional Bonds.

(E) For the purpose of this Section 6.02, the phrase "immediately preceding Fiscal Year or the twelve (12) consecutive months of the twenty-four (24) months immediately preceding the issuance of said Additional Bonds" shall be sometimes referred to as "twelve (12) consecutive months."

(F) The Net Revenues calculated pursuant to the foregoing Section 6.02(B) may be adjusted upon the written advice of the Consulting Engineers, at the option of the Issuer, as follows:

(1) If the Issuer, prior to the issuance of the proposed Additional Bonds, shall have increased the rates, fees or other charges for the product, services or facilities of the System, the Net Revenues for the twelve (12) consecutive months immediately preceding the issuance of said Additional Bonds shall be adjusted to show the Net Revenues which would have been derived from the System in such twelve (12) consecutive months as if such increased rates, fees or other charges for the product, services or facilities of the System had been in effect during all of such twelve (12) consecutive months.

(2) If the Issuer shall have acquired or has contracted to acquire any privately or publicly owned existing solid waste disposal or recycling facilities, then the Net Revenues derived from the System during the twelve (12)

consecutive months immediately preceding the issuance of said Additional Bonds shall be increased by adding to the Net Revenues for said twelve (12) consecutive months the Net Revenues which would have been derived from said existing solid waste disposal or recycling facilities as if such existing solid waste disposal or recycling facilities had been a part of the System during such twelve (12) consecutive months. For the purposes of this paragraph, the Net Revenues derived from said existing solid waste disposal or recycling facilities during such twelve (12) consecutive months shall be adjusted to determine such Net Revenues by deducting the cost of operation and maintenance of said existing solid waste disposal or recycling facilities from the gross revenues of said system.

(3) If the Issuer, in connection with the issuance of Additional Bonds, shall enter into a contract with any public or private entity whereby the Issuer agrees to furnish services in connection with any solid waste disposal or recycling facilities, then the Net Revenues of the System during the twelve (12) consecutive months immediately preceding the issuance of said Additional Bonds shall be increased by the least amount which said public or private entity shall guarantee to pay in any one year for the furnishing of said services by the Issuer, after deducting therefrom the proportion of operating expenses and repair, renewal and replacement cost attributable in such year to such services.

(4) In the event the Issuer shall be constructing or acquiring additions, extensions or improvements to the System from the proceeds of such Additional Bonds and shall have established fees, rates or charges to be charged and collected from users of such facilities when service is rendered, such Net Revenues may be adjusted by adding thereto the Net Revenues estimated by the Consulting Engineers to be derived during the first twelve (12) months of operation after completion of the construction or acquisition of said additions, extensions and improvements from the proposed users of the facilities to be financed by Additional Bonds together with other funds on hand or lawfully obtained for such purpose.

(G) Additional Bonds shall be deemed to have been issued pursuant to this Resolution the same as the Outstanding Bonds, and all of the other covenants and other provisions of this Resolution (except as to details of such Additional Bonds inconsistent therewith) shall be for the equal benefit, protection and security of the Holders of all Bonds issued pursuant to this Resolution. Except as provided in Sections 4.02 and 4.05 hereof, all Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Pledged Funds and their sources and security for payment therefrom without preference of any Bonds over any other.

(H) In the event any Additional Bonds are issued for the purpose of refunding any Bonds then Outstanding, the conditions of Section 6.02(B) shall not apply, provided that the issuance of such Additional Bonds shall not result in an increase in the aggregate

amount of principal of and interest on the Outstanding Bonds becoming due in all subsequent Fiscal Years. The conditions of Section 6.02(B) shall apply to Additional Bonds issued to refund Subordinated Indebtedness and to Additional Bonds issued for refunding purposes which cannot meet the conditions of this paragraph.

(I) In addition to all of the other requirements specified in this 6.02, the Issuer must comply with any applicable provisions of any financing documents related to Outstanding Subordinated Indebtedness to the extent such provisions impact on the ability of the Issuer to issue Additional Bonds.

SECTION 6.03. BOND ANTICIPATION NOTES. The Issuer may issue notes in anticipation of the issuance of Bonds which shall have such terms and details and be secured in such manner, not inconsistent with this Resolution, as shall be provided by Supplemental Resolution of the Issuer.

SECTION 6.04. ACCESSION OF SUBORDINATED INDEBTEDNESS TO PARITY STATUS WITH BONDS. The Issuer may provide for the accession of Subordinated Indebtedness to the status of complete parity with the Bonds, if (A) the Issuer shall meet all the requirements imposed upon the issuance of Additional Bonds by Sections 6.02(A) and (B) hereof, assuming for purposes of said requirements, that such Subordinated Indebtedness shall be Additional Bonds, and (B) the facilities, if any, financed by such Subordinated Indebtedness shall be, or become part of, the System. If the aforementioned conditions are satisfied, the Subordinated Indebtedness shall be deemed to have been issued pursuant to this Resolution the same as the Outstanding Bonds, and such Subordinated Indebtedness shall be considered Bonds for all purposes provided in this Resolution.

ARTICLE VII
DEFAULTS AND REMEDIES

SECTION 7.01. EVENTS OF DEFAULT. The following events shall each constitute an "Event of Default":

(A) Default shall be made in the payment of the principal of, Sinking Fund Installment, redemption premium or interest on any Bond or Subordinated Indebtedness when due. In determining whether a payment default has occurred, no effect shall be given to payment made under a Bond Insurance Policy.

(B) There shall occur the dissolution or liquidation of the Issuer, or the filing by the Issuer of a voluntary petition in bankruptcy, or the commission by the Issuer of any act of bankruptcy, or adjudication of the Issuer as a bankrupt, or assignment by the Issuer for the benefit of its creditors, or appointment of a receiver for the Issuer, or the entry by the Issuer into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Issuer in any proceeding for its reorganization instituted under the provisions of the Federal Bankruptcy Act, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted.

(C) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Resolution on the part of the Issuer to be performed, and such default shall continue for a period of thirty (30) days after written notice of such default shall have been received from the Holders of not less than twenty-five percent (25%) of the aggregate principal amount of Bonds Outstanding or the Insurer of such amount of Bonds or any Credit Bank. Notwithstanding the foregoing, the Issuer shall not be deemed to be in default hereunder if such default can be cured within a reasonable period of time and if the Issuer in good faith institutes appropriate curative action and diligently pursues such action until default has been corrected.

SECTION 7.02. REMEDIES. Any Holder of Bonds issued under the provisions of this Resolution or any trustee or receiver acting for such Bondholders may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the Laws of the State of Florida, or granted and contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution or by any applicable statutes to be performed by the Issuer or by any officer thereof, provided, however that no Holder, trustee or receiver shall have the right to declare the Bonds immediately due and payable.

The Holder or Holders of Bonds in an aggregate principal amount of not less than twenty-five percent (25%) of the Bonds then Outstanding may by a duly executed certificate in writing appoint a trustee for Holders of Bonds issued pursuant to this

Resolution with authority to represent such Bondholders in any legal proceedings for the enforcement and protection of the rights of such Bondholders and such certificate shall be executed by such Bondholders or their duly authorized attorneys or representatives, and shall be filed in the office of the Clerk. Notice of such appointment, together with evidence of the requisite signatures of the Holders of not less than twenty-five percent (25%) in aggregate principal amount of Bonds Outstanding and the trust instrument under which the trustee shall have agreed to serve shall be filed with the Issuer and the trustee and notice of such appointment shall be given to all Holders of Bonds in the same manner as notices of redemption are given hereunder. After the appointment of the first trustee hereunder, no further trustees may be appointed; however, the Holders of a majority in aggregate principal amount of all the Bonds then Outstanding may remove the trustee initially appointed and appoint a successor and subsequent successors at any time.

SECTION 7.03. DIRECTIONS TO TRUSTEE AS TO REMEDIAL PROCEEDINGS. The Holders of a majority in principal amount of the Bonds then Outstanding (or any Insurer insuring any then Outstanding Bonds as provided below and in Section 7.07 hereof) have the right, by an instrument or concurrent instruments in writing executed and delivered to the trustee, to direct the method and place of conducting all remedial proceedings to be taken by the trustee hereunder with respect to the Series of Bonds owned by such Holders or insured by such Insurer, provided that such direction shall not be otherwise than in accordance with law or the provisions hereof, and that the trustee shall have the right to decline to follow any direction which in the opinion of the trustee would be unjustly prejudicial to Holders of Bonds not parties to such direction.

SECTION 7.04. REMEDIES CUMULATIVE. No remedy herein conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

SECTION 7.05. WAIVER OF DEFAULT. No delay or omission of any Bondholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by Section 7.02 to the Bondholders may be exercised from time to time, and as often as may be deemed expedient. No Event of Default may be waived without the consent of each Insurer which has honored all its obligations under its Bond Insurance Policy.

SECTION 7.06. APPLICATION OF MONEYS AFTER DEFAULT. If an Event of Default shall happen and shall not have been remedied, the Issuer or a trustee or receiver appointed for the purpose shall apply all Pledged Funds (except as for amounts in the subaccounts of the Reserve Account which shall be applied to the payment of the Series of Bonds for which they were established) as follows and in the following order:

(A) To the payment of the reasonable and proper charges, expenses and liabilities of the trustee or receiver and Registrar hereunder;

(B) To the payment of the amounts required for reasonable and necessary Operating Expenses, and for the reasonable renewals, repairs and replacements of the System necessary to prevent loss of Gross Revenues, as certified by the Consulting Engineer;

(C) To the payment of any amounts required to be paid by the Issuer pursuant to Section 4.07 or 5.14 hereof; and

(D) To the payment of the interest and principal or Redemption Price, if applicable, then due on the Bonds (provided such payments are made in accordance with applicable law), as follows:

(1) Unless the principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

FIRST: to the payment to the Persons entitled thereto of all installments of interest then due, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or preference;

SECOND: to the payment to the Persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due at maturity or upon mandatory redemption prior to maturity (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of Section 9.01 of this Resolution), in the order of their due dates, with interest upon such Bonds from the respective dates upon which they became due, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment first of such interest, ratably according to the amount of such interest due on such date, and then to the payment of such principal, ratably according to the amount of such principal due on such date, to the Persons entitled thereto without any discrimination or preference; and

THIRD: to the payment of the Redemption Price of any Bonds called for optional redemption pursuant to the provisions of this Resolution.

(2) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, with interest thereon as aforesaid, without

preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or preference.

SECTION 7.07. CONTROL BY INSURER. Upon the occurrence and continuance of an Event of Default, an Insurer, if such Insurer shall not be in default under its Bond Insurance Policy, shall be entitled to direct and control the enforcement of all right and remedies with respect to the Bonds it shall insure, including any waiver of an Event of Default, and it shall be considered the sole Holder of such Bonds for purposes of exercising remedies. The Issuer shall provide such Insurer immediate notice of any Event of Default described in Section 7.01(A) hereof and notice of any other Event of Default occurring hereunder within 30 days of the occurrence thereof.

ARTICLE VIII
SUPPLEMENTAL RESOLUTIONS

SECTION 8.01. SUPPLEMENTAL RESOLUTION WITHOUT BONDHOLDERS' CONSENT. The Issuer, from time to time and at any time, may adopt such Supplemental Resolutions without the consent of the Bondholders (which Supplemental Resolution shall thereafter form a part hereof) for any of the following purposes:

(A) To cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in this Resolution or to clarify any matters or questions arising hereunder.

(B) to grant to or confer upon the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders.

(C) To add to the conditions, limitations and restrictions on the issuance of Bonds under the provisions of this Resolution other conditions, limitations and restrictions thereafter to be observed.

(D) To add to the covenants and agreements of the Issuer in this Resolution other covenants and agreements thereafter to be observed by the Issuer or to surrender any right or power herein reserved to or conferred upon the Issuer.

(E) To specify and determine the matters and things referred to in Sections 2.01, 2.02 or 2.09 hereof, and also any other matters and things relative to such Bonds which are not contrary to or inconsistent with this Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first delivery of such Bonds.

(F) To authorize Projects or to change or modify the description of any Project.

(G) To specify and determine matters necessary or desirable for the issuance of Variable Rate Bonds or Capital Appreciation Bonds.

(H) To provide for the establishment of a separate subaccount or subaccounts in the Reserve Account which shall independently secure one or more Series of Bonds issued hereunder.

(I) To revise the procedures provided in Section 4.05(B)(4) hereof pursuant to which moneys are drawn on a Reserve Account Insurance Policy or Reserve Account Letter of Credit or the manner in which moneys are reimbursed to the provider of such Policy or Letter of Credit.

(J) To make any other change that, in the opinion of the Issuer, would not materially adversely affect the security for the Bonds. In making such determination, the Issuer shall not take into consideration any Bond Insurance Policy.

SECTION 8.02. SUPPLEMENTAL RESOLUTION WITH BONDHOLDERS' AND INSURER'S CONSENT. Subject to the terms and provisions contained in this Section 8.02 and in Sections 8.01 and 8.03 hereof, the Holder or Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in this Resolution to the contrary notwithstanding, to consent to and approve the adoption of such Supplemental Resolution or Resolutions hereto as shall be deemed necessary or desirable by the Issuer for the purpose of supplementing, modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Resolution; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified Series or maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section 8.02. Any Supplemental Resolution which is adopted in accordance with the provisions of this Section 8.02 shall also require the written consent of the Insurer of any Bonds which are Outstanding at the time such Supplemental Resolution shall take effect. No Supplemental Resolution may be approved or adopted which shall permit or require (A) an extension of the maturity of the principal of or the payment of the interest on any Bond issued hereunder, (B) reduction in the principal amount of any Bond or the Redemption Price or the rate of interest thereon, (C) the creation of a lien upon or a pledge of other than the lien and pledge created by this Resolution which adversely affects any Bondholders, (D) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (E) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Resolution. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders or the Insurer of the adoption of any Supplemental Resolution as authorized in Section 8.01 hereof.

If at any time the Issuer shall determine that it is necessary or desirable to adopt any Supplemental Resolution pursuant to this Section 8.02, the Clerk shall cause the Registrar to give notice of the proposed adoption of such Supplemental Resolution and the form of consent to such adoption to be mailed, postage prepaid, to all Bondholders at their addresses as they appear on the registration books. Such notice shall briefly set forth the nature of the proposed Supplemental Resolution and shall state that copies thereof are on file at the offices of the Clerk and the Registrar for inspection by all Bondholders. The Issuer shall not, however, be subject to any liability to any Bondholder by reason of its failure to cause the notice required by this Section 8.02 to be mailed and any such failure shall not affect the validity of such Supplemental Resolution when consented to and approved as provided in this Section 8.02.

Whenever the Issuer shall deliver to the Clerk an instrument or instruments in writing purporting to be executed by the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding, which instrument or instruments shall refer to the proposed Supplemental Resolution described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Issuer may adopt such Supplemental Resolution in substantially such form, without liability or responsibility to any Holder of any Bond, whether or not such Holder shall have consented thereto.

If the Holders of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the adoption of such Supplemental Resolution shall have consented to and approved the adoption thereof as herein provided, no Holder of any Bond shall have any right to object to the adoption of such Supplemental Resolution, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the Issuer from adopting the same or from taking any action pursuant to the provisions thereof.

Upon the adoption of any Supplemental Resolution pursuant to the provisions of this Section 8.02, this Resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution of the Issuer and all Holders of Bonds then Outstanding shall thereafter be determined, exercised and enforced in all respects under the provisions of this Resolution as so modified and amended.

SECTION 8.03. AMENDMENT WITH CONSENT OF INSURER ONLY.

If all of the Bonds Outstanding hereunder are insured as to payment of principal and interest by an Insurer or Insurers, the Issuer may enact one or more Supplemental Resolutions amending all or any part of Articles I, II, III, IV, V, VI and VII hereof with the written consent of said Insurer or Insurers and the acknowledgment by said Insurer or Insurers that its insurance or guaranty policy will remain in full force and effect. The consent of the Holders of any Bonds shall not be necessary. The foregoing right of amendment, however, does not apply to any amendment to Section 5.14 hereof with respect to the exemption, if applicable, of interest on said Bonds from Federal income taxation nor may any such amendment deprive the Holders of any Bond of right to payment of the Bonds from, and their lien on, the Pledged Funds. Upon filing with the Clerk of evidence of such consent of the Insurer or Insurers as aforesaid, the Issuer may adopt such Supplemental Resolution. After the adoption by the Issuer of such Supplemental Resolution, notice thereof shall be mailed to the Bondholders in the same manner as notice of an amendment under Section 8.02 hereof and shall be mailed first-class mail, postage prepaid, to any rating agency then rating the Bonds.

SECTION 8.04. NOTICE TO RATING AGENCIES. At least fifteen (15) days prior to the effective date of any Supplemental Resolution, the Issuer shall provide each rating agency which has assigned ratings then in effect to any Bonds affected by the provisions of such Supplemental Resolution with a copy of such Supplemental Resolution.

ARTICLE IX
MISCELLANEOUS

SECTION 9.01. DEFEASANCE. If (A) the Issuer shall pay or cause to be paid or there shall otherwise be paid to the Holders of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Resolution, and (B) the Issuer shall pay all amounts owing to any issuer of a Reserve Account Insurance Policy or Reserve Account Letter of Credit and all amounts owing to any Insurer or Credit Bank, then the pledge of the Pledged Funds, and all covenants, agreements and other obligations of the Issuer to the Bondholders, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Paying Agents shall pay over or deliver to the Issuer all money or securities held by them pursuant to the Resolution which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

Any Bonds or interest installments appertaining thereto, whether at or prior to the maturity or redemption date of such Bonds, shall be deemed to have been paid within the meaning of this Section 9.01 if (A) in case any such Bonds are to be redeemed prior to the maturity thereof, there shall have been taken all action then necessary to call such Bonds for redemption and notice of such redemption shall have been duly given or provision shall have been made for the giving of such notice, and (B) there shall have been deposited in irrevocable trust with a banking institution or trust company by or on behalf of the Issuer either moneys in an amount which shall be sufficient, or Refunding Securities verified by an independent certified public accountant to be in such amount that the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with such bank or trust company at the same time shall be sufficient, to pay the principal of or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be. Except as hereafter provided, neither the Refunding Securities nor any moneys so deposited with such bank or trust company nor any moneys received by such bank or trust company on account of principal of or Redemption Price, if applicable, or interest on said Refunding Securities shall be withdrawn or used for any purpose other than, and all such moneys shall be held in trust for and be applied to, the payment, when due, of the principal of or Redemption Price, if applicable, of the Bonds for the payment or redemption of which they were deposited and the interest accruing thereon to the date of maturity or redemption; provided, however, the Issuer may substitute new Refunding Securities and moneys for the deposited Refunding Securities and moneys if the new Refunding Securities and moneys are sufficient to pay the principal of or Redemption Price, if applicable, and interest on the refunded Bonds.

For purposes of determining whether Variable Rate Bonds shall be deemed to have been paid prior to the maturity or the redemption date thereof, as the case may be, by the deposit of moneys, or specified Refunding Securities and moneys, if any, in accordance with this Section 9.01, the interest to come due on such Variable Rate Bonds on or prior to the maturity or redemption date thereof, as the case may be, shall be calculated at the Maximum Interest Rate; provided, however, that if on any date, as a result of such Variable Rate Bonds having borne interest at less than the Maximum Interest Rate for any period, the total amount of moneys and specified Refunding Securities on deposit for the payment of interest on such Variable Rate Bonds is in excess of the total amount which would have been required to be deposited on such date in respect of such Variable Rate Bonds is in order to satisfy this Section 9.01, such excess shall be paid to the Issuer free and clear of any trust, lien, pledge or assignment securing the Bonds or otherwise existing under this Resolution.

In the event the Bonds for which moneys are to be deposited for the payment thereof in accordance with this Section 9.01 are not by their terms subject to redemption within the next succeeding sixty (60) days, the Issuer shall cause the Registrar to mail a notice to the Holders of such Bonds that the deposit required by this Section 9.01 of moneys or Refunding Securities has been made and said Bonds are deemed to be paid in accordance with the provisions of this Section 9.01 and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal of or Redemption Price, if applicable, and interest on said Bonds. Failure to provide said notice shall not affect the Bonds being deemed to have been paid in accordance with the provisions of this Section 9.01.

Nothing herein shall be deemed to require the Issuer to call any of the Outstanding Bonds for redemption prior to maturity pursuant to any applicable optional redemption provisions, or to impair the discretion of the Issuer in determining whether to exercise any such option for early redemption.

In the event that the principal of or Redemption Price, if applicable, and interest due on the Bonds shall be paid by an Insurer or Insurers, such Bonds shall remain Outstanding, shall not be defeased and shall not be considered paid by the Issuer, and the pledge of the Pledged Funds and all covenants, agreements and other obligations of the Issuer to the Bondholders shall continue to exist and such Insurer or Insurers shall be subrogated to the rights of such Bondholders.

SECTION 9.02. CAPITAL APPRECIATION BONDS. For the purposes of (A) receiving payment of the Redemption Price if a Capital Appreciation Bond is redeemed prior to maturity, or (B) receiving payment of a Capital Appreciation Bond if the principal of all Bonds becomes due and payable under the provisions of this Resolution, or (C) computing the amount of Bonds held by the Holder of a Capital Appreciation Bond in giving to the Issuer or any trustee or receiver appointed to represent the Bondholders any notice, consent, request or demand pursuant to this Resolution for

any purpose whatsoever, the principal amount of a Capital Appreciation Bond shall be deemed to be its Accreted Value.

SECTION 9.03. SALE OF BONDS. The Bonds shall be issued and sold at public or private sale at one time or in installments from time to time and at such price or prices as shall be consistent with the provisions of the Act, the requirements of this Resolution and other applicable provisions of law, subject to the provisions of Section 2.02 hereof.

SECTION 9.04. PRELIMINARY OFFICIAL STATEMENT AND FINAL OFFICIAL STATEMENT FOR SERIES 2003 BONDS. The use and distribution of the Preliminary Official Statement, the form of which is attached hereto as Exhibit A, by the underwriters for the purpose of offering the Series 2003 Bonds for sale is hereby authorized. The form, terms and provisions of the final Official Statement, to be dated the date of the purchase agreement to be executed between the Issuer and the underwriters in connection with the sale of the Series 2003 Bonds, shall be substantially as set forth in the Preliminary Official Statement but reflecting the final terms of the Series 2003 Bonds as set forth in said purchase agreement. The Chairman and the Clerk are hereby authorized and directed to execute and deliver said Official Statement in the name and on behalf of the Issuer, and thereupon to cause such Official Statement to be delivered to the underwriters with such changes, amendments, modifications, omissions, and additions as approved by the Chairman and the Clerk, and the information contained therein are hereby authorized to be used in connection with the sale of the Series 2003 Bonds to the public. Execution by the Chairman and the Clerk of the final Official Statement shall be deemed to be conclusive evidence of approval of such changes. The Chairman or Clerk is authorized to deem the Preliminary Official Statement "final" for purposes of Rule 15(c)2-12 of the Securities and Exchange Commission (the "SEC Rule").

SECTION 9.05. SECONDARY MARKET DISCLOSURE. Subject to the satisfaction in all respects of the conditions set forth in Section 2.02 hereof, the Issuer hereby covenants and agrees that, in order to provide for compliance by the Issuer with the secondary market disclosure requirements of the SEC Rule (as defined in Section 8.04 hereof), it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate to be executed by the Issuer in connection with the delivery of a Series of Bonds, as it may be amended from time to time in accordance with the terms thereof. The Continuing Disclosure Certificate shall be in substantially the form of Exhibit A attached hereto. Notwithstanding any other provision of this Resolution, failure of the Issuer to comply with such Continuing Disclosure Certificate shall not be considered an event of default under this Resolution; provided, however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Section 9.06 and the Continuing Disclosure Certificate. For purposes of this

Section 9.06, "Bondholder" shall mean any person who (A) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (B) is treated as the owner of any Bond for federal income tax purposes.

SECTION 9.06. APPOINTMENT OF PAYING AGENT AND REGISTRAR AND ESCROW AGENT. Bank One Trust Company, N.A., Florida, is hereby designated Registrar and Paying Agent for the Series 2003 Bonds and Escrow Agent for the Refunded Bonds. The Chairman and the Clerk are hereby authorized to enter into any agreement which may be necessary to effect the transactions contemplated by this Section 9.06 and by this Resolution including, without limitation, the execution and delivery of the Escrow Deposit Agreement.

SECTION 9.07. GENERAL AUTHORITY. The members of the Board of County Commissioners of the Issuer and the officers, attorneys and other agents or employees of the Issuer are hereby authorized to do all acts and things required of them by this Resolution, or desirable or consistent with the requirements hereof for the full punctual and complete performance of all the terms, covenants and agreements contained herein or in the Bonds, and each member, employee, attorney and officer of the Issuer and the Clerk is hereby authorized and directed to execute and deliver any and all papers and instruments and to be and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereunder. If the Chairman is absent or unavailable at any time so that it is impossible or impractical for him to perform any function hereunder, the Vice-Chairman may perform such function or otherwise act in his place.

SECTION 9.08. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions of this Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements and provisions of this Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Bonds issued hereunder.

SECTION 9.09. VALIDATION AUTHORIZED. To the extent deemed necessary by Bond Counsel or desirable by Counsel for the Issuer, the Attorney for the Issuer is authorized to institute appropriate proceedings for validation of the Bonds herein authorized pursuant to Chapter 75, Florida Statutes.

SECTION 9.10. REPEAL OF INCONSISTENT RESOLUTIONS. All ordinances, resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

SECTION 9.11. EFFECTIVE DATE. This Resolution shall take effective immediately upon its adoption.

ADOPTED this 18th day of November, 2003.

**BOARD OF COUNTY COMMISSIONERS
OF SEMINOLE COUNTY, FLORIDA**

Chairman

ATTEST:

Clerk

EXHIBIT A

FORM OF CONTINUING DISCLOSURE CERTIFICATE

EXHIBIT B

FORM OF BOND PURCHASE AGREEMENT

EXHIBIT C

FORM OF PRELIMINARY OFFICIAL STATEMENT

EXHIBIT D

FORM OF ESCROW DEPOSIT AGREEMENT

ESCROW DEPOSIT AGREEMENT

ESCROW DEPOSIT AGREEMENT, dated as of December __, 2003, by and between **SEMINOLE COUNTY, FLORIDA**, a duly created and validly existing political subdivision of the State of Florida (the "County"), and Bank One Trust Company, N.A. (the "Escrow Agent"), a national banking association organized and existing under the laws of the United States of America, having its designated corporate trust office in Jacksonville, Florida, as escrow agent hereunder.

WHEREAS, the County has heretofore issued its Solid Waste Disposal System Revenue Refunding Bonds, Series 1993, dated June 1, 1993 (the "Refunded Bonds") pursuant to Resolution No. 93-R-182 adopted by the Board of County Commissioners (the "Board") on June 11, 1993 as amended, supplemented and restated in its entirety (collectively, the "Refunded Bonds Resolution"); and

WHEREAS, the County has determined to exercise its option under the Refunded Bonds Resolution to fully refund the Refunded Bonds which are currently outstanding in the aggregate principal amount of \$ _____; and

WHEREAS, the County has determined to issue its \$ _____ Solid Waste System Revenue Refunding Bonds, Series 2003 (the "Bonds") pursuant to Resolution No. 03-R-__ adopted by the Board on November 18, 2003, a portion of the proceeds of which Bonds, together with other available funds, will be used to purchase certain securities in order to provide payment for the Refunded Bonds and discharge and satisfy the pledges, liens and other obligations of the County under the Refunded Bonds Resolution in regard to such Refunded Bonds; and

WHEREAS, the issuance of the Bonds, the purchase by the Escrow Agent of the hereinafter defined Escrow Securities, the deposit of such Escrow Securities into an escrow deposit trust fund to be held by the Escrow Agent and the discharge and satisfaction of the pledges, liens and other obligations of the County under the Refunded Bonds Resolution in regard to the Refunded Bonds shall occur as a simultaneous transaction; and

WHEREAS, this Agreement is intended to effectuate such simultaneous transaction;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

SECTION 1. PREAMBLES. The recitals stated above are true and correct and incorporated herein.

SECTION 2. RECEIPT OF REFUNDED BONDS RESOLUTION AND VERIFICATION REPORT. Receipt of a true and correct copy of the above-mentioned Refunded Bonds Resolution and this Agreement is hereby acknowledged by the Escrow Agent. The applicable and necessary provisions of the Refunded Bonds Resolution are incorporated herein by reference. The Escrow Agent also acknowledges receipt of the verification report of Causey Demgen & Moore, Inc., a firm of independent certified public accountants, dated December __, 2003 (the "Verification Report"). Reference herein to or citation herein of any provisions of the Refunded Bonds Resolution or the Verification Report shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if the same were fully set forth herein.

SECTION 3. DISCHARGE OF LIEN OF HOLDERS OF REFUNDED BONDS. The County by this writing exercises its option to have the pledges, liens and obligations to the holders of the Refunded Bonds under the Refunded Bonds Resolution defeased, discharged and satisfied.

SECTION 4. ESTABLISHMENT OF ESCROW FUND. There is hereby created and established with the Escrow Agent a special, segregated and irrevocable escrow fund designated the "Seminole County, Florida Solid Waste System Revenue Refunding Bonds Escrow Deposit Trust Fund" (the "Escrow Fund"). The Escrow Fund shall be held in the custody of the Escrow Agent as a trust fund for the benefit of the holders of the Refunded Bonds, separate and apart from other funds and accounts of the County and the Escrow Agent. The Escrow Agent hereby accepts the Escrow Fund and acknowledges the receipt of and deposit to the credit of the Escrow Fund the sum of \$ _____ received from the County from proceeds of the Bonds ("Bond Proceeds") and the sum of \$ _____ received from the County from other legally available sources (the "County Funds").

SECTION 5. DEPOSIT OF MONEYS AND SECURITIES IN ESCROW FUND. The Escrow Agent represents and acknowledges that, concurrently with the deposit of the Bond Proceeds and the County Funds under Section 4 above, it has applied all but \$ _____ of such funds to purchase on behalf of and for the account of the County certain open market United States Treasury Obligations (collectively, together with any other securities which may be on deposit, from time to time, in the Escrow Fund, the "Escrow Securities"), which are described in Schedule A hereto, and the Escrow Agent will deposit such Escrow Securities in the Escrow Fund. All Escrow Securities shall be noncallable, direct obligations of the United State of America.

In the event any of the Escrow Securities described in Schedule A hereto are not available for delivery on December __, 2003, the Escrow Agent may, with the approval of Bond Counsel, substitute other United States Treasury obligations and shall credit such

other obligations to the Escrow Fund and hold such obligations until the aforementioned Escrow Securities have been delivered. Bond Counsel may, as a condition precedent to giving its approval, require the County to provide it with a revised Verification Report in regard to the adequacy of the Escrow Securities, taking into account the substituted obligations to pay the Refunded Bonds in accordance with the terms hereof. The Escrow Agent shall in no manner be responsible or liable for failure or delay of Bond Counsel or the County to promptly approve the substitutions of other United States Treasury obligations for the Escrow Fund.

SECTION 6. SUFFICIENCY OF ESCROW SECURITIES. In reliance upon the Verification Report, the County represents that the interest on and the principal amounts successively maturing on the Escrow Securities in accordance with their terms (without consideration of any reinvestment of such maturing principal and interest), are sufficient such that moneys will be available to the Escrow Agent in amounts sufficient and at the times required to pay the amounts of principal of, redemption premium, if any, and interest due and to become due on the Refunded Bonds as described in Schedule B attached hereto. If the Escrow Securities shall be insufficient to make such redemption payments, the County shall timely deposit to the Escrow Fund, solely from legally available funds of the County, such additional amounts as may be required to pay the Refunded Bonds as described in Schedule B hereto. Notice of any insufficiency shall be given by the Escrow Agent to the County as promptly as possible, but the Escrow Agent shall in no manner be responsible for the County's failure to make such deposits.

SECTION 7. ESCROW SECURITIES IN TRUST FOR HOLDERS OF REFUNDED BONDS. The deposit of the Escrow Securities in the Escrow Fund shall constitute an irrevocable deposit of obligations of the United States in trust solely for the payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds at such times and in such amounts as set forth in Schedule B hereto, and the principal of and interest earnings on such Escrow Securities shall be used solely for such purpose.

SECTION 8. ESCROW AGENT TO PAY REFUNDED BONDS FROM ESCROW FUND. The County hereby directs, and the Escrow Agent hereby agrees, that it will take all actions required to be taken by it under the provisions of the Refunded Bonds Resolution referenced in this Agreement, including the timely transfer of money to the Paying Agent for the Refunded Bonds as provided in the Refunded Bonds Resolution, in order to effectuate this Agreement and to pay the Refunded Bonds in the amounts and at the times provided in Schedule B hereto. The Escrow Securities shall be used to pay the principal of, redemption premium, if any, and interest on the Refunded Bonds as the same may mature or be redeemed. If any payment date shall be a day on which either the Paying Agent for the Refunded Bonds or the Escrow Agent is not open for the acceptance or delivery of funds, then the Escrow Agent may make payment

on the next business day. The liability of the Escrow Agent for the payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds pursuant to this Agreement shall be limited to the application of the Escrow Securities and the interest earnings thereon available for such purposes in the Escrow Fund.

SECTION 9. REINVESTMENT OF MONEYS AND SECURITIES IN ESCROW FUND. Moneys deposited in the Escrow Fund shall be invested only in the Escrow Securities listed in Schedule A hereto and, except as provided in Section 5 hereof and this Section 9, neither the County nor the Escrow Agent shall otherwise invest or reinvest any moneys in the Escrow Fund.

Except as provided in Section 5 hereof and in this Section 9, the Escrow Agent may not sell or otherwise dispose of any or all of the Escrow Securities in the Escrow Fund and reinvest the proceeds thereof in other securities nor may it substitute securities for any of the Escrow Securities, except upon written direction of the County and where, prior to any such reinvestment or substitution, the Escrow Agent has received from the County the following:

(a) a written verification report by an independent certified public accountant or firm of independent certified public accountants, of recognized standing, appointed by the County and acceptable to the Escrow Agent, to the effect that after such reinvestment or substitution the principal amount of Escrow Securities, together with the interest therein, will be sufficient to pay the Refunded Bonds as described in Schedule B hereto (such verification shall not be necessary in the event the County shall determine to reinvest cash in Escrow Securities which mature on or before the next principal and/or interest payment date for the Refunded Bonds); and

(b) a written opinion of nationally recognized Bond Counsel to the effect that (i) such investment will not cause the Refunded Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code, as amended, and the regulations promulgated thereunder or otherwise cause the interest on the Refunded Bonds or the Bonds to be included as gross income for purposes of federal income taxation, and (ii) such investment does not violate any provision of Florida law or of the Refunded Bonds Resolution.

The above-described verification report need not be provided in the event the County purchases Escrow Securities with the proceeds of maturing Escrow Securities and such purchased Escrow Securities mature on or before the next interest payment date for the Refunded Bonds.

In the event the above-referenced verification concludes that there are surplus moneys in the Escrow Fund, such surplus moneys shall be released to the County upon its

written direction. The Escrow Fund shall continue in effect until the date upon which the Escrow Agent makes the final payment to the Paying Agent for the Refunded Bonds in an amount sufficient to pay the Refunded Bonds as described in Schedule B hereto, whereupon the Escrow Agent shall sell or redeem any Escrow Securities remaining in the Escrow Fund, and shall remit to the County the proceeds thereof, together with all other money, if any, then remaining in the Escrow Fund.

SECTION 10. REDEMPTION OF REFUNDED BONDS. The County hereby irrevocably instructs the Escrow Agent to request, on behalf of the Issuer, that the Paying Agent for the Refunded Bonds give at the appropriate times the notice or notices required by the Refunded Bonds Resolution in connection with the defeasance and redemption of the Refunded Bonds. Such notice of defeasance and redemption shall be given by the Refunded Bonds Paying Agent in accordance with the Refunded Bonds Resolution. All of the Refunded Bonds shall be redeemed on _____, 2004.

Such notice shall be substantially in the form of Schedule C hereto.

SECTION 11. RESERVED.

SECTION 12. ESCROW FUND IRREVOCABLE. The Escrow Fund hereby created shall be irrevocable and the holders of the Refunded Bonds shall have an express lien on all Escrow Securities deposited in the Escrow Fund pursuant to the terms hereof and the interest earnings thereon until paid out, used and applied in accordance with this Agreement and the Refunded Bonds Resolution. Neither the County nor the Escrow Agent shall cause nor permit any other lien or interest whatsoever to be imposed upon the Escrow Fund.

SECTION 13. AMENDMENTS TO AGREEMENT. This Agreement is made for the benefit of the County and the holders from time to time of the Refunded Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such holders and the written consent of the Escrow Agent; provided, however, that the County and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized Bond Counsel with respect to compliance with this Section 13, including the extent, if any, to which any change, modification or addition affects the rights of the holders of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section 13.

No such amendment shall be effective without the prior written consent of Financial Security Assurance Inc., the issuer of the financial guaranty policy insuring the scheduled payment of principal of and interest on the Bonds.

SECTION 14. FEES AND EXPENSES OF ESCROW AGENT; INDEMNIFICATION. In consideration of the services rendered by the Escrow Agent under this Agreement, the County agrees to and shall pay to the Escrow Agent the fees and expenses as shown on the attached Exhibit A. The Escrow Agent shall have no lien whatsoever upon any of the Escrow Securities in said Escrow Fund for the payment of such proper fees and expenses. The County further agrees to indemnify and save the Escrow Agent harmless, to the extent allowed by law, against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or misconduct. Indemnification provided under this Section 14 shall survive the termination of this Agreement.

Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the County. The Escrow Agent may conclusively rely, as to the correctness of statements, conclusions and opinions therein, upon any certificate, report, opinion or other document furnished to the Escrow Agent pursuant to any provision of this Agreement; the Escrow Agent shall be protected and shall not be liable for acting or proceeding, in good faith, upon such reliance; and the Escrow Agent shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument. The Escrow Agent may consult with counsel, who may be counsel to the County or independent counsel, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance herewith. Prior to retaining such independent counsel, the Escrow Agent shall notify the County of its intention; provided, however, if so approved by the County, the Escrow Agent may be reimbursed by the County for the reasonable legal expenses incurred thereto.

SECTION 15. REPORTING REQUIREMENTS OF ESCROW AGENT. As soon as practicable after _____, 2004, the Escrow Agent shall forward in writing to the County a statement in detail of the Escrow Securities held as of _____,

2003 and the income and maturities thereof, and withdrawals of money from the Escrow Fund.

SECTION 16. RESIGNATION OR REMOVAL OF ESCROW AGENT.

The Escrow Agent, at the time acting hereunder, may at any time resign and be discharged from the duties and obligations hereby created by giving not less than 60 days' written notice to the County and mailing notice thereof, specifying the date when such resignation will take effect to the holders of all Refunded Bonds then outstanding, but no such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding or by the County as hereinafter provided and such successor Escrow Agent shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent.

The Escrow Agent may be replaced at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and signed by either the County or the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding. Such instrument shall provide for the appointment of a successor Escrow Agent, which appointment shall occur simultaneously with the removal of the Escrow Agent.

In the event the Escrow Agent hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Escrow Agent shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding by an instrument or concurrent instruments in writing, signed by such holders, or by their attorneys in fact, duly authorized in writing; provided, nevertheless, that in any such event, the County shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent shall be appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding in the manner above provided, and any such temporary Escrow Agent so appointed by the County shall immediately and without further act be superseded by the Escrow Agent so appointed by such holders. The County shall mail notice of any such appointment made by it at the times and in the manner described in the first paragraph of this Section 16.

In the event that no appointment of a successor Escrow Agent or a temporary successor Escrow Agent shall have been made by such holders or the County pursuant to the foregoing provisions of this Section 16 within 60 days after written notice of resignation of the Escrow Agent has been given to the County, the holder of any of the Refunded Bonds or any retiring Escrow Agent may apply to any court of competent

jurisdiction for the appointment of a successor Escrow Agent, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

In the event of replacement or resignation of the Escrow Agent, the Escrow Agent shall remit to the County the prorated portion of prepaid fees not yet incurred or payable, less any termination fees and expenses at the time of discharge, and shall have no further liability hereunder and the County shall indemnify and hold harmless Escrow Agent from any such liability, including costs or expenses incurred by Escrow Agent or its counsel.

No successor Escrow Agent shall be appointed unless such successor Escrow Agent shall be a corporation with trust powers organized under the banking laws of the United States or any State, and shall have at the time of appointment capital and surplus of not less than \$50,000,000.

Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the County an instrument in writing accepting such appointment hereunder and thereupon such successor Escrow Agent, without any further act, deed or conveyance, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor; but such predecessor shall nevertheless, on the written request of such successor Escrow Agent or the County execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trust of such predecessor hereunder; and every predecessor Escrow Agent shall deliver all securities and moneys held by it to its successor; provided, however, that before any such delivery is required to be made, all fees, advances and expenses of the retiring or removed Escrow Agent shall be paid in full. Should any transfer, assignment or instrument in writing from the County be required by any successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and instruments in writing shall, on request, be executed, acknowledged and delivered by the County.

Any corporation into which the Escrow Agent, or any successor to it in the trusts created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or tax-free reorganization to which the Escrow Agent or any successor to it shall be a party shall be the successor Escrow Agent under this Agreement without the execution or filing of any paper or any other act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 17. TERMINATION OF AGREEMENT. This Agreement shall terminate when all transfers and payments required to be made by the Escrow Agent under the provisions hereof shall have been made. Upon such termination, all moneys remaining in the Escrow Fund shall be released to the County.

SECTION 18. GOVERNING LAW. This Agreement shall be governed by the applicable laws of the State of Florida.

SECTION 19. SEVERABILITY. If any one or more of the covenants or agreements provided in this Agreement on the part of the County or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 20. COUNTERPARTS. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

SECTION 21. NOTICES. Any notice, authorization, request or demand required or permitted to be given in accordance with the terms of this Agreement shall be in writing and sent by registered or certified mail addressed to:

Bank One Trust Company, N.A.
10151 Deerwood Park Boulevard
Building 200, Suite 250
Jacksonville, Florida 32256
Attention: Corporate Trust Department

Seminole County, Florida
1101 East First Street
Sanford, Florida 32771
Attention: County Manager

IN WITNESS WHEREOF, the parties hereto have made and executed this Escrow Deposit Agreement as of the date first written herein: the County through its Board of County Commissioners, signing by and through its Chairman and County Clerk, authorized to execute same by Board action on the ____ day of December, 2003, and Bank One Trust Company, N.A. duly authorized to execute same.

SEMINOLE COUNTY, FLORIDA

(SEAL)

By: _____
Chairman

ATTEST:

Clerk

BANK ONE TRUST COMPANY, N.A., As
Escrow Agent

(SEAL)

By: _____
Authorized Signatory

EXHIBIT A

FEEES AND EXPENSES OF ESCROW AGENT

One-Time Administration Fee: \$ _____

SCHEDULE A

ESCROW SECURITIES

United States Treasury Obligations

SCHEDULE B

DEBT SERVICE REQUIREMENTS FOR REFUNDED BONDS

(FORM OF)
NOTICE OF DEFEASANCE AND REDEMPTION
§ _____
SEMINOLE COUNTY, FLORIDA
SOLID WASTE SYSTEM REVENUE REFUNDING BONDS, SERIES 1993
DATED JUNE 1, 1993

NOTICE IS HEREBY GIVEN pursuant to Section 9.01 of a resolution adopted by the Board of County Commissioners of Seminole County, Florida (the "County"), as amended and supplemented (collectively, the "Resolution"), that the County's Solid Waste System Revenue Refunding Bonds, Series 1993, dated June 1, 1993 (the "Refunded Bonds") are deemed to be paid within the meaning of Section 9.01 of the Resolution and shall no longer be secured from the Pledged Funds (as defined in the Resolution) and other moneys and funds and accounts provided in the Resolution and shall be secured solely from the irrevocable deposit of cash and U.S. Treasury obligations made by the County with Bank One Trust Company, N.A., as Escrow Agent, in accordance with said Section 9.01.

NOTICE IS HEREBY FURTHER GIVEN, on behalf of the County, that all of the Bonds, will be redeemed on _____, 2003 at the redemption price of the principal amount of each Bond to be redeemed together with interest accrued thereon to _____, 2004.

The Bonds to be redeemed are:

<u>Bond No.</u>	<u>Maturity</u>	<u>Amount</u>	<u>CUSIP No.</u>
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Payment of the redemption price, including interest, of such Bonds will be made on or after such redemption date at the office of Wachovia Bank, N.A. (successor to First Union National Bank of Florida), Jacksonville, Florida, the paying agent for the Bonds upon surrender thereof. Interest on such Bonds will cease to accrue from and after such redemption date.

DATED this _____ day of December, 2003.

**WACHOVIA BANK, N.A. (successor to
FIRST UNION NATIONAL BANK OF
FLORIDA),**

Address of Paying Agent:

[Insert address, contact person and telephone
number]