
INDENTURE OF TRUST

by and between

ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY

and

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

Dated as of November 1, 2014

Relating to the Issuance of

\$ _____
ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY
VARIABLE RATE REVENUE BONDS
(AKBEV GROUP, LLC PROJECT), SERIES 2014A

Table of Contents

Page

ARTICLE I DEFINITIONS

Section 1.01.	Defined Terms	3
Section 1.02.	Incorporation of Certain Definitions by Reference	21
Section 1.03.	Computation of Time Periods	21
Section 1.04.	Relation to Other Documents; Incorporation By Reference	21
Section 1.05.	Construction	21

ARTICLE II THE BONDS

Section 2.01.	Authorized Amount of Bonds	22
Section 2.02.	Issuance of Bonds	22
Section 2.03.	Interest Rates on Bonds	23
Section 2.04.	Conversion of Interest Rate Determination Method	29
Section 2.05.	Reserved	33
Section 2.06.	Tender of Bonds for Purchase	33
Section 2.07.	Remarketing of Bonds	36
Section 2.08.	Delivery of Purchased Bonds	37
Section 2.09.	Execution; Limited Obligation	38
Section 2.10.	Certificate of Authentication	38
Section 2.11.	Form of Bonds	39
Section 2.12.	Delivery of Bonds	39
Section 2.13.	Mutilated, Lost, Stolen or Destroyed Bonds	40
Section 2.14.	Exchangeability and Transfer of Bonds; Persons Treated as Owners	40
Section 2.15.	Replacement Bonds	42
Section 2.16.	Cancellation	42
Section 2.17.	Ratably Secured	42
Section 2.18.	Redemption of Bonds; Partial Redemption of Bonds	42
Section 2.19.	Notice of Redemption	46
Section 2.20.	Book Entry System	47

Table of Contents

(continued)

Page

ARTICLE III SECURITY

Section 3.01.	Security	48
Section 3.02.	Payment of Bonds and Performance of Covenants.....	48
Section 3.03.	Authority	48
Section 3.04.	No Litigation	49
Section 3.05.	Further Assurances.....	49
Section 3.06.	No Other Encumbrances	49
Section 3.07.	No Personal Liability	49
Section 3.08.	Credit Facility	50
Section 3.09.	Swaps	52

ARTICLE IV FUNDS

Section 4.01.	Establishment and Use of Bond Fund and Current Account	53
Section 4.02.	Establishment and Use of Project Fund	55
Section 4.03.	Establishment and Use of Surplus Fund	55
Section 4.04.	Establishment and Use of Bond Purchase Fund and Current Purchase Account	56
Section 4.05.	Establishment and Use of Debt Service Reserve Fund.....	57
Section 4.06.	Deposit of Bond Proceeds.....	59
Section 4.07.	Records	59
Section 4.08.	Investment of Project Fund, Surplus Fund, Bond Fund, Debt Service Reserve Fund and Bond Purchase Fund Moneys	59
Section 4.09.	Arbitrage; Rebate Fund.....	60
Section 4.10.	Non-presentment of Bonds	61

ARTICLE V DISCHARGE OF LIEN

Section 5.01.	Discharge of Lien and Security Interest.....	61
Section 5.02.	Provision for Payment of Bonds	62
Section 5.03.	Discharge of this Indenture	64

Table of Contents

(continued)

Page

ARTICLE VI DEFAULT PROVISIONS AND REMEDIES

Section 6.01.	Events of Default	64
Section 6.02.	Acceleration	65
Section 6.03.	Other Remedies; Rights of Owners	65
Section 6.04.	Right of Owners and Credit Provider to Direct Proceedings.....	66
Section 6.05.	Discontinuance of Default Proceedings.....	67
Section 6.06.	Waiver.....	67
Section 6.07.	Application of Moneys	68
Section 6.08.	Rights of a Credit Provider	69
Section 6.09.	Right of Sole Owner to Require Assignment by Trustee	70

ARTICLE VII THE TRUSTEE; THE PAYING AGENT; THE REGISTRAR; THE REMARKETING AGENT

Section 7.01.	Appointment of Trustee	70
Section 7.02.	Compensation and Indemnification of Trustee, Paying Agent, Remarketing Agent, Calculation Agent, Market Agent and Registrar; Trustee's Prior Claim.....	74
Section 7.03.	Intervention in Litigation	75
Section 7.04.	Resignation; Successor Trustees.....	75
Section 7.05.	Removal of Trustee.....	76
Section 7.06.	Paying Agent.....	76
Section 7.07.	Qualifications of Paying Agent.....	77
Section 7.08.	Resignation of Paying Agent; Removal; Successors	77
Section 7.09.	Instruments of Owners.....	78
Section 7.10.	Power to Appoint Co-Trustees.....	78
Section 7.11.	Filing of Financing Statements	80
Section 7.12.	Remarketing Agent	80
Section 7.13.	Qualifications of Remarketing Agent; Resignation; Removal	81
Section 7.14.	Several Capacities	81

Table of Contents

(continued)

	Page
Section 7.15. Trustee Not Responsible for Duties of Remarketing Agent, Registrar, Calculation Agent, Market Agent and Paying Agent	81
Section 7.16. Cooperation of the Issuer	82
Section 7.17. Cooperation of the Trustee, the Remarketing Agent, the Calculation Agent, the Market Agent, the Registrar and the Paying Agent	82
Section 7.18. Calculation Agent	82
Section 7.19. Market Agent	83
 ARTICLE VIII AMENDMENTS, SUPPLEMENTAL INDENTURES	
Section 8.01. Supplemental Indentures	84
Section 8.02. Amendments to Indenture; Consent of Owners, the Credit Provider and the Borrower.....	85
Section 8.03. Amendments to the Security Documents or the Agreement Not Requiring Consent of Owners.....	86
Section 8.04. Other Amendment Provisions.....	87
Section 8.05. Amendments, Changes and Modifications to the Credit Facility	87
Section 8.06. Notice to and Consent of Owners	88
Section 8.07. Approving Opinion Required	88
 ARTICLE IX MISCELLANEOUS	
Section 9.01. Right of Trustee to Pay Taxes and Other Charges.....	88
Section 9.02. Limitation of Rights	89
Section 9.03. Severability	89
Section 9.04. Notices	89
Section 9.05. Payments Due on Non-Business Days.....	90
Section 9.06. Binding Effect.....	90
Section 9.07. Captions	90
Section 9.08. Governing Law	90
Section 9.09. Notices to Rating Agency	91
Section 9.10. Execution in Counterparts.....	91

Table of Contents

(continued)

	Page
Section 9.11. Attorney's Fees.....	91
Section 9.12. Patriot Act Compliance.....	91
Section 9.13. Certain References Ineffective Except during a Period in which a Credit Facility is in Effect.....	91
Section 9.14. Electronic Signatures	91
Section 9.15. Third Party Beneficiaries	92
EXHIBIT A BOND FORM – SHORT-TERM AND FLEXIBLE TERM RATE	
EXHIBIT B BOND FORM - DIRECT PURCHASE PERIOD	
EXHIBIT C BOND FORM - MEDIUM-TERM OR FIXED RATE	
EXHIBIT D NOTICE OF CONVERSION DATE	
EXHIBIT E NOTICE OF CREDIT MODIFICATION DATE	
EXHIBIT F NOTICE OF MANDATORY PURCHASE DATE	
EXHIBIT G FORM OF INVESTOR LETTER	
EXHIBIT H FORM OF DIRECT PURCHASE PERIOD CONVERSION NOTICE	

INDENTURE OF TRUST

THIS INDENTURE OF TRUST, dated as of November 1, 2014 (the “Indenture”), is made and entered into by and between **Alaska Industrial Development and Export Authority** (the “Issuer”), a public corporation of the State of Alaska and a body corporate and politic constituting a political subdivision of the State of Alaska but with a separate and independent legal existence and **Wells Fargo Bank, National Association**, as trustee (the “Trustee”). Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in Section 1.01.

WITNESSETH:

WHEREAS, the Authority is authorized by the Act to issue revenue bonds for the purpose of providing funds to pay or to refinance the costs of acquiring, constructing, and equipping projects in the State (and to refund bonds previously issued by the Authority for such purposes) provided that the user of the project financed (or refinanced) with the proceeds of the bonds agrees to pay to the Authority an amount at least sufficient to pay the principal of, and the premium, if any, and interest on, said bonds and other expenses incurred by the Authority in connection therewith;

WHEREAS, in furtherance of the public purpose for which the Issuer was created, the Issuer proposes to issue its \$_____ in principal amount Variable Rate Revenue Bonds (the “Bonds”) pursuant to this Indenture, to finance the Project to be used by the Borrower;

WHEREAS, contemporaneously with the execution and delivery hereof, the Issuer and the Borrower will enter into a Loan Agreement (the “Agreement”) pursuant to which the Issuer will loan the Bond Proceeds to the Borrower;

WHEREAS, the Borrower intends to use the Bond Proceeds for the acquisition, construction, installation and equipping of the Project and to pay certain costs incurred in connection with the issuance of the Bonds; and

WHEREAS, all things necessary to make the Bonds, when issued, executed and delivered by the Issuer and authenticated by the Trustee, to the extent required pursuant to this Indenture, the valid, binding and legal obligations of the Issuer according to the import thereof, and to constitute this Indenture a valid assignment and pledge of the payments under the Agreement (except for Reserved Rights) for payment of the principal or Purchase Price of, redemption premium, if any, and interest on the Bonds, and to constitute this Indenture a valid assignment of the rights of the Issuer under the Agreement except as otherwise stated herein, have been done and performed, and the creation, execution and delivery of this Indenture, and the issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized.

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that to secure the payment of principal and Purchase Price of, redemption premium, if any, and interest on the Bonds and any other cost or pecuniary liability of the Issuer relating to the Bonds or any proceeding, document or certification incidental to the issuance of the Bonds according to their true intent and meaning, and all other amounts due from time to time under this Indenture, including those due to the Trustee, to secure the performance and observance of all of the covenants, agreements,

obligations and conditions contained in the Bonds, this Indenture and the other Bond Documents, and to declare the terms and conditions upon and subject to which the Bonds are and are intended to be issued, held, secured and enforced, and as collateral for each payee and obligee thereunder, to secure the payment of all amounts due from time to time by the Borrower under any Swap, under any Continuing Covenant Agreement, under any Reimbursement Agreement and under any other Bond Document, and in consideration of the premises and the acceptance by the Trustee of the trusts created herein and of the purchase and acceptance of the Bonds by the Owners and for other good and valuable consideration, the receipt of which is acknowledged, the Issuer has executed and delivered this Indenture and absolutely and irrevocably pledges and assigns to the Trustee and to its successors in trust, and grants a Security Interest in, on the basis set forth herein, and its and their assigns, all right, title and interest of the Issuer in and to the Trust Estate;

TO HAVE AND TO HOLD unto the Trustee and its successors in trust and its and their assigns forever;

BUT IN TRUST, NEVERTHELESS, and subject to the provisions hereof,

(a) for the equal and proportionate benefit, security and protection of all Bonds;

(b) for the enforcement of the payment of the principal and Purchase Price of, redemption premium, if any, and interest on the Bonds, and all other amounts due from time to time under this Indenture, including those due to the Trustee, when payable, according to the true intent and meaning thereof and of this Indenture;

(c) for the enforcement of the payment of any Periodic Swap Payments and Swap Termination Payments required to be made by the Borrower pursuant to any Swap; provided that Subordinated Periodic Swap Payments and Subordinated Swap Termination Payments shall be subordinated to the payment of the Bonds and amounts payable under any Continuing Covenant Agreement or any Reimbursement Agreement; and provided, further, that Parity Periodic Swap Payments shall be secured on a parity, equally and ratably, with the interest on the Bonds and Parity Swap Termination Payments shall be secured on a parity, equally and ratably, with the principal of the Bonds, and amounts payable under any Continuing Covenant Agreement or any Reimbursement Agreement;

(d) for the enforcement of the payment by the Borrower of all principal, interest, fees and other amounts payable from time to time under any Continuing Covenant Agreement or any Reimbursement Agreement, when payable, according to the true intent and meaning thereof; and

(e) to secure the performance and observance of and compliance with the covenants, agreements, obligations, terms and conditions of this Indenture and the other Bond Documents;

provided, however, that payments required to be made shall be made, in each case, without preference, priority or distinction, as to lien or otherwise except as provided herein, of any one

Bond over any other by reason of designation, number, date of the Bonds or of authorization, issuance, sale, execution, authentication, delivery or maturity thereof, or otherwise, so that each Bond and all Bonds shall have the same right, lien and privilege under this Indenture and shall be secured equally and proportionately by this Indenture, it being intended that the lien and security of this Indenture shall take effect from the date hereof, without regard to the date of the actual issue, sale or disposition of the Bonds, as though upon that date all of the Bonds were actually issued, sold and delivered to purchasers for value; provided however, that upon satisfaction of and in accordance with the provisions of Article V, the rights assigned hereby shall cease, determine and be void to the extent described therein; otherwise, such rights shall be and remain in full force and effect;

IT IS DECLARED that all Bonds issued under and secured by this Indenture are to be issued, authenticated and delivered, and that all moneys assigned or pledged hereby are to be dealt with and disposed of under, upon and subject to, the terms, conditions, stipulations, covenants, agreements, obligations, trusts, uses and purposes provided in this Indenture; and the Issuer has agreed and covenanted, and agrees and covenants with the Trustee and with each and all Owners, as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Defined Terms. In addition to terms defined elsewhere in this Indenture, the following words and terms as used in this Indenture and the preambles hereto shall have the following meanings unless the context or use clearly indicates another or different meaning or intent.

“*Act*” means Alaska Statutes 44.88, as amended from time to time.

“*Act of Bankruptcy*” means any of the following events:

(a) The Borrower (or any other Person obligated, as guarantor or otherwise, to make payments on the Bonds or under the Agreement, any Continuing Covenant Agreement or any Reimbursement Agreement) or an “affiliate” of the Borrower or such other Person as defined in Bankruptcy Code § 101(2) or the Issuer shall (i) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee, liquidator or the like of the Borrower (or such other Person) or the Issuer or of all or any substantial part of their respective property, (ii) commence a voluntary case under the Bankruptcy Code, (iii) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts or (iv) take any corporate or official action to authorize any of the foregoing; or

(b) A proceeding or case shall be commenced, without the application or consent of the Borrower (or any other Person obligated, as guarantor or otherwise, to make payments on the Bonds or under the Agreement, any Continuing Covenant Agreement or any Reimbursement Agreement) or an “affiliate” of the Borrower or such

other Person as defined in Bankruptcy Code § 101(2) or the Issuer in any court of competent jurisdiction, seeking (i) the liquidation, reorganization, dissolution, winding-up, or composition or adjustment of debts, of the Borrower (or any such other Person) or the Issuer, (ii) the appointment of, or the taking of possession by, a receiver, custodian, trustee, liquidator or the like of the Borrower (or any such other Person) or the Issuer or of all or any substantial part of their respective property or (iii) similar relief in respect of the Borrower (or any such other Person) or the Issuer under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts.

“*Agreement*” means the Loan Agreement dated as of November 1, 2014, between the Issuer and the Borrower.

“*Alternate Credit Facility*” means a Credit Facility delivered to, and accepted by, the Trustee pursuant to Section 3.08(e) in substitution for the Credit Facility then in effect; provided, however, that any amendment, extension, renewal or substitution of the Credit Facility then in effect for the purpose of extending the expiration date of such Credit Facility shall not be deemed to be an Alternate Credit Facility for purposes of this Indenture.

“*Alternate Weekly Index*” means, for any Computation Date, (a) if the Bonds are (or were) bearing interest at a Weekly Rate during the Weekly Interest Period ending on or immediately after such Computation Date that was determined by the Remarketing Agent without applying the Alternate Weekly Index, the Weekly Rate for such Weekly Interest Period, and (b) if the Weekly Rate for the Weekly Interest Period ending on or immediately after such Computation Date was determined by applying the Alternate Weekly Index or if such Computation Date is the first Computation Date that occurs in connection with any change or deemed change in the Interest Rate Determination Method to a Weekly Rate pursuant to Section 2.03(c) or (d), the SIFMA Index plus 0.10%.

“*Applicable Factor*” means (a) during the initial Direct Purchase Period, _____% and (b) during any other Direct Purchase Period, a percentage between 65% and 135% as may be designated in writing by the Borrower as the Applicable Factor for such LIBOR Index Rate Period pursuant to Section 2.04(a) or 2.04(b), as applicable.

“*Applicable Spread*” means, with respect to each Index Interest Rate Period, the following:

(a) During the initial Direct Purchase Period, ____ basis points (____%).

(b) During any Index Interest Rate Period other than the initial Rate Period, the number of basis points determined by the Market Agent on or before the first day of such Index Interest Rate Period and designated by the Borrower in accordance with Section 2.04(a) or 2.04(b), as applicable that, when added to the SIFMA Index or the product of the LIBOR Index multiplied by the Applicable Factor, as applicable, would equal the minimum interest rate per annum that would enable the Bonds to be sold on such date at a price equal to the principal amount thereof (without regard to accrued interest, if any, thereon).

“Approving Opinion” means, with respect to any action relating to the Bonds, the occurrence of which requires an Opinion of Counsel, an Opinion of Counsel delivered by Bond Counsel to the effect that such action (a) is permitted by this Indenture and the Act, and (b) will not adversely affect the exclusion of interest on the Bonds from gross income of the Owners for purposes of federal income taxation.

“Authorized Denomination” means (a) during any Short-Term Rate Period or any Medium-Term Rate Period, \$100,000 and multiples of \$5,000 in excess thereof, (b) during any Fixed Rate Period, \$5,000 and integral multiples thereof, (c) during any Index Interest Rate Period, \$100,000 and multiples of \$5,000 in excess thereof and (d) during any Direct Purchase Period, regardless of the Rate Period, \$250,000 and multiples of \$0.01 in excess thereof or, if less, the Principal Amount.

“Bankruptcy Code” means Title 11 of the United States Code, as amended, and any successor statute or statutes having substantially the same function.

“Beneficial Owner” means the Person in whose name a Bond is recorded as beneficial owner of such Bond by the Securities Depository or a Participant or an Indirect Participant on the records of such Securities Depository, Participant or Indirect Participant, as the case may be, or such Person’s subrogee.

“Bond” or *“Bonds”* has the meaning assigned to such term in the recitals hereto.

“Bond Counsel” means the Law Office of Kenneth E. Vassar, LLC, or any other attorney or firm of attorneys selected by the Issuer, which is admitted to practice law before the highest court of any state in the United States of America or the District of Columbia and nationally recognized and experienced in legal work relating to the issuance of tax-exempt bonds.

“Bond Documents” means, collectively, this Indenture, the Agreement, the Bond Purchase Agreement, the Bonds, any Continuing Covenant Agreement, any Reimbursement Agreement, the Security Documents, any Swap, any Remarketing Agreement, any Market Agent Agreement and the Tax Certificate.

“Bond Fund” means the fund of that name created pursuant to Section 4.01.

“Bond Interest is Taxable” means that interest paid or to be paid on a Bond is or will be includable for federal income tax purposes in the gross income of the Purchaser or any other Owner thereof, but excluding the inclusion of interest on such Bond as an item of tax preference for purposes of the calculation of an alternative minimum tax imposed on the Purchaser or such other Owner.

“Bond Proceeds” has the meaning assigned to such term in the Agreement.

“Bond Purchase Agreement” means the Bond Purchase Agreement dated November __, 2014, among the Issuer, the Borrower and the Purchaser.

“Bond Purchase Fund” means the fund of that name created pursuant to Section 4.04.

“Book Entry System” means a book entry system established and operated for the recordation of Beneficial Owners of the Bonds pursuant to Section 2.20.

“Borrower” means AKB EV Group, LLC, an Alaska limited liability company, and its permitted successors and assigns.

“Borrower Agent” has the meaning assigned to such term in Section 7.02.

“Borrower Representative” has the meaning assigned to such term in the Agreement.

“Business Day” means any day on which (a) the offices of the Credit Provider at which drawings on the Credit Facility are made (if a Credit Facility is in effect), the Trustee, the Paying Agent, the Registrar, the Calculation Agent, the Market Agent and the Remarketing Agent, if any, are each open for business, (b) the Federal Reserve System is in operation, (c) the New York Stock Exchange is not closed and (d) banks in the State and in the State of New York are open for business.

“Calculation Agent” means, during any Direct Purchase Period, Wells Fargo, in its capacity as Purchaser, and if Wells Fargo shall decline to act as Calculation Agent, means any other Person appointed by the Borrower, with the consent of the Purchaser in its sole discretion, to serve as calculation agent for the Bonds.

“Ceiling Rate” means, (a) with respect to all Bonds other than Credit Provider Bonds and Bonds subject to a Direct Purchase Period, the lesser of (i) _____% per annum and (ii) the Maximum Lawful Rate; and (b) with respect to Credit Provider Bonds and Bonds subject to a Direct Purchase Period, the Maximum Lawful Rate.

“Code” means the Internal Revenue Code of 1986, as amended, and the rulings and regulations (including temporary and proposed regulations) promulgated thereunder, or any successor statute thereto.

“Completion Date” has the meaning assigned to such term in the Agreement.

“Computation Date” means (a) during each Weekly Interest Period, the Business Day immediately preceding the first day of such period, (b) during each Flexible Term Rate Period, the first Business Day of such period, (c) during each SIFMA Index Rate Period, the first day of such period and thereafter Wednesday of each week (or if Wednesday is not a Business Day, the immediately succeeding Business Day), (d) during each LIBOR Index Rate Period, the first day of such period and thereafter the second London Business Day preceding each LIBOR Index Reset Date] and (e) with respect to a conversion to a Fixed Rate or a Medium-Term Rate, a Business Day determined by the Remarketing Agent that is not more than twenty (20) nor less than two (2) days prior to the Conversion Date relating to such conversion.

“Continuing Covenant Agreement” means, during the initial Direct Purchase Period, the Continuing Covenant Agreement dated as of November 1, 2014, between the Borrower and the Purchaser, and during any subsequent Direct Purchase Period, means any agreement between the Borrower and the Purchaser which may be designated as the Continuing Covenant Agreement.

“*Conversion Date*” means each date on which (a) the Interest Rate Determination Method then in effect is changed to another Interest Rate Determination Method, (b) the Medium-Term Rate Period then in effect is changed to a new Medium-Term Rate Period and (c) the Index Interest Rate Period then in effect is changed to a new Index Interest Rate Period; provided, however, that Conversion Date shall not include deemed conversions under Sections 2.03(c) or (d).

“*Conversion Notice*” has the meaning assigned to such term in Section 2.04(a).

“*Cost(s) of the Project*” has the meaning assigned to such term in the Agreement.

“*Counsel*” means an attorney or firm of attorneys, admitted to practice law before the highest court of any state in the United States of America or the District of Columbia, including any Bond Counsel.

“*Credit Facility*” means an irrevocable, direct-pay letter of credit delivered to, and accepted by, the Trustee pursuant to the terms hereof which permits the Trustee to draw amounts thereunder sufficient to pay the principal and Purchase Price of and interest on the Bonds when due and shall include the Initial Credit Facility and any Alternate Credit Facility.

“*Credit Facility Effective Date*” has the meaning assigned to such term in Section 3.08(e).

“*Credit Modification Date*” means the earliest of (a) two (2) Business Days prior to the date on which a Credit Facility then in effect is stated to expire (unless extended), (b) two (2) Business Days prior to the date on which a Credit Facility then in effect is to be terminated or (c) the proposed Credit Facility Effective Date.

“*Credit Provider*” means the issuer of any Credit Facility, and its successors and assigns; provided, however, that in connection with a Mandatory Purchase Date occurring as a result of the acceptance of an Alternate Credit Facility, until the occurrence of such Mandatory Purchase Date, “Credit Provider” shall mean the issuer of the Credit Facility in effect immediately prior to acceptance of such Alternate Credit Facility.

“*Credit Provider Bond*” means any Bond purchased with moneys advanced under a Credit Facility until remarketed.

“*Current Account*” means the account of that name within the Bond Fund established pursuant to Section 4.01.

“*Current Purchase Account*” means the account of that name within the Bond Purchase Fund established pursuant to Section 4.04.

“*Debt Service Reserve Fund*” means the fund of that name created pursuant to Section 4.05.

“*Debt Service Reserve Requirement*” means \$_____, an amount equal on the Issue Date to the lesser of (a) the maximum annual debt service on the Bonds, (b) ten percent (10%) of

the Principal Amount of the Bonds or (c) one hundred twenty-five percent (125%) of the average annual debt service on the Bonds.

“*Default Rate*” has the meaning assigned to such term in the Continuing Covenant Agreement.

“*Determination of Taxability*” means (a) any determination, decision, decree or advisement by the Commissioner of Internal Revenue, or any District Director of Internal Revenue or any court of competent jurisdiction to the effect that Bond Interest is Taxable, or (b) the delivery to the Purchaser, any Owner or the Trustee of an Opinion of Counsel, delivered by Bond Counsel, to the effect that Bond Interest is Taxable. A Determination of Taxability also shall be deemed to have occurred on the first to occur of the following:

- (i) the date when the Borrower files any statement, supplemental statement, or other tax schedule, return or document, which discloses that Bond Interest is Taxable;
- (ii) the effective date of any federal legislation enacted or federal rule or regulation promulgated after the date of this Indenture which has the effect that Bond Interest is Taxable; or
- (iii) if upon sale, lease or other deliberate action within the meaning of Treas. Reg. § 1.141-2(d), the failure to receive an Approving Opinion.

“*Direct Purchase Period*” means any Rate Period, other than a Weekly Rate Period or Flexible Term Rate Period, during which the Bonds have been purchased pursuant to a direct purchase of the Bonds pursuant to a Continuing Covenant Agreement by the Purchaser.

“*Direct Purchase Period Purchase Date*” means (a) for the initial Direct Purchase Period, _____, and (b) during any subsequent Direct Purchase Period, the date designated by the Borrower pursuant to Section 2.04(a) or (b), as applicable.

“*Eligible Account*” means an account that is either (a) maintained with a federal or state-chartered depository institution or trust company that has a short-term debt rating issued by S&P of at least “A-2” (or, if no short-term debt rating has been issued, a long-term debt rating issued by S&P of at least “BBB+”); or (b) maintained with the corporate trust department of a federal depository institution or state-chartered depository institution subject to regulations regarding fiduciary funds on deposit, which, in either case, has corporate trust powers and is acting in its fiduciary capacity.

“*Eligible Funds*” means moneys held by the Trustee or the Paying Agent under this Indenture which consist of any of the following:

- (a) any moneys if, in the written Opinion of Counsel experienced in bankruptcy law matters (which opinion shall be delivered to the Trustee and each Rating Agency, if any, rating the Bonds at or prior to the time of the deposit of such moneys with the Trustee and shall be in form and substance satisfactory to each Rating Agency, if any, rating the Bonds), the deposit and use of such moneys will not constitute an avoidable preferential payment pursuant to Section 547 of the Bankruptcy Code, or an

avoidable post-petition transfer pursuant to Section 549 of the Bankruptcy Code, recoverable from Owners of the Bonds pursuant to Section 550 of the Bankruptcy Code in the event of an Act of Bankruptcy; or

(b) moneys paid by the Credit Provider to the Trustee under the Credit Facility which are not commingled with any other moneys.

If no Credit Facility is in effect, except for purposes of Article V, any moneys held by the Trustee or the Paying Agent under this Indenture shall constitute “Eligible Funds.”

“*Environmental Agreement*” means that certain Environmental Compliance and Indemnification Agreement dated as of November 1, 2014, by the Borrower in favor of the Trustee.

“*Event of Default*” means any of the events specified in Section 6.01.

“*Excluded Person*” means any Person to whom Bonds may not be remarketed pursuant to Section 2.07(d).

“*Financing Statements*” means any and all financing statements (including continuation statements) or other instruments filed or recorded to perfect the Security Interests created in this Indenture and in the Security Documents (or any of them).

“*Fitch*” means Fitch, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Borrower with the approval of the Remarketing Agent, if any, and the Purchaser, if any, by notice to the Issuer and the Trustee.

“*Fixed Rate*” means the Fixed Rate established in accordance with Section 2.03(e).

“*Fixed Rate Conversion Date*” means the day on which the Interest Rate Determination Method shall be converted to the Fixed Rate.

“*Fixed Rate Period*” means the period from and including the Fixed Rate Conversion Date to and including the date of payment in full of the Bonds.

“*Flexible Term Rate*” means the Flexible Term Rate established for each of the Bonds in accordance with Section 2.03(c).

“*Flexible Term Rate Bond*” means any Bond bearing interest at a Flexible Term Rate.

“*Flexible Term Rate Period*” means any period during which the Bonds bear interest at a Flexible Term Rate.

“*Government Obligations*” means (a) direct obligations of the United States of America, the full and timely payment of which the full faith and credit of the United States of America is

pledged, and (b) obligations issued by a Person controlled or supervised by and acting as an instrumentality of the United States of America, the full and timely payment of the principal of, premium, if any, and interest on which is fully guaranteed as a full faith and credit obligation of the United States of America (including any securities described in (a) or (b) issued or held in book entry form on the books of the Department of the Treasury of the United States of America), which obligations, in either case, are not subject to redemption prior to maturity.

“*Guarantor*” means _____, and its permitted successors and assigns, and any surviving, resulting or transferee entity as provided in the Guaranty Agreement.

“*Guaranty Agreement*” means the Guaranty Agreement dated as of November 1, 2014, from the Guarantor, as guarantor, to the Trustee, wherein Guarantor guarantees the payment of principal and Purchase Price of, redemption premium, if any, and interest on the Bonds.

“*Indenture*” means this Indenture of Trust.

“*Index Interest Rate*” means each of the LIBOR Index Rate and the SIFMA Index Rate.

“*Index Interest Rate Period*” means any period during which the Bonds bear interest at an Index Interest Rate.

“*Indirect Participant*” means a broker-dealer, bank or other financial institution for which the Securities Depository holds Bonds as a securities depository through a Participant.

“*Initial Credit Facility*” means the initial Credit Facility delivered to, and accepted by, the Trustee pursuant to Section 3.08(e).

“*Initial Swap*” means the _____ Swap, which is in effect on the Issue Date.

“*Interest Payment Date*” means (a) during any Weekly Rate Period or Index Interest Rate Period, each Monthly Interest Payment Date, (b) during any Flexible Term Rate Period, the first Business Day immediately succeeding the last day of each Flexible Term Rate Period, but only as to Bonds for which such Flexible Term Rate Period is applicable, (c) during any Fixed Rate Period or Medium-Term Rate Period, each Semiannual Interest Payment Date, (d) each Conversion Date, (e) with respect to Unremarketed Bonds, the dates set forth in the Continuing Covenant Agreement for the payment of interest on Unremarketed Bonds, (f) with respect to Credit Provider Bonds, the dates set forth in the Reimbursement Agreement for the payment of interest on Credit Provider Bonds, (g) for Bonds subject to redemption in whole or in part on any date, the date of such redemption and (h) the Maturity Date.

“*Interest Rate Determination Method*” means any of the methods of determining the interest rate on the Bonds described in Section 2.03.

“*Issue Date*” means November __, 2014, the date on which the Bonds are delivered to the purchaser or purchasers thereof upon original issuance.

“*Issuer*” means the Alaska Industrial Development and Export Authority, a public corporation of the State of Alaska and a body corporate and politic constituting a political

subdivision of the State of Alaska, but with a separate and independent legal existence, or any successor to its rights and obligations under the Agreement and this Indenture.

“Issuer Representative” means the Executive Director, any Deputy Director, or any Assistant Secretary of the Authority or any other person designated by duly adopted motion or resolution of the Authority, a copy of which motion or resolution has been furnished to the Trustee.

“LIBOR Index” means, for any date of determination, the per annum rate of interest determined on the basis of the rate on deposits in United States dollars of amounts equal to or comparable to the Principal Amount, offered for a term of one month, which rate appears on the display designated as Reuters Screen LIBOR01 Page (or any successor page), determined as of approximately 11:00 a.m., London time, on each Computation Date for effect on the immediately succeeding LIBOR Index Reset Date, or if such rate is not available, another rate determined by the Calculation Agent of which the Borrower has received written notice.

“LIBOR Index Rate” means a per annum rate of interest established on each Computation Date equal to the product of (a) the sum of (i) the Applicable Spread plus (ii) the product of (1) the LIBOR Index multiplied by (2) the Applicable Factor multiplied by (b) the Margin Rate Factor. The LIBOR Index Rate shall be rounded up to the fifth decimal place.

“LIBOR Index Rate Conversion Date” means (a) the date on which the Bonds begin to bear interest at the LIBOR Index Rate or (b) if the Bonds currently bear interest at a LIBOR Index Rate, the Mandatory Purchase Date occurring at the end of such LIBOR Index Rate Period.

“LIBOR Index Rate Period” means (a) the initial Direct Purchase Period and (b) each period thereafter from and including a LIBOR Index Rate Conversion Date to but excluding the earliest of (i) the immediately succeeding Mandatory Purchase Date, (ii) the immediately succeeding Conversion Date and (iii) the Maturity Date.

“LIBOR Index Reset Date” means the first Business Day of each month.

“Local Time” means Eastern Time (daylight savings or standard, as applicable) in New York, New York.

“London Business Day” means any day that is a day for trading by and between banks in Dollar deposits in the London interbank market.

“Mandatory Purchase Date” means (a) a Conversion Date (except to the extent provided in Section 2.04(f) or with respect to a conversion described in Section 2.04(b)), (b) a Credit Modification Date, (c) with respect to each Bond then bearing interest at a Flexible Term Rate, the first Business Day immediately succeeding the last day of the Flexible Term Rate Period applicable to such Bond, (d) while the Bonds bear interest at the Weekly Rate, any Business Day designated by the Borrower with the consent of the Remarketing Agent and the Credit Provider, provided that such designation and consent are made in writing and delivered to the Trustee at least twenty-five (25) days (or such shorter period of time acceptable to the Trustee) prior to such Mandatory Purchase Date, (e) each Direct Purchase Period Purchase Date, (f) while the Bonds

bear interest at the Medium-Term Rate, the first Business Day immediately succeeding the last day of the Medium-Term Rate Period, (g) the fourth Business Day after receipt by the Trustee of a written notice from the Credit Provider that an event of default under the Reimbursement Agreement has occurred and is continuing and a written request from the Credit Provider that all of the Bonds be required to be tendered for mandatory purchase, (h) the fourth Business Day after receipt by the Trustee of a written notice from the Purchaser that an event of default under the Continuing Covenant Agreement has occurred and is continuing and a written request from the Purchaser that all of the Bonds be required to be tendered for mandatory purchase and (i) during any Direct Purchase Period, the date which is the last Business Day prior to the _____ day following the occurrence of a Determination of Taxability.

“Margin Rate Factor” means the greater of (a) 1.0, and (b) the product of (i) one minus the Maximum Federal Corporate Tax Rate multiplied by (ii) 1.53846. The effective date of any change in the Margin Rate Factor shall be the effective date of the decrease or increase (as applicable) in the Maximum Federal Corporate Tax Rate resulting in such change.

“Market Agent” means the Person appointed by the Borrower, with the consent of the Purchaser, to act as Market Agent hereunder and the successors thereof.

“Market Agent Agreement” means any agreement between the Borrower and the Market Agent, relating to the obligations of the Market Agent under this Indenture.

“Maturity Date” means _____.

“Maximum Federal Corporate Tax Rate” means the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, as in effect from time to time or, if as a result of a change in the Code the rate of income taxation imposed on corporations generally shall not be applicable to the Purchaser, the maximum statutory rate of federal income taxation which could apply to the Purchaser.

“Maximum Lawful Rate” means the maximum, non-usurious, lawful rate of interest that may be contracted for, charged or received in connection with the relevant obligation under applicable law without regard to any filing made by a lender with respect to notice of rates in excess of any statutory or regulatory threshold interest rate.

“Medium-Term Rate” means the interest rate on the Bonds established from time to time pursuant to Section 2.03(d).

“Medium-Term Rate Period” means any period during which the Bonds bear interest at a Medium-Term Rate.

“Monthly Interest Payment Date” means the first Business Day of each calendar month.

“Moody’s” means Moody’s Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency

designated by the Borrower with the approval of the Remarketing Agent, if any, and the Purchaser, if any, by notice to the Issuer and the Trustee.

“*Mortgage*” means the _____ dated as of November 1, 2014, made by the Borrower in favor of the Trustee to be recorded and executed and deemed part of the Trust Estate.

“*Opinion of Counsel*” means any opinion of Counsel delivered pursuant to this Indenture. Each such opinion shall be addressed to the Trustee, the Remarketing Agent, if any, the Borrower, the Issuer, the Paying Agent, the Purchaser, if any, and the Credit Provider, if any.

“*Optional Tender Date*” means, during any Weekly Rate Period, any Business Day.

“*Outstanding*” means, for any date of determination, all Bonds that have been authenticated and delivered by the Trustee hereunder, except:

- (a) Bonds cancelled or delivered for cancellation at or prior to such date;
- (b) Bonds deemed to be paid in accordance with Section 5.02;
- (c) Bonds in lieu of which others have been authenticated under Sections 2.13, 2.14 and 2.15;
- (d) Untendered Bonds to the extent that there shall be on deposit with the Paying Agent on the date the purchase thereof is required as provided herein an amount to pay the Purchase Price thereof; and
- (e) For purposes of any consent, request, demand, authorization, direction, notice, waiver or other action to be taken by the Owners of a specified percentage of Outstanding Bonds hereunder, all Bonds held by or for the account of the Issuer, the Borrower or any affiliate of the Borrower or the Issuer; provided, however, that for purposes of any such consent, request, demand, authorization, direction, notice, waiver or action the Trustee shall be obligated to consider as not being Outstanding only Bonds known by the Trustee by actual notice thereof to be so held; provided, further, that if all of the Bonds are at any time held by or for the account of the Borrower or the Issuer or any affiliate of the Borrower or the Issuer, then such Bonds shall be deemed to be Outstanding at such time for the purposes of this subparagraph (e).

“*Owner*” means, if the Bonds are not subject to the Book Entry System, the registered owner of a Bond or, if the Bonds are subject to the Book Entry System, the Beneficial Owner of such Bond.

“*Parity Periodic Swap Payments*” means Periodic Swap Payments which are designated, with the prior written consent of the Purchaser, if any, and the Credit Provider, if any, as having a Security Interest in the Trust Estate on a parity, equally and ratably, with the Security Interest therein of the Owners of Bonds. Periodic Swap Payments under the Initial Swap shall be Parity Periodic Swap Payments.

“Parity Swap Termination Payments” means Swap Termination Payments which are designated, with the prior written consent of the Purchaser, if any, and the Credit Provider, if any, as having a Security Interest in the Trust Estate on a parity, equally and ratably, with the Security Interest therein of the Owners of Bonds. Swap Termination Payments under the Initial Swap shall be Parity Swap Termination Payments.

“Participant” means a broker-dealer, bank or other financial institution for which the Securities Depository holds Bonds as a securities depository.

“Paying Agent” means Wells Fargo Bank, National Association, and its successors appointed and serving under this Indenture.

“Periodic Swap Payments” means the net amount payable by the Borrower from time to time under a Swap to the Swap Provider prior to the termination of such Swap.

“Permitted Investments” means any of the following which at the time of investment are (i) legal investments under the laws of the State for the moneys proposed to be invested therein and (ii) during any Direct Purchase Period are not prohibited under the provisions of the Continuing Covenant Agreement:

- (a) bonds or obligations of the State, or of any county, municipality or political subdivision of the State;

- (b) bonds or other obligations of the United States of America or subsidiary corporations of the United States government which are fully guaranteed by such government;

- (c) obligations of agencies of the United States government issued by the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank and the Central Bank for Cooperatives;

- (d) bonds or other obligations issued by any public housing agency or municipality in the United States of America, which such bonds or obligations are fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States government, or project notes issued by any public housing agency, urban renewal agency, or municipality in the United States of America and secured as to payment of both principal and interest by a requisition, loan, or payment agreement with the United States government;

- (e) certificates of deposit of national or state banks located within the State which have deposits insured by the Federal Deposit Insurance Corporation and certificates of deposit of federal savings and loan associations and state building and loan or savings and loan associations located within the State which have deposits insured by the Federal Savings and Loan Insurance Corporation (including the certificates of deposit of any bank, savings and loan association, or building and loan association acting as custodian or trustee for any proceeds of the Bonds); provided, however, that the portion of such certificates of deposit in excess of the amount insured by the Federal Deposit

Insurance Corporation or the Federal Savings and Loan Insurance Corporation, if any, shall be secured by deposit with the Federal Reserve Bank of San Francisco, or with any national or state bank or federal savings and loan association or state building and loan or savings and loan association located within the State, of one or more of the following securities in an aggregate principal amount equal at least to the amount of such excess: direct and general obligations of the State, or of any county, municipality corporation in the State, or obligations included in subsections (b), (c), or (d) above;

(f) securities of or other interests in any no-load, open-end management type investment company or investment trust registered under the investment company act of 1940, as from time to time amended, or any common trust fund maintained by any bank or trust company which holds such proceeds as trustee or by an affiliate thereof so long as:

(1) the portfolio of such investment company or investment trust or common trust fund is limited to the obligations referenced in subsection (b) above and repurchase agreements fully collateralized by any such obligations;

(2) such investment company or investment trust or common trust fund takes delivery of such collateral either directly or through an authorized custodian;

(3) such investment company or investment trust or common trust fund is managed so as to maintain its shares at a constant net asset value; and

(4) securities of or other interests in such investment company or investment trust or common trust fund are purchased and redeemed only through the use of national or state banks having corporate trust powers and located within the State;

(g) any other investments to the extent at the time permitted by then applicable law for the investment of public funds approved in writing by the Purchaser, if any, and the Credit Provider, if any.

“*Person*” means an individual, a corporation, a partnership, an association, a joint venture, a trust, a business trust, a limited liability company or any other entity or organization, including a governmental or political subdivision or an agency or instrumentality thereof.

“*Principal Amount*” or “*principal amount*” means the Outstanding principal amount of the Bonds.

“*Project*” has the meaning assigned to such term in the Agreement.

“*Project Fund*” means the fund of that name created pursuant to Section 4.02.

“*Purchase Price*” means, for any date of determination, an amount equal to 100% of the principal amount of any Bond tendered or deemed tendered for purchase pursuant to Section 2.06, plus accrued and unpaid interest thereon to the date of purchase.

“*Purchaser*” means, during any Direct Purchase Period, the following:

- (a) if the Bonds are not held under the Book Entry System and there is a single Owner of all of the Bonds, the Owner of the Bonds;
- (b) if the Bonds are not held under the Book Entry System and there is more than one Owner of the Bonds, the Owners owning a majority of the aggregate Principal Amount of the Bonds;
- (c) if the Bonds are held under the Book Entry System and there is a single Beneficial Owner of all of the Bonds, the Beneficial Owner of the Bonds; and
- (d) if the Bonds are held under the Book Entry System and there is more than one Beneficial Owner of the Bonds, the Beneficial Owners of a majority of the aggregate Principal Amount of the Bonds.

On the Issue Date, the initial Purchaser of the Bonds is Wells Fargo Bank, National Association.

“*Rate*” means any SIFMA Index Rate, LIBOR Index Rate, Weekly Rate, Flexible Term Rate, Fixed Rate or Medium-Term Rate.

“*Rate Period*” means any SIFMA Index Rate Period, LIBOR Index Rate Period, Weekly Rate Period, Flexible Term Rate Period, Medium-Term Rate Period or Fixed Rate Period.

“*Rating Agency*” means Fitch when the Bonds are rated by Fitch, Moody’s when the Bonds are rated by Moody’s, and S&P when the Bonds are rated by S&P.

“*Rebate Amount*” has the meaning set forth in Section 4.09.

“*Rebate Fund*” means the fund of that name created pursuant to Section 4.09.

“*Record Date*” means with respect to each Interest Payment Date (a) during any Short-Term Rate Period or Index Interest Rate Period, the Trustee’s close of business on the Business Day immediately preceding such Interest Payment Date, and (b) during any Medium-Term Rate Period or Fixed Rate Period, the Trustee’s close of business on the fifteenth (15th) day of the calendar month immediately preceding the calendar month during which such Interest Payment Date occurs, regardless of whether such day is a Business Day; provided, however, that, with respect to each Interest Payment Date, during any Direct Purchase Period, the Record Date shall be the Trustee’s close of business on the Business Day immediately preceding such Interest Payment Date.

“*Register*” means the register of the record owners of Bonds maintained by the Registrar.

“*Registrar*” means the Trustee.

“*Reimbursement Agreement*” means any agreement between the Borrower and a Credit Provider relating to a Credit Facility.

“*Remarketing Agent*” means any Person appointed and serving in such capacity pursuant to Section 7.12 and the successors thereof.

“*Remarketing Agreement*” means any agreement between the Borrower and a Remarketing Agent relating to the Bonds.

“*Repayments*” means all amounts required to be paid by or on behalf of the Borrower to the Issuer (and the Trustee, as the assignee of the Issuer) pursuant to Section 5.02 of the Agreement.

“*Replacement Bonds*” means Bonds issued pursuant to Section 2.15, which Bonds shall contain the terms and provisions specified herein as being applicable to the Bonds following a Mandatory Purchase Date and have excised therefrom the terms and provisions that are not so applicable and added thereto terms that have become applicable.

“*Requisition*” has the meaning assigned to such term in the Agreement.

“*Reserve Fund Credit Facility*” means any insurance policy, surety bond, letter of credit or similar instrument deposited in or credited to the Debt Service Reserve Fund as provided in the Agreement in lieu of or in partial substitution for cash or Permitted Investments on deposit in the Debt Service Reserve Fund. Any such insurance policy, surety bond, letter of credit or similar instrument must be issued by an entity having a rating in one of the two highest rating categories assigned by S&P, Fitch and Moody’s at the time such insurance policy, surety bond, letter of credit or similar instrument is deposited in or credited to the Debt Service Reserve Fund.

“*Reserved Rights*” has the meaning assigned to such term in the Agreement.

“*S&P*” means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, a corporation organized and existing under the laws of the State of New York, its successors and assigns and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “*S&P*” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Borrower with the approval of the Remarketing Agent, if any, and the Purchaser, if any, by notice to the Issuer and the Trustee.

“*S&P Weekly High Grade Index*” means, for any date of determination, the level of the “*S&P Weekly High Grade Index*” (formerly known as the J.J. Kenny Index) maintained by Standard and Poor’s Securities Evaluations Inc. for a one-week maturity as published each Wednesday, or if any Wednesday is not a Business Day, on the immediately succeeding Business Day.

“*Securities Depository*” means The Depository Trust Company and any substitute for or successor to such securities depository that shall maintain a Book Entry System with respect to the Bonds.

“*Securities Depository Nominee*” means the Securities Depository or the nominee of such Securities Depository in whose name there shall be registered on the Register the Bonds to be

delivered to such Securities Depository during the continuation with such Securities Depository of participation in its Book Entry System.

“*Security Agreement*” means the Security Agreement dated as of November 1, 2014, by the Borrower in favor of the Trustee.

“*Security Documents*” means, collectively, the Mortgage, the Security Agreement, the Guaranty Agreement and the Environmental Agreement.

“*Security Interest*” or “*Security Interests*” means the security interests created by this Indenture and in the Security Documents (or any of them) and has the meanings set forth in the U.C.C.

“*Semiannual Interest Payment Date*” means each _____.

“*Short-Term Rate*” means either the Weekly Rate or the Flexible Term Rate.

“*Short-Term Rate Period*” means any period during which the Bonds bear interest at a Short-Term Rate.

“*SIFMA Index*” means, for any date of determination, the level of the index which is issued weekly and which is compiled from the weekly interest rate resets of tax-exempt variable rate issues included in a database maintained by Municipal Market Data which meet specific criteria established from time to time by the Securities Industry and Financial Markets Association and issued on Wednesday of each week, or if any Wednesday is not a Business Day, the immediately succeeding Business Day. If the SIFMA Index is no longer published, then “*SIFMA Index*” shall mean the S&P Weekly High Grade Index. If the S&P Weekly High Grade Index is no longer published, then “*SIFMA Index*” shall mean the prevailing rate determined by the Calculation Agent for tax-exempt state and local government bonds meeting criteria determined in good faith by the Calculation Agent to be comparable under the circumstances to the criteria used by the Securities Industry and Financial Markets Association to determine the SIFMA Index immediately prior to the date on which the Securities Industry and Financial Markets Association ceased publication of the SIFMA Index.

“*SIFMA Index Rate*” means a per annum rate of interest established on each Computation Date equal to the sum of the Applicable Spread plus the SIFMA Index. The SIFMA Index Rate shall be rounded to the second decimal place.

“*SIFMA Index Rate Conversion Date*” means (a) the date on which the Bonds begin to bear interest at the SIFMA Index Rate or (b) if the Bonds currently bear interest at a SIFMA Index Rate, the Mandatory Purchase Date occurring at the end of such SIFMA Index Rate Period.

“*SIFMA Index Rate Period*” means each period from and including a SIFMA Index Rate Conversion Date to but excluding the earliest of (a) the immediately succeeding Mandatory Purchase Date, (b) the immediately succeeding Conversion Date and (c) the Maturity Date.

“*SIFMA Rate Reset Date*” means Thursday of each week.

“*State*” means the State of Alaska.

“*Subordinated Periodic Swap Payments*” means all Periodic Swap Payments other than Parity Periodic Swap Payments.

“*Subordinated Swap Termination Payments*” means all Swap Termination Payments other than Parity Swap Termination Payments.

“*Surplus Bond Proceeds*” means all moneys and any unliquidated investments remaining in the Project Fund on the Completion Date and after payment in full of the Costs of the Project (except for costs not then due and payable for which the Trustee shall have retained amounts pursuant to the Agreement).

“*Surplus Fund*” means the fund of that name created pursuant to Section 4.03.

“*Swap*” means any agreement or arrangement (contractual or otherwise) between the Borrower and a Swap Provider related to the Borrower’s obligations to make payments pursuant to Section 5.02 of the Agreement which functions as an interest rate swap, interest rate cap, interest rate floor, interest rate collar or which otherwise (directly or indirectly, derivatively or synthetically) hedges interest rate risk associated with being a debtor of variable rate debt, or any agreement or other arrangement to enter into any of the above on a future date or upon or after the occurrence of one or more future events.

“*Swap Provider*” means any counterparty to the Borrower with respect to any Swap.

“*Swap Termination Payment*” means all amounts payable by the Borrower under any Swap that are not Periodic Swap Payments.

“*Tax Certificate*” means the tax certificate of the Borrower dated November __, 2014.

“*Taxable Date*” means the date on which interest on the Bonds is first includable in gross income of an Owner (including, without limitation, any previous Owner) thereof as a result of a Determination of Taxability.

“*Taxable Rate*” means, for any date of determination, the rate of interest per annum equal to the product of the interest rate on the Bonds then in effect multiplied by 1.54.

“*Trustee*” means Wells Fargo Bank, National Association, as trustee hereunder, and any successor trustee appointed under this Indenture.

“*Trust Estate*” means all of the Trustee’s right, title and interest in, to and under the Swap, the Mortgage and the other Security Documents and all collateral pledged or hypothecated thereunder, all products and proceeds thereof, and all cash, funds and other property (real and personal) realized, collected or obtained upon the exercise of the Trustee’s rights and remedies hereunder and thereunder, and all right, title and interest of the Issuer, as assigned to the Trustee hereunder, in and to:

(a) all Repayments received by the Issuer under the Agreement , which Repayments, subject to the final paragraph of Section 2.02, are to be paid directly by the Borrower to the Trustee and deposited in the Bond Fund or the Bond Purchase Fund in accordance with this Indenture;

(b) all moneys in the Surplus Fund, the Project Fund, the Bond Fund, the Debt Service Reserve Fund and the Bond Purchase Fund, including Bond Proceeds pending disbursement thereof;

(c) all of the Issuer's rights, title and interest in the Agreement, except Reserved Rights;

(d) all moneys available to be drawn by the Trustee under any Credit Facility that may be in effect from time to time to support payments due on or with respect to the Bonds;

(e) all of the proceeds of the foregoing (except the amounts payable to or on behalf of the Issuer on account of the Reserved Rights), including without limitation investments thereof; and

(f) all other property of every name and nature from time to time hereafter by delivery or by writing mortgaged, pledged, delivered or hypothecated as and for additional security under this Indenture by the Issuer or by anyone on its behalf or with its written consent in favor of the Trustee.

"U.C.C." means the Uniform Commercial Code of the State as now in effect or hereafter amended.

"*Unremarketed Bonds*" means, during a Direct Purchase Period, Bonds which, on the applicable Mandatory Purchase Date, have not been successfully converted to another Rate Period or remarketed to a Person other than the Purchaser.

"*Untendered Bond*" means any Untendered Bond as defined in Section 2.06(f).

"*Weekly Interest Period*" means, with respect to the Bonds bearing interest at a Weekly Rate, the period from and including the first day on which the Interest Rate Determination Method is changed to the Weekly Rate to and including the next Wednesday and, in each case, each succeeding period from and including each Thursday to and including the following Wednesday.

"*Weekly Rate*" means the interest rate on the Bonds established pursuant to Section 2.03(b).

"*Weekly Rate Period*" means any period during which the Bonds bear interest at a Weekly Rate.

"*Wells Fargo*" means Wells Fargo Bank, National Association, and its successors and assigns.

Section 1.02. Incorporation of Certain Definitions by Reference. Each capitalized term used herein and not otherwise defined herein shall have the meaning provided therefor in the Agreement, unless the context otherwise requires.

Section 1.03. Computation of Time Periods. In this Indenture, in the computation of a period of time from a specified date to a later specified date, unless otherwise specified herein, the word “from” means “from and including” and the words “to” and “until” each mean “to but excluding” and the word “through” means “to and including.”

Section 1.04. Relation to Other Documents; Incorporation By Reference.

(a) Nothing in this Indenture shall be deemed to amend, or relieve the Issuer or the Trustee of any of its obligations under any Bond Document to which it is a party. Conversely, to the extent that the provisions of any Bond Document allow the parties hereto to take or not take certain actions, the parties hereto nevertheless shall be fully bound by the provisions of this Indenture.

(b) Except as provided in subsection (c) below, all references to this Indenture or any other documents, including, without limitation, the Bond Documents, shall be deemed to include all amendments, restatements, modifications and supplements thereto to the extent such amendment, restatement, modification or supplement is made in accordance with the provisions of such document and this Indenture.

(c) All provisions of this Indenture making reference to specific Sections of any Bond Document shall be deemed to incorporate such Sections into this Indenture by reference as though specifically set forth herein (with such changes and modifications as may be herein provided) and shall continue in full force and effect with respect to this Indenture notwithstanding payment of the Bonds and all amounts due under or secured by the Bond Documents, the termination or defeasance thereof or any modification thereto or any waiver given in connection therewith, so long as this Indenture is in effect and until all amounts due and owing under this Indenture, the Bonds and the other Bond Documents are paid in full.

Section 1.05. Construction. Unless the context of this Indenture otherwise clearly requires, references to the plural include the singular, to the singular include the plural and to the part include the whole. The word “including” shall be deemed to mean “including but not limited to,” and “or” has the inclusive meaning represented by the phrase “and/or.” The words “hereof,” “herein,” “hereunder” and similar terms in this Indenture refer to this Indenture as a whole and not to any particular provision of this Indenture. The Section headings contained in this Indenture and the table of contents preceding this Indenture are for reference purposes only and shall not control or affect the construction of this Indenture or the interpretation thereof in any respect. Article, section, subsection, exhibit, schedule and annex references are to this Indenture unless otherwise specified. Any exhibit, schedule or annex attached hereto is incorporated by reference herein and is a constituent part of this Indenture.

ARTICLE II

THE BONDS

Section 2.01. Authorized Amount of Bonds. No Bonds may be issued under the provisions of this Indenture except in accordance with this Article. The total maximum principal amount of Bonds issued and that may be Outstanding hereunder is expressly limited to \$_____. The Bonds shall be designated “\$_____ Alaska Industrial Development and Export Authority Variable Rate Revenue Bonds (AKBEV Group, LLC), Series 2014A.” While the Bonds bear interest at a Short-Term Rate, the Bonds shall be in substantially the form of Exhibit A. While the Bonds are subject to a Direct Purchase Period and do not bear interest at a Fixed Rate, the Bonds shall be in substantially the form of Exhibit B. While the Bonds bear interest at a Medium-Term Rate not subject to a Direct Purchase Period or a Fixed Rate, the Bonds shall be in substantially the form of Exhibit C.

Section 2.02. Issuance of Bonds. The Bonds shall bear interest from the Issue Date, until paid, at the rates set forth in Section 2.03 (computed on the basis of (a) a 365-day year (366 days in a leap year) for the actual days elapsed during any Weekly Rate Period or SIFMA Index Rate Period, (b) a 360-day year of twelve 30-day months during any Medium-Term Rate Period or Fixed Rate Period and (c) a 360-day year for the actual days elapsed during any Flexible Term Rate Period or LIBOR Index Rate Period), and shall mature, unless sooner paid, on the Maturity Date on which date all unpaid principal, redemption premium, if any, and interest on the Bonds shall be due and payable.

The Bonds shall be issued as fully registered bonds without coupons in Authorized Denominations. The Bonds shall be numbered from R-1 upwards bearing numbers not then contemporaneously outstanding (in order of issuance) according to the records of the Registrar.

The Bonds shall be dated the Issue Date. All Bonds shall bear interest (i) from the Issue Date, if authenticated prior to the first Interest Payment Date, or (ii) otherwise from the Interest Payment Date that is, or that immediately precedes, the date on which such Bond is authenticated (unless payment of interest is in default, in which case such Bond shall bear interest from the date to which interest has been paid).

The principal and Purchase Price of, redemption premium, if any, and the interest on the Bonds shall be payable in lawful currency of the United States of America. Except as provided in the immediately succeeding paragraph, the principal and Purchase Price of and redemption premium, if any, on the Bonds shall be payable at the designated office of the Paying Agent upon presentation and surrender of the Bonds. Notwithstanding the immediately preceding sentence, while the Bonds are subject to a Direct Purchase Period and are not subject to the Book Entry System, in lieu of presentation and surrender of the Bonds at the designated office of the Paying Agent, the Purchaser may record partial payments of principal of the Bonds on the Table of Partial Redemptions attached to the Bonds. Payments of interest on the Bonds will be mailed to the persons in whose names the Bonds are registered on the Register at the close of business on the Record Date immediately preceding each Interest Payment Date; provided that, prior to the Fixed Rate Conversion Date, any Owner of a Bond or Bonds in an aggregate principal amount of not less than \$1,000,000 may, by prior written instructions filed with the Paying Agent (which

instructions shall remain in effect until revoked by subsequent written instructions), instruct that interest payments for any period prior to the Fixed Rate Conversion Date be made by wire transfer to an account in the continental United States of America or other means acceptable to the Paying Agent.

Notwithstanding anything herein to the contrary, for so long as all of the Bonds are held by the Purchaser and are not held under the Book Entry System, the Issuer and the Trustee agree that all amounts payable to the Purchaser with respect to any Bonds held by the Purchaser may be made by the Borrower to the Purchaser, upon the Purchaser's written notice to the Trustee and the Borrower (without any presentment thereof, except upon the payment of the final installment of principal, and without any notation of such payment being made thereon), in such manner or at such address in the United States of America as may be designated by the Purchaser in writing to the Trustee and the Borrower (the "Purchaser Direct Payment Period"), by the Purchaser debiting an account of the Borrower, as may be provided in any Continuing Covenant Agreement. The Purchaser shall record each such payment of principal on the Bond on the Table of Partial Redemptions attached to the Bond and shall use its best efforts to provide written notice to the Trustee of such payment of principal; provided, however, that the Purchaser shall not have any liability for failure to provide such notice. During any Purchaser Direct Payment Period, (A) any payment made shall be accompanied by sufficient information to identify the source and proper application of such payment, (B) the Purchaser shall notify the Trustee in writing of any failure of the Borrower to make any payment of the principal of or interest on the Bonds when due, and the Trustee shall not be deemed to have any notice of such failure unless it has received such notice in writing, and (C) if any Bonds are sold or transferred, the Purchaser shall notify the Trustee and the Borrower in writing of the name and address of the transferee, the effective date of the transfer, the principal amount of the Bonds transferred and the payment information notated on the Bonds as hereinafter described, and it will, prior to delivery of such Bonds, make a notation on such Bonds of the date to which interest has been paid thereon and of the amount of any prepayments made on account of the principal thereof. Furthermore, to the extent that the Borrower has made the required payments to the Purchaser during any Purchaser Direct Payment Period, the Paying Agent shall have no obligations to make payments of the principal of or interest on the Bonds, nor shall the Trustee be obligated to collect Repayments pursuant to the Agreement, to act as Registrar or to take any other action in respect thereof, except at the express written direction of the Purchaser or the Issuer.

Section 2.03. Interest Rates on Bonds.

(a) ***Initial Rate - General.*** The Bonds shall bear interest as provided herein from the Issue Date to the date of payment in full of the Bonds. Interest accrued on the Bonds (or the applicable portion of the Bonds if the Bonds then bear interest at a Flexible Term Rate) shall be paid on each Interest Payment Date (or, if such day is not a Business Day, the immediately succeeding Business Day) commencing on the earlier of the first Monthly Interest Payment Date following the Issue Date or the first Conversion Date. The interest rate on the Bonds will be determined as provided in this Section except that no rate shall exceed the Ceiling Rate. The Bonds shall initially bear interest at a LIBOR Index Rate from the Issue Date until the date on which the Interest Rate Determination Method is changed as described in Section 2.04 and interest on the Bonds shall be calculated on the Principal Amount. Notwithstanding anything herein to the contrary,

each Interest Rate Determination Method in effect from time to time shall continue in effect until the date on which such Interest Rate Determination Method is changed as described in Sections 2.03(c) or (d) or Section 2.04. The same Interest Rate Determination Method shall apply to all Bonds.

(b) **Weekly Rate.** During any Weekly Rate Period, the Bonds will bear interest at the Weekly Rate. During any Weekly Rate Period, the Remarketing Agent will determine the Weekly Rate for the applicable Weekly Interest Period by 4:00 p.m., Local Time, on the applicable Computation Date. Each Weekly Rate shall be the rate of interest which, if borne by the Bonds, would, in the judgment of the Remarketing Agent, having due regard for the prevailing financial market conditions for revenue bonds or other securities the interest on which is included or excluded (as applicable) from gross income of the holders thereof for federal income tax purposes of the same general nature as the Bonds or securities the interest on which is included or excluded (as applicable) from gross income of the holders thereof for federal income tax purposes that are comparable as to credit and maturity (or comparable with respect to optional tender provisions) with the credit and maturity or the optional tender provisions of the Bonds, be the interest rate necessary, but would not exceed the interest rate necessary, to enable the Remarketing Agent to place the Bonds at a price of par (plus accrued interest, if any) on the first Business Day of such Weekly Interest Period; provided, that, if for any reason the Weekly Rate for any Weekly Interest Period is not established as aforesaid by the Remarketing Agent, no Remarketing Agent shall be serving as such hereunder or the rate so established is held to be invalid or unenforceable with respect to any Weekly Interest Period, then the Weekly Rate for such Weekly Interest Period shall be equal to the Alternate Weekly Index on the date such interest rate was (or would have been) determined as provided above. The Remarketing Agent (or if no Remarketing Agent is serving as such hereunder, the Issuer or the Calculation Agent) shall notify the Borrower immediately by telephone if the Alternate Weekly Index is applicable, with written notice to follow promptly. In connection with any change or deemed change in the Interest Rate Determination Method to a Weekly Rate pursuant to Section 2.03(c) or (d) or Section 2.04(a), the initial Weekly Rate shall be determined as provided above on the applicable Computation Date.

(c) **Flexible Term Rate.** During any Flexible Term Rate Period, each of the Bonds will bear interest at a Flexible Term Rate. With respect to any Flexible Term Rate Period, the Borrower shall determine the Flexible Term Rate Period, and the Remarketing Agent shall determine the Flexible Term Rate to be applicable to each Bond by 1:00 p.m., Local Time, on the applicable Computation Date. No Flexible Term Rate Period applicable to any Bond may (A) be less than one or more than 270 days in length, (B) extend beyond any scheduled Mandatory Purchase Date or the Maturity Date, or (C) end on a day preceding a non-Business Day. The Borrower may assign different Flexible Term Rate Periods to different Flexible Term Rate Bonds. For each Flexible Term Rate Bond, the Flexible Term Rate shall be the rate of interest which, if borne by such Bond for its applicable Flexible Term Rate Period, would, in the judgment of the Remarketing Agent, having due regard for the prevailing financial market conditions for revenue bonds or other securities the interest on which is included or excluded (as applicable) from gross income of the holders thereof for federal income tax purposes of

the same general nature as such Bond or securities the interest on which is included or excluded (as applicable) from gross income of the holders thereof for federal income tax purposes which are comparable as to credit and maturity (or period for tender) with the credit and maturity of such Bond, be the interest rate necessary, but would not exceed the interest rate necessary, to enable the Remarketing Agent to place such Bond at a price of par on the first Business Day of such Flexible Term Rate Period. If for any reason the applicable rate is not established as aforesaid by the Remarketing Agent, no Remarketing Agent shall be serving as such hereunder or the rate so established is held to be invalid or unenforceable, then the Interest Rate Determination Method shall be deemed to have converted to the Weekly Rate on the date such interest rate was (or would have been) determined as provided above. The Remarketing Agent (or if no Remarketing Agent is serving as such hereunder, the Issuer or the Calculation Agent) shall notify the Borrower, the Trustee and the Paying Agent immediately by telephone if such a conversion is deemed to have occurred, with written notice to follow promptly. In connection with any change in the Interest Rate Determination Method to a Flexible Term Rate pursuant to Section 2.04, the initial Flexible Term Rate and Flexible Term Rate Period for each Bond shall be determined as provided above on the applicable Computation Date.

(d) **Medium-Term Rate.** During any Direct Purchase Period where the Bonds bear the Medium-Term Rate the Market Agent shall determine the Medium-Term Rate and during any other Medium-Term Rate Period the Remarketing Agent shall determine the Medium-Term Rate. During any Medium-Term Rate Period, the Bonds shall bear interest at the Medium-Term Rate. The interest rate to be borne by the Bonds from the applicable Conversion Date to the last day of the applicable Medium-Term Rate Period shall be the rate determined by the Remarketing Agent or Market Agent, as applicable, on the applicable Computation Date to be the rate which, if borne by the Bonds would, in the judgment of the Remarketing Agent or Market Agent, as applicable, having due regard for prevailing market conditions for revenue bonds or other securities the interest on which is included or excluded (as applicable) from gross income of the holders thereof for federal income tax purposes and that are comparable as to credit and maturity to the Bonds, be the interest rate necessary, but would not exceed the interest rate necessary, to enable the Remarketing Agent or Market Agent, as applicable, to place the Bonds at a price of par on the applicable Conversion Date. If for any reason the applicable rate is not established as aforesaid by the Remarketing Agent or Market Agent, as applicable, no Remarketing Agent or Market Agent shall be serving as such hereunder or the rate so established is held to be invalid or unenforceable, then the Interest Rate Determination Method shall be deemed to have converted to the Weekly Rate on the date such interest rate was (or would have been) determined as provided above. The Remarketing Agent or Market Agent, as applicable, (or if no Remarketing Agent or Market Agent is serving as such hereunder, the Issuer or the Calculation Agent) shall notify the Borrower, the Trustee and the Paying Agent immediately by telephone if such a conversion is deemed to have occurred, with written notice to follow promptly.

On the Computation Date with respect to a Medium-Term Rate, the Borrower shall determine the Medium-Term Rate Period. No Medium-Term Rate Period may be (A) less than 271 days, (B) extend beyond any scheduled Mandatory Purchase Date or

the Maturity Date or, (C) end on a day preceding a non-Business Day. If the Borrower fails to determine the Medium-Term Rate Period or the Medium-Term Rate Period so established is held to be invalid or unenforceable, the Medium-Term Rate Period shall be (i) if the Interest Rate Determination Method in effect immediately prior to such Conversion Date was a Medium-Term Rate, the shorter of (a) the period equal to the Medium-Term Rate Period for such Medium-Term Rate (provided, however, that if the last day of such period would not be a day immediately preceding a Business Day, such period shall be extended to the immediately succeeding day that is a day immediately preceding a Business Day) and (b) the remaining maturity of the Bonds, or (ii) if the Interest Rate Determination Method in effect immediately prior to such Conversion Date was not a Medium-Term Rate, the shorter of (a) the period ending on the first date that is a day immediately preceding a Business Day and is at least 271 days after the Conversion Date and (b) the remaining maturity of the Bonds.

If requested in the Conversion Notice by the Borrower, the Remarketing Agent or Market Agent, as applicable, may also determine on the Computation Date redemption premiums different from those set forth in Section 2.18 for optional redemption of the Bonds during the Medium-Term Rate Period. These redemption premiums shall be consistent with the prevailing market conditions in the reasonable judgment of the Remarketing Agent or Market Agent, as applicable. The Remarketing Agent or Market Agent, as applicable, shall not, however, establish redemption premiums different from those set forth in Section 2.18 unless an Approving Opinion shall be furnished.

(e) ***Fixed Rate.*** The Bonds shall bear interest at the Fixed Rate during the Fixed Rate Period. If the Fixed Rate Period is a Direct Purchase Period the Market Agent shall determine the Fixed Rate and if the Fixed Rate Period is not a Direct Purchase Period, the Remarketing Agent shall determine the Fixed Rate. The interest rate to be borne by the Bonds from the Fixed Rate Conversion Date to the date of payment in full of the Bonds shall be the rate determined by the Remarketing Agent or the Market Agent, as applicable, on the applicable Computation Date to be the rate which, if borne by the Bonds would, in the judgment of the Remarketing Agent or the Market Agent, as applicable, having due regard for the prevailing market conditions for revenue bonds or other securities the interest on which is included or excluded, as applicable, from gross income of the holders thereof for federal income tax purposes and that are comparable as to credit and maturity to the Bonds, be the interest rate necessary, but would not exceed the interest rate necessary, to enable the Remarketing Agent or the Market Agent, as applicable, to place the Bonds at a price of par on the Fixed Rate Conversion Date. If for any reason the Fixed Rate is not established as aforesaid by the Remarketing Agent or the Market Agent, as applicable, or no Remarketing Agent or Market Agent shall be serving as such hereunder, then the provisions of the last paragraph of Section 2.04(f) shall apply; if the Fixed Rate established by the Remarketing Agent or the Market Agent, as applicable, is held to be invalid or unenforceable, the interest rate to be borne by the Bonds from the Fixed Rate Conversion Date to the date of payment in full of the Bonds shall be determined by the Remarketing Agent or the Market Agent, as applicable, based on the criteria in the preceding sentence and avoiding the cause of invalidity or unenforceability.

If requested in the Conversion Notice by the Borrower, the Remarketing Agent or the Market Agent, as applicable, may also determine on the Computation Date redemption premiums different from those set forth in Section 2.18 for optional redemption of the Bonds during the Fixed Rate Period. These redemption premiums shall be consistent with the prevailing market conditions in the reasonable judgment of the Remarketing Agent or the Market Agent, as applicable. The Remarketing Agent or the Market Agent, as applicable, shall not, however, establish redemption premiums different from those set forth in Section 2.18 unless an Approving Opinion shall be furnished.

(f) ***Index Interest Rates.***

(i) During each SIFMA Index Rate Period, the Bonds shall bear interest at the SIFMA Index Rate. The Calculation Agent shall determine the SIFMA Index Rate on each Computation Date during the SIFMA Index Rate Period, and such rate shall become effective on the SIFMA Rate Reset Date immediately succeeding such Computation Date. If the SIFMA Index Rate is not determined by the Calculation Agent on the Computation Date, the Bonds shall continue to bear interest at the SIFMA Index Rate in effect on the immediately preceding SIFMA Rate Reset Date until the Calculation Agent next determines the SIFMA Index Rate as required hereunder.

(ii) During each LIBOR Index Rate Period, the Bonds shall bear interest at the LIBOR Index Rate. The Calculation Agent shall determine the LIBOR Index Rate on each Computation Date during the LIBOR Index Rate Period, and such rate shall become effective on the LIBOR Index Reset Date immediately succeeding such Computation Date and interest at such rate shall accrue each day during such LIBOR Index Rate Period, commencing on and including the first day of such period to but excluding the last day of such period. If the LIBOR Index Rate is not determined by the Calculation Agent on the Computation Date, the Bonds shall continue to bear interest at the LIBOR Index Rate in effect on the immediately preceding LIBOR Index Reset Date until the Calculation Agent next determines the LIBOR Index Rate as required hereunder. The LIBOR Index Rate for the period commencing on and including the Issue Date until but excluding _____, shall be equal to ____%.

(g) ***Notice of Rates and Deemed Conversions.*** Promptly following the determination of any Rate, the Remarketing Agent, the Market Agent or the Calculation Agent, as applicable, shall give notice thereof to the Trustee, the Issuer, the Borrower, the Purchaser, if any, and the Paying Agent. Promptly upon receipt from the Remarketing Agent or the Market Agent of any Medium-Term Rate or Fixed Rate, the Paying Agent shall give each Owner notice of the new Rate. The Borrower and any Owner may obtain any Rate on or after the applicable Computation Date upon request to the Remarketing Agent, the Market Agent or the Calculation Agent, as applicable. Promptly upon receipt from the Remarketing Agent or the Issuer of notice of any deemed conversion to the Weekly Rate under this Section, the Paying Agent shall give each Owner, the Credit

Provider, if any, and the Rating Agency, if any, then rating the Bonds notice of the deemed conversion.

(h) ***Determination of Rate Conclusive.*** The determination of any Rate by the Remarketing Agent, the Market Agent or the Calculation Agent, as applicable, shall be conclusive and binding upon the Issuer, the Borrower, the Trustee, the Paying Agent, the Remarketing Agent, if any, the Market Agent, if any, the Calculation Agent, the Credit Provider, if any, and the Owners absent manifest error.

(i) ***No Liability.*** In determining the interest rate or rates that the Bonds shall bear as provided in this Section, neither the Remarketing Agent, the Market Agent nor the Calculation Agent, as applicable, shall have any liability to the Issuer, the Borrower, the Trustee, the Paying Agent, the Registrar, the Credit Provider, if any, or any Owner except for its gross negligence or willful misconduct.

(j) ***Credit Provider Bonds.*** Notwithstanding anything herein to the contrary, interest on Credit Provider Bonds shall be payable at the rates, on the dates and in the manner provided in the Reimbursement Agreement.

(k) ***Unremarketed Bonds.*** Notwithstanding anything herein to the contrary, interest on Unremarketed Bonds shall be payable at the rates, on the dates and in the manner provided in the Continuing Covenant Agreement.

(l) ***Adjustments to Interest Rates.*** Notwithstanding anything to the contrary herein, with respect to Bonds subject to a Direct Purchase Period, (i) from and after any Taxable Date, the interest rate on the Bonds shall be established at a rate equal to the Taxable Rate, (ii) subject to the interest rate limitations of Section 2.03(a), upon the occurrence and continuation of any Event of Default, from and after the effective date of such Event of Default, the interest rate on the Bonds shall be established at a rate equal to the Default Rate. In the event that a Taxable Date and an Event of Default have occurred, the interest rate on the Bonds shall be established at a rate equal to the greatest of (A) the Default Rate, (B) the Taxable Rate and (C) the interest rate that otherwise would be applicable to the Bonds but for the provisions of this paragraph.

(m) ***Excess Interest.*** Notwithstanding anything in this Indenture to the contrary, if with respect to Bonds subject to a Direct Purchase Period or Credit Provider Bonds, the rate of interest on the Bonds exceeds the Maximum Lawful Rate for such Bonds, then (i) such Bonds shall bear interest at the Maximum Lawful Rate and (ii) interest calculated at the rate equal to the difference between (A) the rate of interest for such Bonds as calculated pursuant to this Indenture and (B) the Maximum Lawful Rate (the “Excess Interest”) shall be deferred until such date as the Bonds bear interest at an interest rate below the Maximum Lawful Rate, as calculated pursuant to Section 2.03, at which time Excess Interest shall be payable with respect to such Bonds in amounts that, when combined with the then-current interest due on the Bonds, do not exceed payment at the Maximum Lawful Rate. Payments of deferred Excess Interest shall no longer be due and payable upon the earlier to occur of the date on which the Bonds are

tendered for purchase in accordance with the terms hereof and are so paid or such Bonds are paid in full.

Section 2.04. Conversion of Interest Rate Determination Method.

(a) **Conversion Notice.** Except as otherwise provided in Section 2.04(b), the Interest Rate Determination Method for the Bonds may be changed under this Section from any Short-Term Rate, Index Interest Rate or Medium-Term Rate to any other Interest Rate Determination Method, from an Index Interest Rate to a new Index Interest Rate or from a Medium-Term Rate to a new Medium-Term Rate, on any Conversion Date by the Borrower giving written notice of such change (a “Conversion Notice”) to the Remarketing Agent, if any, the Market Agent, if any, the Calculation Agent, the Trustee and during a Direct Purchase Period, the Purchaser, with a copy to the Issuer, the Paying Agent, the Rating Agency, if any, rating the Bonds and the Credit Provider, if any; provided, however, that during a Direct Purchase Period the Interest Rate Determination Method may not be changed to another Interest Rate Determination Method or from an Index Interest Rate Period to a new Index Interest Rate Period without the prior written consent of the Purchaser. During a period other than a Direct Purchase Period, the Conversion Notice must be received by the Remarketing Agent or the Calculation Agent, as applicable, and the Trustee at least twenty-five (25) days prior to the proposed Conversion Date, and, except as otherwise provided in Section 2.04(b), during a Direct Purchase Period, the Conversion Notice must be received by the Remarketing Agent, if any, the Market Agent, if any, the Calculation Agent, the Trustee and the Purchaser at least sixty (60) days prior to the proposed Conversion Date.

Except as otherwise provided in Section 2.04(b), each Conversion Notice shall state (i) that the Borrower elects to change the Interest Rate Determination Method to a new Interest Rate Determination Method, or from the interest rate applicable during a Medium-Term Rate Period to a new interest rate during a new Medium-Term Rate Period, or from an Index Interest Rate Period to a new Index Interest Rate Period, (ii) the proposed Conversion Date, (iii) the Interest Rate Determination Method to be in effect from and after such Conversion Date, (iv) whether a Credit Facility is to be in effect from and after such Conversion Date, and, if so, the terms of such Credit Facility, and (v) if a Medium-Term Rate or Fixed Rate is to be in effect from and after such Conversion Date, and if redemption premiums different from those set forth in Section 2.18 are to be applicable as described in Section 2.03(d) and Section 2.03(e), the redemption premiums to be applicable during such Medium-Term Rate Period or Fixed Rate Period. In addition, if an Index Interest Rate is to be in effect immediately following such Conversion Date, such Conversion Notice shall state (1) whether such Index Interest Rate shall be a SIFMA Index Rate or a LIBOR Index Rate, (2) the new Direct Purchase Period Purchase Date, (3) the new Applicable Spread and (4) if such Index Interest Rate shall be a LIBOR Index Rate, the new Applicable Factor. If the Bonds are converted to an Index Interest Rate Period, the new Applicable Spread shall be the Applicable Spread which when used to calculate the new Index Interest Rate shall be, in the judgment of the Market Agent, having due regard for prevailing market conditions for bonds or other securities similar to the Bonds, the interest rate necessary, but shall not exceed the interest rate necessary, to enable the Bonds to be placed at a price of par on the

Conversion Date. In the event that the Bonds are converted to any other Direct Purchase Period, the new interest rate shall be, in the judgment of the Market Agent, having due regard for prevailing market conditions for bonds or other securities similar to the Bonds, the interest rate necessary, but not to exceed the interest rate necessary to enable the Bonds to be placed at a price of par on the Conversion Date.

In the case of a conversion to a Weekly Rate Period, each Conversion Notice shall be accompanied by evidence that a Remarketing Agent shall have been appointed and accepted such appointment.

The Issuer, at the direction of the Borrower, shall, by notice given to the Trustee at the same time and in the same manner as the Conversion Notice is given (which notice may be contained in such Conversion Notice), elect that after the Fixed Rate Conversion Date (A) the Bonds may be converted to have one or more Stated Maturities (as defined below), maturing sequentially in consecutive years, or (B) all or a portion of the Bonds may be converted to one or more term bonds subject to mandatory sinking fund redemption, with principal installments due sequentially in consecutive years; provided, however, that the principal amount of any Bond due either at a Stated Maturity or on a mandatory sinking fund payment date shall be in an Authorized Denomination; provided, further, that prior to electing any combination of (A) and (B) above the Issuer shall obtain an Approving Opinion. For purposes of this paragraph “Stated Maturity” shall mean, when used with respect to any Bond or any installment of interest thereon, the date specified in such Bond as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

(b) ***Certain Conversions between Direct Purchase Periods.*** Notwithstanding anything to the contrary in Section 2.04(a), in the event that (i) the Bonds are subject to a Direct Purchase Period, (ii) a single Purchaser is the Owner of all the Bonds and (iii) such Purchaser and the Borrower wish to convert the Bonds to new Rate Period which is a Direct Purchase Period where such Purchaser shall continue to be the Owner of all of the Bonds, all in accordance with the terms of the Continuing Covenant Agreement, such Purchaser and the Borrower may cause the Bonds to be converted to such new Rate Period by delivering a notice to the Trustee (a “Direct Purchase Period Conversion Notice”) in the form of Exhibit H properly completed and executed by the Borrower, such Purchaser and the Market Agent not less than five (5) Business Days prior to the Conversion Date on which the change in the Interest Rate Determination Method of the Bonds is to be effective, as specified in such notice. The Direct Purchase Period Conversion Notice shall contain that information described in the second paragraph of Section 2.04(a) which relates to conversion of the Bonds to a Direct Purchase Period.

(c) ***Opinions With Respect to Conversions.*** The Borrower shall deliver an Approving Opinion to the Remarketing Agent, if any, the Market Agent, if any, the Calculation Agent, if any, the Purchaser, if any, and the Trustee, by 10:00 a.m., Local Time, on the proposed Conversion Date under this Section.

(d) ***Conversion Date.*** If the Interest Rate Determination Method in effect prior to the proposed Conversion Date under this Section is:

(i) a Weekly Rate, the Conversion Date may be any Business Day;

(ii) a Flexible Term Rate, the Conversion Date must be the day that would otherwise be an Interest Payment Date for all of the Bonds, such Interest Payment Date to be determined at the time the Conversion Notice is received by the Remarketing Agent, the Market Agent or the Calculation Agent, as applicable;

(iii) an Index Interest Rate, the Conversion Date (A) must be a day that would otherwise be an Interest Payment Date and (B) shall be subject to any conditions set forth in a Continuing Covenant Agreement; or

(iv) a Medium-Term Rate, the Conversion Date must be the Business Day immediately succeeding the last day of the Medium-Term Rate Period.

(e) **Notice of Conversions.** The Trustee shall give written notice to the registered owners of the Bonds of a proposed Conversion Date (except with respect to a Conversion Date occurring solely due to an event described in clause (iii) of the definition thereof), which notice shall be in substantially the form attached to this Indenture as Exhibit D appropriately completed, and shall be sent by first-class mail, postage prepaid, at least fifteen (15) days prior to the proposed Conversion Date.

(f) **Failure or Revocation of Conversion.** If (i) the Borrower fails to deliver the Approving Opinion required by Section 2.04(c) to the Trustee, the Purchaser, if applicable, and the Remarketing Agent, the Market Agent or the Calculation Agent, as applicable, by 10:00 a.m., Local Time, on the proposed Conversion Date, or (ii) an Event of Default shall have occurred and be continuing hereunder, the Interest Rate Determination Method for the Bonds shall not be changed on the proposed Conversion Date and the Trustee shall immediately notify by telephone the Credit Provider, if any, the Remarketing Agent, if any, the Market Agent, if any, the Issuer, the Calculation Agent, the Purchaser, if any, and the Paying Agent that the Interest Rate Determination Method for the Bonds shall not be changed on the proposed Conversion Date.

Notwithstanding any other provision in this Indenture to the contrary, no conversion of the Interest Rate Determination Method to the Fixed Rate shall occur if the Borrower, not later than 10:00 a.m., Local Time, on the Business Day immediately preceding the applicable Computation Date, directs the Remarketing Agent or the Market Agent, as applicable, not to change the Interest Rate Determination Method to the Fixed Rate by written notice, with a copy to the Trustee, the Issuer, the Paying Agent, the Remarketing Agent, if any, the Market Agent, if any, the Calculation Agent, the Purchaser, if any, and the Credit Provider, if any.

If a proposed conversion of the Interest Rate Determination Method is cancelled pursuant to the provisions of the two preceding paragraphs, all Bonds (other than Bonds subject to a Direct Purchase Period) shall nevertheless be tendered for purchase on the proposed Conversion Date and shall be purchased by the Issuer on the proposed Conversion Date. If the Issuer shall fail to so purchase the Bonds subject to tender on such proposed Conversion Date, such failure shall constitute an Event of Default and,

except as otherwise provided in Section 2.03(l), the Bonds shall continue to bear interest in accordance with the Interest Rate Determination Method in effect prior to the proposed Conversion Date and, in the case of a proposed change from a Medium-Term Rate, for a Medium-Term Rate Period ending on the first day that is a day immediately preceding a Business Day and that occurs on or after the day that is the same number of days after the proposed Conversion Date as the number of days in the immediately preceding Medium-Term Rate Period (but in no event later than the maturity of the Bonds); provided, however, that the rate of interest that the Bonds will bear shall be determined on the proposed Conversion Date. Notwithstanding the foregoing, if a proposed conversion of the Interest Rate Determination Method is cancelled pursuant to the provisions of the two preceding paragraphs, any Bonds then subject to a Direct Purchase Period shall not be subject to tender for purchase and shall continue to bear interest at the Interest Rate Determination Method in effect prior to the failed proposed conversion.

(g) ***Failure to Mail Certain Notices.*** Failure to mail the notice described in Section 2.04(e), or any defect therein, shall not affect the validity of any interest rate or change in the Interest Rate Determination Method on any of the Bonds or the requirement that the Bonds shall be tendered pursuant to Section 2.06(e) or extend the period for tendering any of the Bonds for purchase, and the Trustee shall not be liable to any Owner by reason of its failure to mail such notice or any defect therein.

(h) ***Compliance with Rule 15c2-12.*** Notwithstanding any provision in this Indenture to the contrary, no conversion of the Interest Rate Determination Method (except for Bonds subject to a Direct Purchase Period immediately succeeding such conversion) shall be permitted unless the Trustee, the Issuer and the Remarketing Agent, if any, shall have received, at least two (2) Business Days prior to the proposed Conversion Date, either (i) a copy of a continuing disclosure agreement imposing obligations upon the Borrower or any other responsible party to comply with the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the “Rule”), with respect to the Bonds, together with such disclosure documents as the Remarketing Agent, if any, shall require in order to comply with the Rule, if the Rule will be applicable upon such conversion or (ii) an Opinion of Counsel that, notwithstanding such conversion, the Rule will not be applicable to the Bonds as of and after the Conversion Date.

(i) ***Conversion to Flexible Term Rate.*** The Interest Rate Determination Method may not be converted to a Flexible Term Rate unless the interest component of the Credit Facility to be in effect immediately following such conversion, if any, provides for payment of at least 271 days of interest on the Bonds at the Ceiling Rate. If a rating for the Bonds is to be maintained after any such conversion, the Trustee and the Remarketing Agent, if any, must receive, prior to the effective date of such conversion, written confirmation from each Rating Agency rating the Bonds that such rating will not be reduced or withdrawn.

The following additional conditions must be satisfied before a conversion to a Flexible Term Rate shall become effective:

(A) The Borrower must engage, at its expense, an issuing and paying agent having access to the Securities Depository's electronic money market issuing and payment system and otherwise eligible to serve as an issuing and paying agent under the Securities Depository's policies and procedures for the issuance and payment of Flexible Term Rate;

(B) The Remarketing Agent, the Market Agent or the Calculation Agent, as applicable, must arrange for the provision of any necessary CUSIP numbers; and

(C) The Issuer and the Borrower shall take all other action needed to comply with the Securities Depository's requirements applicable to the issuance and payment of the Bonds while in the Flexible Term Rate.

(j) ***Exchange of Bonds.*** Upon conversion of the Bonds to a Rate subject to a Direct Purchase Period from a Rate not subject to a Direct Purchase Period, or from a Rate not subject to a Direct Purchase Period to a different Rate not subject to a Direct Purchase Period, the Issuer shall execute at the written request and sole expense of the Borrower, and the Trustee shall authenticate and deliver, new Bonds of like dates and denominations and in the form of Exhibit A when converting to a Short-Term Rate, Exhibit B when converting to a Rate subject to a Direct Purchase Period (other than a Fixed Rate), and Exhibit C when converting to a Medium-Term Rate not subject to a Direct Purchase Period or a Fixed Rate, all in accordance with Section 2.20.

Section 2.05. Reserved.

Section 2.06. Tender of Bonds for Purchase.

(a) ***Optional Tender During Weekly Rate Period.*** During any Weekly Rate Period, the Owners of the Bonds shall have the right to tender any such Bond (or portion thereof in an Authorized Denomination, provided that any Bond or portion thereof remaining is also in an Authorized Denomination), for purchase by the Issuer on any Optional Tender Date, but only upon:

(i) delivery to the Remarketing Agent at its designated office, not later than 4:00 p.m., Local Time, on or before the seventh (7th) day (or on the immediately preceding Business Day, if such seventh (7th) day is not a Business Day) immediately preceding such Optional Tender Date, of an irrevocable written, telephonic (followed by written or facsimile confirmation delivered to the Remarketing Agent no later than the close of business on the immediately succeeding Business Day) or facsimile notice (with a written or facsimile copy to the Trustee) stating (1) that such Owner will tender for purchase all or any portion of his/her Bonds in an Authorized Denomination and the amount of Bonds to be tendered and (2) the Optional Tender Date on which such Bonds will be tendered; and

(ii) delivery of such Bond (with an appropriate instrument of transfer duly executed in blank) to the Trustee at its designated office at or prior to 10:00

a.m., Local Time, on such Optional Tender Date; provided, however, that no Bond (or portion thereof) shall be purchased unless such Bond as delivered to the Trustee shall conform in all respects to the description thereof in the aforesaid notice.

(b) ***Optional Tender by Beneficial Owners.*** If the Bonds are held in a Book Entry System, a purchase notice pursuant to Section 2.06(a)(i) may be delivered by a Beneficial Owner. Such purchase notice must be delivered as set forth in Section 2.06(a)(i) and must state that such Beneficial Owner will cause its beneficial interest (or portion thereof in an Authorized Denomination) to be tendered, the amount of such interest to be tendered, the Optional Tender Date on which such interest will be tendered and the identity of the Participant through which the Beneficial Owner maintains its interest. Upon delivery of such notice, the Beneficial Owner must make arrangements to have its beneficial ownership interest in the Bonds being tendered transferred to the Trustee at or prior to 10:00 a.m., Local Time, on the Optional Tender Date, but need not otherwise comply with Section 2.06(a)(ii).

(c) ***Election to Tender Irrevocable.*** Any election of an Owner to tender Bonds for purchase on an Optional Tender Date in accordance with Section 2.06(a) shall be irrevocable and shall be binding on the Owner making such election and on any transferee of such Owner.

(d) ***Notices.*** The Remarketing Agent shall give prompt notice by telephone of receipt of any tender notice received by it in accordance with Section 2.06(a)(i) to the Trustee, the Paying Agent and the Credit Provider, if any.

(e) ***Mandatory Purchase on Mandatory Purchase Date.*** The Bonds (or the applicable portion of the Bonds during any Flexible Term Rate Period) shall be subject to mandatory tender for purchase on each Mandatory Purchase Date at the Purchase Price thereof. Owners of Bonds subject to mandatory tender for purchase shall tender such Bonds to the Trustee by 10:00 a.m., Local Time, on each Mandatory Purchase Date.

(f) ***Bonds Deemed Tendered.*** If (i) with respect to a Mandatory Purchase Date, an Owner fails to deliver such Bond to the Trustee on or before the Mandatory Purchase Date, or (ii) with respect to an Optional Tender Date, an Owner gives notice pursuant to Section 2.06(a) to the Remarketing Agent and thereafter fails to deliver such Bonds (or portion thereof) to the Trustee, as required, then such Bond (or portion thereof) that is not delivered to the Trustee shall be deemed to have been properly tendered (such Bond being hereinafter referred to as an “Untendered Bond”) and, to the extent that there shall be on deposit with the Paying Agent on the date purchase thereof is required as provided herein Eligible Funds sufficient to pay the Purchase Price thereof, such Untendered Bond shall cease to constitute or represent a right to payment of principal or interest thereon and shall constitute and represent only the right to the payment of the Purchase Price payable on such date.

(g) ***Source of Funds for Purchase of Bonds.*** On each Optional Tender Date and each Mandatory Purchase Date the Issuer shall purchase (but solely from funds set

forth below) the Bonds (or portions thereof), tendered (or deemed tendered) to the Trustee for purchase in accordance with this Section at the applicable Purchase Price. Funds for the payment of the Purchase Price for such Bonds (or, in the case of an Optional Tender Date, portions thereof), shall be paid by the Paying Agent solely from the following sources and in the following order of priority:

(i) proceeds of the remarketing of such Bonds (or portions thereof) pursuant to Section 2.07 that have been transferred to the Paying Agent pursuant to such Section;

(ii) if a Credit Facility is then in effect, moneys drawn under such Credit Facility pursuant to Section 2.07(b) and Section 3.08(a)(ii);

(iii) moneys from the Bond Purchase Fund constituting Eligible Funds, if any, that have been transferred to the Paying Agent pursuant to Section 4.04; and

(iv) any other moneys furnished to the Trustee and available for such purpose.

Bonds (or portions thereof) purchased as provided above shall be registered for transfer as provided in Section 2.08.

(h) ***Notice of Mandatory Purchase Date.*** Not less than fifteen (15) days prior to each Mandatory Purchase Date occurring as a result of a Credit Modification Date, a Direct Purchase Period Purchase Date or at the Borrower's direction, and not less than three (3) days prior to each Mandatory Purchase Date occurring at the Credit Provider's or the Purchaser's direction, the Trustee shall give written notice of such Mandatory Purchase Date to the Remarketing Agent, the Market Agent or the Calculation Agent, as applicable, the Paying Agent and, by first-class mail, postage prepaid, the Owners, which notice shall be in substantially the form of Exhibit E or F, as applicable, appropriately completed. Failure to mail such notice or any defect therein shall not affect the rights or obligations of Owners and the Trustee shall not be liable to any Owner by reason of its failure to mail such notice or any defect therein. With respect to a Mandatory Purchase Date that is a Conversion Date, the Trustee shall provide notice to the Owners as set forth in Section 2.04(e). With respect to a Mandatory Purchase Date that is a Credit Facility Effective Date, the Trustee shall provide notice to the Owners as set forth in Section 3.08(e). With respect to a Mandatory Purchase Date that is the first Business Day immediately succeeding the last day of each Flexible Term Rate Period applicable to a Bond, no notice of such Mandatory Purchase Date shall be sent to the Owner of such Bond.

(i) ***Mandatory Purchase on Direct Purchase Period Purchase Date.*** Notwithstanding anything in this Indenture to the contrary, in the event the Bonds are not purchased or remarketed on a Direct Purchase Period Purchase Date, such Bonds shall constitute Unremarketed Bonds and such Unremarketed Bonds shall bear interest at the

rates and shall be payable and redeemed on the dates and in the amounts set forth in the Continuing Covenant Agreement.

Section 2.07. Remarketing of Bonds.

(a) ***Best Efforts to Place Bonds.*** The Remarketing Agent shall use its best efforts to place Bonds (or portions thereof) at a price of par plus accrued interest, if any, on each date that such Bonds (or portions thereof) are required to be purchased pursuant to Section 2.06 and if such Bonds are not placed on such date, the Remarketing Agent shall continue to use its best efforts to place such unremarketed Bonds at a price of par plus accrued interest, if any. By 12:00 noon, Local Time, on the Business Day prior to each date that the Bonds (or portions thereof) are required to be purchased pursuant to Section 2.06, the Remarketing Agent shall give initial notice by telephone (promptly confirmed in writing) of the principal amount of the Bonds for which it has arranged placement, together with the principal amount of the Bonds, if any (and such other particulars with respect thereto as the Trustee may deem necessary), for which it has not arranged placement, to the Trustee, the Borrower, the Credit Provider, if any, and the Paying Agent.

Such initial notice shall be confirmed by telephone notice by 9:00 a.m., Local Time, on the date that such Bonds are to be purchased (such notice to be promptly confirmed in writing) specifying the amount of Bonds not remarketed and the information necessary to enable the Trustee to prepare new Bond certificates with respect to the Bonds that were remarketed. By 9:30 a.m., Local Time, the Remarketing Agent shall transfer to the Paying Agent the proceeds of the remarketing of such Bonds. By 10:30 a.m., Local Time, the Paying Agent shall notify the Trustee of the amount of remarketing proceeds it received from the Remarketing Agent.

Notwithstanding anything herein to the contrary, Bonds may be remarketed only at a price of par plus accrued interest, if any.

(b) ***Draws on Credit Facility.*** In the event that moneys from the source described in Section 2.06(g)(i) are insufficient to pay the Purchase Price of Bonds tendered or deemed tendered on an Optional Tender Date or a Mandatory Purchase Date, if a Credit Facility is then in effect, the Trustee shall, by 11:00 a.m., Local Time, on such Optional Tender Date or Mandatory Purchase Date, take all action required to cause the Purchase Price of such Bonds, to the extent not available from the source described in Section 2.06(g)(i), to be paid from the Credit Facility. In the event the Purchase Price of Bonds is paid from the Credit Facility as described herein, and the Borrower does not reimburse the Credit Provider for such Purchase Price, upon the remarketing of such Bonds as described in Section 2.07(a), the Paying Agent shall deliver the proceeds of the remarketing of such Bonds to the Credit Provider.

(c) ***No Remarketing During Default.*** The Remarketing Agent shall not be required to remarket any Bonds pursuant to this Section if it has actual knowledge that an Event of Default shall have occurred and be continuing hereunder or if the Remarketing Agent determines, in its sole discretion, that the remarketing of the Bonds would be

unlawful or would be likely to result in the imposition of liability or damages against the Issuer, the Remarketing Agent, the Paying Agent, the Trustee, the Credit Provider, if any, the Purchaser, if any, or the Borrower.

(d) ***Remarketing to Borrower or Issuer.*** If a Credit Facility is then in effect, the Remarketing Agent shall not remarket any Bonds to (i) the Borrower, (ii) any other Person obligated (as guarantor or otherwise) to make payments on the Bonds or under the Agreement or the Reimbursement Agreement, (iii) an “affiliate” of the Borrower as defined in Bankruptcy Code Section 101(2) (if the Remarketing Agent has actual knowledge that such Person is an “affiliate” at the time of such remarketing), or (iv) the Issuer, pursuant to this Section prior to the expiration or earlier termination of the Credit Facility unless, prior to such remarketing, the Trustee, the Rating Agency, if any, the Purchaser, if any, the Credit Provider and the Remarketing Agent shall have received an unqualified Opinion of Counsel experienced in bankruptcy law matters to the effect that such remarketing would not result in a preferential payment pursuant to the provisions of Section 547 of the Bankruptcy Code recoverable from Owners of the Bonds pursuant to Section 550 of the Bankruptcy Code in the event of an Act of Bankruptcy, and if a Rating Agency is rating the Bonds, such Rating Agency has confirmed to the Trustee in writing that its rating will not be withdrawn or reduced as a result of such remarketing.

(e) ***Notice to Proposed Purchasers of Bonds.*** The Remarketing Agent will give any Person to whom Bonds are proposed to be remarketed written notice of any Mandatory Purchase Date, acceleration of maturity of Bonds or redemption of Bonds, notice of which has been given to Owners, prior to remarketing Bonds to such Person.

(f) ***No Remarketing Under Certain Conditions.*** Notwithstanding anything to the contrary herein provided, the Bonds shall not be remarketed unless (i) a Credit Facility providing for the payment of the principal of and interest on, and Purchase Price of, the Bonds will be in effect following the remarketing of such Bonds, (ii) no such Credit Facility will be in effect, but at the time of such remarketing, the Bonds are rated by a Rating Agency and such long-term and/or short-term rating is satisfactory to the Remarketing Agent in its sole discretion, or (iii) no such Credit Facility will be in effect, but following the remarketing of such Bonds, the Bonds will bear interest at a Medium-Term Rate, a Fixed Rate or be subject to a Direct Purchase Period. Notwithstanding anything to the contrary herein provided, the Bonds shall not be remarketed following a Mandatory Purchase Date occurring at the Credit Provider’s direction unless and until the Remarketing Agent has received the consent of the Credit Provider to such remarketing.

Section 2.08. Delivery of Purchased Bonds. Bonds (or portions thereof) purchased pursuant to Section 2.06 shall be delivered as follows:

(a) ***Bonds Purchased from Remarketing Proceeds.*** Bonds purchased with moneys described in Section 2.06(g)(i) shall be delivered to the purchasers thereof upon receipt of payment therefor. Prior to such delivery the Registrar shall provide for registration of transfer to the Owners, as provided in a written notice from the Remarketing Agent.

(b) ***Bonds Purchased from Draws Under Credit Facility.*** Credit Provider Bonds shall be surrendered to the Trustee for registration of transfer in the name of the Credit Provider, and no such Bond shall be released, pledged or otherwise transferred or disposed of until the Trustee shall have received written notice from the Credit Provider that amounts so drawn under the Credit Facility for the purchase of such Credit Provider Bonds, together with interest thereon, if any, due pursuant to any Reimbursement Agreement, have been reimbursed to the Credit Provider and that the amount so drawn under the Credit Facility with respect to such Bonds has been, or upon such release will be correspondingly and fully reinstated.

(c) ***Bonds Purchased with Other Moneys.*** Bonds (or portions thereof) purchased with any moneys pursuant to Section 2.06(g)(iii) or (iv) shall be delivered to the Trustee (i) for cancellation and shall be cancelled, or (ii) if the Borrower requests, for registration of transfer to the Borrower.

(d) ***During Book Entry System.*** Notwithstanding anything herein to the contrary, so long as the Bonds are held under the Book Entry System, Bonds will not be delivered as set forth in Section 2.08(a) through (c) (except as set forth in Section 2.08(b)); rather, transfers of beneficial ownership and pledges of the Bonds to the Persons indicated above will be effected on the books of the Securities Depository and its Participants pursuant to the rules and procedures of the Securities Depository.

Section 2.09. Execution; Limited Obligation. The Bonds shall be executed on behalf of the Issuer by the manual or facsimile signature of the Executive Director of the Issuer and attested by the manual or facsimile signature of the _____ of the Issuer and shall have impressed or imprinted thereon the seal (or a facsimile thereof), if any, of the Issuer. In case any officer whose manual or facsimile signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such manual or facsimile signatures shall nevertheless be valid and sufficient for all purposes.

THE BONDS ARE A SPECIAL OBLIGATION OF THE ISSUER. THE PRINCIPAL AND PURCHASE PRICE OF, AND PREMIUM, IF ANY, AND INTEREST ON THE BONDS ARE PAYABLE SOLELY FROM THE REVENUES PLEDGED FOR THEIR BENEFIT PURSUANT TO THE INDENTURE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OR OTHER LIABILITY OF THE STATE OF ALASKA OR OF A POLITICAL SUBDIVISION OF THE STATE OF ALASKA AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF ALASKA OR ANY POLITICAL SUBDIVISION OF THE STATE OF ALASKA IS PLEDGED FOR THE PAYMENT OF THE BONDS.

Section 2.10. Certificate of Authentication. No Bonds shall be secured hereby or entitled to the benefit hereof or shall be or become valid or obligatory for any purpose unless there shall be endorsed thereon a certificate of authentication, substantially in the form as set forth in the respective forms of Bond referred to in Section 2.11, as applicable, executed by an authorized representative of the Trustee; and such certificate on any Bond issued by the Issuer shall be conclusive evidence and the only competent evidence that it has been duly authenticated and delivered hereunder.

Section 2.11. Form of Bonds.

(a) The Bonds, the Trustee's certificate of authentication and the form of assignment shall be in substantially the forms set forth as Exhibit A, Exhibit B or Exhibit C, as applicable, with such appropriate variations, omissions, substitutions and insertions as are permitted or required hereby or are required by law and may have such letters, numbers or other marks of identification and such legends and endorsements placed thereon as may be required to comply with any applicable laws or rules or regulations.

(b) The Bonds shall be in either typewritten or printed form, as the Borrower shall direct, on behalf of the Issuer; provided that any expenses, including but not limited to expenses of printing, incurred in connection therewith shall be paid by the Borrower.

(c) On and after any Mandatory Purchase Date, Bonds authenticated and delivered hereunder shall have omitted from the text thereof such provisions contained in the forms of the Bonds set forth as Exhibit A, Exhibit B or Exhibit C, as applicable, as are not applicable to the Bonds on and after such date or shall include such provisions as will become applicable after such date including, without limitation, any reference to entitlement to any benefit of the Credit Facility, if then in effect, and any redemption provisions made applicable as a result of the occurrence of a Conversion Date relating to a conversion to a Medium-Term Rate or a Fixed Rate.

Section 2.12. Delivery of Bonds. Upon the execution and delivery hereof, the Issuer shall execute the Bonds and deliver them to the Trustee, and the Trustee shall authenticate the Bonds and deliver them to such purchaser or purchasers as shall be directed in writing by the Issuer as hereinafter provided in this Section.

Prior to the authentication of and delivery by the Trustee of any of the Bonds, there shall be filed with the Trustee:

(a) A certified copy of all resolutions adopted and proceedings had by the Issuer authorizing execution of this Indenture and the Agreement and the issuance of the Bonds;

(b) An original executed counterpart of this Indenture, the Agreement, the Continuing Covenant Agreement, the Tax Certificate, the Bond Purchase Agreement, and each of the Security Documents;

(c) Copies of any Financing Statements filed to perfect the Security Interests;

(d) An Opinion of Counsel to the Issuer to the effect that this Indenture, the Agreement and the other Bond Documents to which the Issuer is a party have been duly authorized, executed and delivered by the Issuer and are legal, valid and binding agreements of the Issuer enforceable against the Issuer in accordance with their terms;

(e) An Opinion of Counsel given by Bond Counsel to the effect that the Bonds have been duly authorized and validly issued, that the Indenture creates a valid

lien on the Trust Estate and that interest on the Bonds will not be included in gross income of the Owners thereof for federal income tax purposes;

(f) An Opinion of Counsel for the Borrower and the Guarantor to the effect that (i) the Agreement, the Security Documents, the Continuing Covenant Agreement and the other Bond Documents to which the Borrower is a party have been duly authorized, executed and delivered by the Borrower and are legal, valid and binding agreements of the Borrower enforceable against the Borrower in accordance with their terms; and (ii) the Guaranty Agreement has been duly authorized, executed and delivered by the Guarantor and is the legal, valid and binding agreement of the Guarantor and is enforceable against the Guarantor in accordance with its terms;

(g) A request and authorization to the Trustee on behalf of the Issuer and signed by a duly authorized officer of the Issuer directing the Trustee to authenticate and deliver the Bonds in such specified denominations as permitted herein to the initial purchaser or purchasers upon payment to the Trustee, but for the account of the Issuer, of a specified sum of money; and

(h) An investor letter signed by a duly authorized officer of the Purchaser.

Upon receipt of the foregoing, the Trustee shall authenticate and deliver the Bonds as provided above.

Section 2.13. Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond is mutilated, lost, stolen or destroyed, the Issuer may execute and the Trustee may authenticate and deliver a new Bond of the same maturity, interest rate, principal amount and tenor in lieu of and in substitution for the Bond mutilated, lost, stolen or destroyed; provided, that there shall be first furnished to the Trustee evidence satisfactory to it and the Issuer of the ownership of such Bond and of such loss, theft or destruction (or, in the case of a mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee), together with indemnity satisfactory to the Trustee and the Issuer and compliance with such other reasonable regulations as the Issuer and the Trustee may prescribe. If any such Bond shall have matured or a redemption date pertaining thereto shall have passed, instead of issuing a new Bond the Issuer may pay the same without surrender thereof, upon receipt of such evidence, indemnification and payment of fees and expenses as described herein. The Issuer and the Trustee may charge the Owner of such Bond with their reasonable fees and expenses incurred in connection with this Section.

Section 2.14. Exchangeability and Transfer of Bonds; Persons Treated as Owners. Books for the registration of the Bonds and for the registration of transfer of the Bonds as provided herein shall be kept by the Registrar.

Any Owner of a Bond, in person or by such Owner's duly authorized attorney, may transfer title to such Owner's Bond, in whole or in part, on the Register upon surrender thereof at an office designated by the Trustee, and by providing the Registrar with a written instrument of transfer (in substantially the form of assignment attached to the Bond) executed by the Owner or such Owner's duly authorized attorney, and thereupon, the Issuer shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds

of the same aggregate principal amount and tenor as the Bond surrendered (or for which transfer of registration has been effected) and of any Authorized Denomination or Authorized Denominations.

Bonds may be exchanged upon surrender thereof at the designated office of the Registrar with a written instrument of transfer satisfactory to the Registrar executed by the Owner or such Owner's attorney duly authorized in writing, for an equal aggregate principal amount of Bonds of the same tenor as the Bonds being exchanged and of any Authorized Denomination or Authorized Denominations. The Issuer shall execute and the Trustee shall authenticate and deliver Bonds that the Owner making the exchange is entitled to receive, bearing numbers not contemporaneously then outstanding.

Such registrations of transfer or exchanges of Bonds shall be without charge to the Owners of such Bonds, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the Owner of the Bond requesting such registration of transfer or exchange as a condition precedent to the exercise of such privilege. Any service charge made by the Registrar for any such registration of transfer or exchange and all reasonable expenses of the Issuer and the Trustee shall be paid by the Borrower.

After notice calling any Bond for redemption has been given and prior to such redemption, the Registrar shall only register the transfer of such Bond pursuant to a tender of such Bond on an Optional Tender Date or a Mandatory Purchase Date. In the case of any Bond to be redeemed in part, the portion thereof to be redeemed shall be subject to the provisions of the immediately preceding sentence. In connection with any such transfer pursuant to a tender of Bonds on an Optional Tender Date or a Mandatory Purchase Date, the Registrar shall deliver to the transferee a copy of the applicable notice of redemption.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of either principal or interest shall be made only to or upon the order of the registered owner thereof or such Owner's duly authorized attorney, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

All Bonds issued upon any registration of transfer or exchange of Bonds shall be legal, valid and binding limited obligations of the Issuer, evidencing the same debt, and entitled to the same security and benefits under this Indenture, as the Bonds surrendered upon such registration of transfer or exchange.

Notwithstanding the foregoing, (i) for so long as the Bonds are held under the Book Entry System, transfers of beneficial ownership will be effected pursuant to rules and procedures established by the Securities Depository, and (ii) during the Direct Purchase Period the Bonds may only be transferred in Authorized Denominations to (x) an affiliate of an Owner of the Bonds, (y) a trust or custodial arrangement established by an Owner of the Bonds or one of its affiliates, the owners of the beneficial interests in which are limited to qualified institutional buyers, as defined in Rule 144A promulgated under the Securities Act of 1933, as amended (the "1933 Act"), or (z) to a Person that is a qualified institutional buyer that is a commercial bank

having a combined capital and surplus, determined as of the date of any transfer pursuant to this Section, of \$5,000,000,000 or more that has executed and delivered to the Trustee, the Issuer and the Borrower an Investor Letter in the form of Exhibit G.

Section 2.15. Replacement Bonds. Except when the Bonds are held in the Book Entry System, the Issuer shall execute and the Trustee shall authenticate and deliver Replacement Bonds to replace Untendered Bonds. Any such Replacement Bond shall be executed and authenticated as provided in this Indenture. The Borrower shall bear all expenses in connection with the preparation and delivery of the Replacement Bonds.

Section 2.16. Cancellation. All Bonds that have been surrendered to the Registrar pursuant to Sections 2.13, 2.14 or 2.15 or for the purpose of purchase upon an Optional Tender Date or a Mandatory Purchase Date, or for payment upon maturity or redemption prior to maturity, shall be cancelled and destroyed by the Registrar in accordance with its retention policy then in effect.

Section 2.17. Ratably Secured. All Bonds issued hereunder are and are to be, to the extent provided in this Indenture, equally and ratably secured by this Indenture without preference, priority or distinction on account of the actual time or times of the authentication, delivery or maturity of the Bonds so that subject as aforesaid, all Bonds at any time Outstanding shall have the same right, lien and preference under and by virtue of this Indenture and shall all be equally and ratably secured hereby with like effect as if they had all been executed, authenticated and delivered simultaneously on the date hereof, whether the same, or any of them, shall actually be disposed of at such date, or whether they, or any of them, shall be disposed of at some future date. Notwithstanding the foregoing, any Credit Provider Bond or Bonds held by or registered in the name of any Excluded Person shall not be entitled to any benefit of the Credit Facility, if any.

Section 2.18. Redemption of Bonds; Partial Redemption of Bonds.

(a) ***Optional Redemption.*** The Bonds may be optionally redeemed in Authorized Denominations as follows:

(i) During any Weekly Rate Period, the Bonds are subject to redemption, at the direction of the Borrower, on behalf of the Issuer, in whole on any Business Day or in part on any Interest Payment Date at a redemption price equal to the principal amount of the Bonds to be redeemed plus accrued interest thereon to, but not including, the redemption date.

(ii) Subject to any limitations set forth in a Continuing Covenant Agreement, during any Direct Purchase Period, the Bonds are subject to redemption on any Interest Payment Date at the direction of the Borrower, on behalf of the Issuer, in whole or in part, at a redemption price equal to the principal amount of the Bonds to be redeemed plus accrued interest thereon to, but not including, the redemption date. Notwithstanding anything herein to the contrary, the Bonds may be redeemed in amounts less than Authorized

Denominations as required by Section 3.01(b) of the Continuing Covenant Agreement.

(iii) During any Flexible Term Rate Period, the Bonds are subject to redemption, at the direction of the Borrower, on behalf of the Issuer, in whole or in part on any Interest Payment Date applicable to such Bond to be redeemed, at a redemption price equal to the principal amount of such Bond plus accrued interest thereon to, but not including, the redemption date.

(iv) During any Medium-Term Rate Period or Fixed Rate Period, the Bonds are subject to redemption, at the direction of the Borrower, on behalf of the Issuer, in whole or in part on any Interest Payment Date occurring on or after the First Day of Redemption Period as described below, at the principal amount thereof, plus a redemption premium (expressed as a percentage of the principal amount) plus accrued interest thereon to, but not including, the redemption date as follows; provided, however, if a Credit Facility is then in effect, such redemption premium shall be paid only from Eligible Funds described in clause (a) of the definition of Eligible Funds on deposit in the Bond Fund, unless such Credit Facility provides for payment of such redemption premium:

Length of Medium-Term Rate Period or Fixed Rate Period From Conversion Date Until End of Rate Period (Expressed in Years)	First Day of Redemption Period	Redemption Premium as a Percentage of Principal Amount of Bonds
More than 15	10th anniversary of Conversion Date	3% declining by 1% every year after the 10th anniversary of the Conversion Date until reaching 0%, and thereafter 0%
More than 10 but not more than 15	7th anniversary of Conversion Date	3% declining by 1% every year after the 7th anniversary of the Conversion Date until reaching 0%, and thereafter 0%
More than 5 but not more than 10	4th anniversary of Conversion Date	2% declining by 1% every year after the 4th anniversary of the Conversion Date until reaching 0%, and thereafter 0%
5 or less	Bonds not redeemable pursuant to this paragraph	N/A

The above redemption premiums may be changed upon the conversion to a Medium-Term Rate or Fixed Rate upon the receipt of an Approving Opinion subject to and in accordance with the provisions of Sections 2.03(d) and (e).

(b) ***Extraordinary Optional Redemption.*** The Bonds are subject to redemption in whole, at the direction of the Borrower, on behalf of the Issuer, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued interest thereon to, but not including, the redemption date, on any date for which the requisite notice of redemption can be given, within one hundred eighty (180) days of the occurrence of any of the following events:

(i) the Project shall have been damaged or destroyed to such an extent that in the judgment of the Borrower (A) it cannot reasonably be restored within a period of three (3) consecutive months to the condition thereof immediately preceding such damage or destruction, (B) the Borrower is thereby prevented from carrying on its normal operations at the Project for a period of three (3) consecutive months, or (C) it would not be economically feasible for the Borrower to replace, repair, rebuild or restore the same;

(ii) title in and to, or the temporary use of, all or substantially all of the Project shall have been taken under the exercise of the power of eminent domain by any governmental authority or any Person acting under governmental authority (including such a taking as, in the judgment of the Borrower, results in the Borrower being prevented thereby from carrying on its normal operations at the Project for a period of three (3) consecutive months);

(iii) as a result of any changes in the Constitution of the State, or the Constitution of the United States of America or by legislative or administrative action (whether state or federal) or by final decree, judgment, decision or order of any court or administrative body (whether state or federal), the Agreement shall have become void or unenforceable or impossible of performance in accordance with the intent and purpose of the parties as expressed therein;

(iv) unreasonable burdens or excessive liabilities shall have been imposed on the Borrower with respect to the operations of the Project, including, without limitation federal, state or other ad valorem, property, income or other taxes not being imposed on the date of this Indenture that, in the judgment of the Borrower, render the continued operation of the Project uneconomical;

(v) changes which the Borrower cannot reasonably control or overcome in the economic availability of materials, supplies, labor, equipment and other properties and things necessary for the efficient operation of the Project for the purposes contemplated by the Agreement shall have occurred or technological changes that the Borrower cannot reasonably overcome shall have occurred that, in the judgment of the Borrower, render the continued operation of the Project uneconomical;

(vi) legal curtailment of the Borrower's use and occupancy of all or substantially all of the Project for any reason other than that set forth in (ii) above, which curtailment shall, in the judgment of the Borrower, prevent the Borrower

from carrying on its normal operations at the Project for a period of three (3) consecutive months; or

(vii) the Agreement is terminated prior to its expiration for any reason other than the occurrence of an Event of Default under the Agreement.

Notwithstanding the foregoing provisions of this paragraph (b), during any Direct Purchase Period, any redemption under this paragraph (b) shall be subject to the provisions of the Continuing Covenant Agreement and the written direction or consent of the Purchaser.

(c) ***Mandatory Sinking Fund Redemptions.*** The Bonds are not subject to mandatory sinking fund redemption.

(d) ***Redemption of Unremarketed Bonds.*** Unremarketed Bonds are subject to special mandatory redemption by the Borrower, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued interest thereon to but not including the date of such redemption, on the dates, in the amounts and in the manner set forth in the Continuing Covenant Agreement.

(e) ***Redemption of Credit Provider Bonds.*** Credit Provider Bonds are subject to special mandatory redemption by the Borrower, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued interest thereon to but not including the date of such redemption, on the dates, in the amounts and in the manner set forth in any Reimbursement Agreement.

(f) ***Selection of Bonds to be Redeemed.*** If less than all the Outstanding Bonds shall be called for redemption, the Registrar or, if the Bonds are held in the Book Entry System, the Securities Depository, shall first select and call for redemption Credit Provider Bonds. If, following such selection, additional Bonds must be selected and called for redemption, the Registrar or, if the Bonds are held in the Book Entry System, the Securities Depository, shall select or arrange for the selection, in such manner as it shall deem fair and equitable and pursuant to its rules and procedures, of the Bonds, in Authorized Denominations, provided that any Bond or portion thereof remaining Outstanding shall be in an Authorized Denomination. If there shall be called for redemption less than the principal amount of a Bond, (i) the Issuer shall execute and the Trustee shall authenticate and deliver, upon surrender of such Bond, without charge to the Owner thereof in exchange for the unredeemed principal amount of such Bond at the option of such Owner, Bonds in any of the Authorized Denominations, (ii) if the Bonds are held in the Book Entry System, the Securities Depository shall, acting pursuant to its rules and procedures, reflect in said system the partial redemption and the Trustee shall (A) either exchange the Bond or Bonds held by the Securities Depository for a new Bond or Bonds in the appropriate principal amount, if such Bond is presented to the Trustee by the Securities Depository, or (B) obtain from the Securities Depository a written confirmation of the reduction in the principal amount of the Bonds held by such Securities Depository or (iii) to the extent provided in the form of the Bond, the Trustee

or the Owner may reflect the amount of the Bonds being redeemed in the Table of Partial Redemptions without further action.

Section 2.19. Notice of Redemption. The Borrower may exercise its option to prepay Repayments and thereby cause a redemption of Bonds pursuant to Section 2.18(a) or (b) by giving written notice to the Issuer, the Remarketing Agent, the Trustee, the Paying Agent, the Credit Provider, if a Credit Facility is then in effect, and during a Direct Purchase Period, the Purchaser, not less than _____ days prior to the date selected for redemption; provided, however, that, if such redemption is pursuant to Section 2.18(a) or (b), the Borrower shall also deliver a certificate of a Borrower Representative certifying that the conditions precedent to such redemption have been met, and during any Direct Purchase Period, that any conditions to such redemption set forth in a Continuing Covenant Agreement have been met. Notwithstanding the foregoing, during any Direct Purchase Period, the Borrower is not required to provide any notice of redemptions pursuant to Section 2.18(a)(ii) which are effected as required by Section 3.01(b) of the Continuing Covenant Agreement.

Notice of redemption shall be mailed by the Trustee by first-class mail, postage prepaid, at least thirty (30) days before the redemption date to each Owner of the Bonds to be redeemed in whole or in part at such Owner's last address appearing on the Register, but no defect in or failure to give such notice of redemption shall affect the redemption or the validity of the proceedings for the redemption of the Bonds. A notice of optional redemption shall describe whether and the conditions under which the call for redemption shall be revoked. All Bonds properly called for redemption will cease to bear interest on the date fixed for redemption, provided Eligible Funds for their redemption have been duly deposited with the Trustee and, thereafter, the Owners of such Bonds called for redemption shall have no rights in respect thereof except to receive payment of the redemption price from the Trustee and a new Bond for any portion not redeemed. On a date no later than the date fixed for redemption in such notice, the Borrower shall pay, on behalf of the Issuer, to the Owner moneys in an amount sufficient, together with other moneys, if any, held by the Owner and available for the redemption of the Bonds, to redeem the Bonds at the redemption price set forth above.

To exercise any optional redemption pursuant to Section 2.18(a) while a Credit Facility is in effect, at least one day before the Trustee is to give notice of such redemption, the Trustee must have received written consent from the Credit Provider to a drawing on the Credit Facility in the amount of such redemption price if moneys in the Bond Fund constituting Eligible Funds under clause (a) of the definition of Eligible Funds will not be available to reimburse the Credit Provider for such drawing on the date of such redemption. If the Credit Provider does not consent to a drawing for such optional redemption of Bonds pursuant to Section 2.18(a) and/or a redemption premium the payment of which is not provided for in the Credit Facility will be payable in connection with such optional redemption of Bonds pursuant to Section 2.18(a), the Trustee shall condition such call for redemption upon the deposit with the Trustee of sufficient moneys constituting Eligible Funds under clause (a) of the definition of Eligible Funds on or prior to the date selected for redemption to reimburse the Credit Provider for such drawing and/or to pay such redemption premium, and if sufficient moneys constituting Eligible Funds under clause (a) of the definition of Eligible Funds are not so available on the date selected for redemption, such call for redemption shall be revoked.

Section 2.20. Book Entry System. Upon the initial issuance of the Bonds, the Trustee shall authenticate and deliver the Bonds to the Purchaser, as the registered owner and the Bonds shall not be subject to the Book Entry System. At the direction of the Purchaser, if the Bonds are subject to a Direct Purchase Period, or at the direction of the Borrower, upon conversion of the Interest Rate Determination Method of the Bonds, the Bonds may be issued or converted to and held pursuant to the Book Entry System. Upon conversion of the Bonds to the Book Entry System, the Borrower shall arrange for the execution and delivery to the Securities Depository of the required Securities Depository letter of representation for eligibility of the Bonds in the Securities Depository's book entry system (the "Letter of Representations") and the provision of any necessary CUSIP numbers. Any provision of this Indenture or the Bonds requiring physical delivery of the Bonds shall, with respect to any Bonds held under the Book Entry System, be deemed to be satisfied by a notation on the Register that such Bonds are subject to the Book Entry System.

So long as a Book Entry System is being used, one Bond in the Principal Amount and registered in the name of the Securities Depository Nominee will be issued and deposited with the Securities Depository and held in its custody. The Book Entry System will be maintained by the Securities Depository and the Participants and Indirect Participants and will evidence beneficial ownership of the Bonds in Authorized Denominations, with registration of transfers of ownership effected on the records of the Securities Depository, the Participants and the Indirect Participants pursuant to rules and procedures established by the Securities Depository, the Participants and the Indirect Participants. All payments of principal of, redemption premium, if any, and interest on Bonds subject to the Book Entry System and all notices with respect thereto, including notices of full or partial redemption, shall be made and given at the times and in the manner set out in the Letter of Representations. So long as a Book Entry System is being used, the principal of, interest and any redemption premium on each Bond shall be payable to the Securities Depository Nominee or any other person appearing on the Register as the registered owner of such Bond or such registered owner's registered assigns or legal representative at the office of the Registrar designated in accordance with Section 9.04. So long as the Book Entry System is in effect, the Securities Depository will be recognized as the registered owner of the Bonds for all purposes (except as provided in Section 2.06(b)). Transfer of principal, interest and any redemption premium payments or notices to Participants and Indirect Participants will be the responsibility of the Securities Depository, and transfer of principal, interest and any redemption premium payments or notices to Beneficial Owners will be the responsibility of the Participants and the Indirect Participants. No other party will be responsible or liable for such transfers of payments or notices or for maintaining, supervising or reviewing such records maintained by the Securities Depository, the Participants or the Indirect Participants. While the Securities Depository Nominee or the Securities Depository, as the case may be, is the registered owner of the Bonds, notwithstanding any other provisions set forth herein, payments of principal of, redemption premium, if any, and interest on the Bonds shall be made to the Securities Depository Nominee or the Securities Depository, as the case may be, by wire transfer in immediately available funds to the account of said Owner as may be specified in the Register or by such other method of payment as the Securities Depository may reasonably determine.

If (a) the Securities Depository determines not to continue to administer a Book Entry System for the Bonds, or (b) the Remarketing Agent, with the consent of the Borrower, elects to remove the Securities Depository, then the Remarketing Agent, with the consent of the

Borrower, may appoint a new Securities Depository. The Remarketing Agent may elect to remove the Securities Depository at any time.

If (i) the Securities Depository determines not to continue to administer a Book Entry System for the Bonds or has been removed and the Remarketing Agent fails to appoint a new Securities Depository, or (ii) the Remarketing Agent, with the consent of the Borrower, determines that continuation of a Book Entry System of evidence and transfer of ownership of the Bonds would adversely affect the interests of the Beneficial Owners, the Book Entry System will be discontinued, in which case the Trustee will deliver replacement Bonds in the form of fully registered certificates in Authorized Denominations in exchange for the Outstanding Bonds as required by the Trustee and the Beneficial Owners.

ARTICLE III

SECURITY

Section 3.01. Security. The principal and Purchase Price of, redemption premium, if any, and interest on the Bonds shall be a limited obligation of the Issuer as provided in Section 2.09, and the Bonds and all other obligations payable under the Bond Documents shall be secured by and payable from the Trust Estate. The Issuer and Trustee agree that the Security Documents shall name the Purchaser and the Trustee as beneficiary thereunder and that the Trustee shall act in such capacity on behalf and for the benefit of the Owners and any Swap Provider and each other payee or obligee secured by the Trust Estate.

Section 3.02. Payment of Bonds and Performance of Covenants. The Issuer shall promptly pay, but only out of the Trust Estate, the principal and Purchase Price of, redemption premium, if any, and interest on the Bonds at the place, on the dates and in the manner provided in the Bonds. The Issuer shall promptly perform and observe all covenants, undertakings and obligations set forth herein, in the Agreement or in the Bonds on its part to be performed or observed. The Issuer shall fully cooperate with the Trustee in the enforcement by the Trustee of any such rights granted to the Issuer under the Agreement.

Section 3.03. Authority. The Issuer represents and warrants that (i) it is duly authorized under the Constitution and laws of the State to issue the Bonds, and to execute, deliver and perform the terms of the Agreement and this Indenture; (ii) all action on its part for the issuance of the Bonds and execution and delivery of the Agreement and this Indenture has been duly taken; (iii) the Bonds, upon issuance and authentication, and the Agreement and this Indenture upon delivery, assuming that they are the respective legal, valid, binding and enforceable obligations of the other parties thereto, shall be valid and enforceable obligations of the Issuer in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally and general equitable principles; (iv) it has not heretofore conveyed, assigned, pledged, granted a Security Interest in or otherwise disposed of the Trust Estate; (v) it has not received any payments under the Agreement; (vi) without making any independent investigation, it has no knowledge of any right of set-off, defense or counterclaim to payment or performance of the terms or conditions of the Agreement; and (vii) the execution, delivery and performance of the Agreement and this Indenture and issuance of the Bonds are not in contravention of law or any agreement,

instrument, indenture or other undertaking to which it is a party or by which it is bound and no other approval, consent or notice from any governmental agency is required on the part of the Issuer.

Section 3.04. No Litigation. The Issuer represents and warrants that there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending, or, to the best knowledge of the Issuer, threatened against or affecting the Issuer wherein an unfavorable decision, ruling or finding would adversely affect (i) the transactions contemplated by, or the validity or enforceability of, the Bonds, this Indenture or the Agreement or (ii) the tax-exempt status of interest on the Bonds.

Section 3.05. Further Assurances. The Issuer covenants that it will cooperate to the extent necessary with the Borrower, the Trustee, the Purchaser, if any, and any Credit Provider in their defenses of the Trust Estate against the claims and demands of all Persons and, upon payment or provision for payment of the fees and expenses to be incurred by the Issuer in connection therewith, will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered such indentures supplemental hereto and such further acts, instruments and transfers as the Trustee, the Purchaser, if any, or any Credit Provider may reasonably require for the better pledging of the Trust Estate; provided, however, that the Issuer shall not be under any obligation under this Section or under this Indenture to take any action whatsoever except to the extent that the Issuer has been or the Issuer reasonably expects that it will be compensated in an amount sufficient to cover the cost to the Issuer. The Issuer shall not cause or permit to exist any amendment, modification, supplement, waiver or consent with respect to the Agreement without the prior written consent of the Trustee, which consent shall be governed by Article VIII.

Section 3.06. No Other Encumbrances. The Issuer covenants that, except as otherwise provided herein and in the Agreement, it will not sell, convey, mortgage, encumber or otherwise dispose of any portion of the Trust Estate.

Section 3.07. No Personal Liability. No recourse shall be had for the enforcement of any obligation, promise or agreement of the Issuer contained herein or in the Bonds or the other Bond Documents to which the Issuer is a party or for any claim based hereon or thereon or otherwise in respect hereof or thereof against any director, member, officer, agent, attorney or employee, as such, in his or her individual capacity, past, present or future, of the Issuer or of any successor entity, either directly or through the Issuer or any successor entity whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise. No personal liability whatsoever shall attach to, or be incurred by, any director, member, officer, agent, attorney or employee as such, past, present or future, of the Issuer or of any successor entity, either directly or through the Issuer or any successor entity, under or by reason of any of the obligations, promises or agreements entered into in the Bonds or between the Issuer and the Trustee, whether herein contained or to be implied herefrom as being supplemental hereto; and all personal liability of that character against every such director, member, officer, agent, attorney and employee is, by the execution of this Indenture and as a condition of, and as part of the consideration for, the execution of this Indenture, expressly waived and released.

Section 3.08. Credit Facility.

(a) ***Draws on Credit Facility.*** Except with respect to Bonds registered in the name of any Excluded Person and Credit Provider Bonds (which Bonds shall not be entitled to any benefit of any Credit Facility) at any time a Credit Facility is in effect (i) the Trustee shall draw moneys under such Credit Facility in accordance with the terms of the Credit Facility to the extent necessary to make timely payments of principal, redemption premium, if any (if such Credit Facility provides for payment of such premium), and interest on the Bonds, in accordance with Section 4.01, (ii) the Trustee shall draw moneys, in accordance with Section 2.07(b), under such Credit Facility in accordance with the terms of the Credit Facility to the extent available in order to effect the purchase of Bonds (or portions thereof in Authorized Denominations) on a Mandatory Purchase Date or an Optional Tender Date, and (iii) upon declaration of acceleration of the Bonds pursuant to Section 6.02, the Trustee shall draw on the Credit Facility in accordance with the terms of the Credit Facility to the extent available in an amount equal to the full unpaid principal of and accrued interest on the Bonds. The Paying Agent shall promptly provide notice to the Trustee of any failure to pay principal of, redemption premium, if any, or interest on the Bonds or the Purchase Price thereof.

(b) ***Reduction of Credit Facility.*** Upon any redemption or defeasance of any Bonds or upon cancellation of any Bonds upon purchase thereof as contemplated by Section 2.08, the Trustee shall send notice to the Credit Provider to reduce the amount available to be drawn on the Credit Facility (with written notice of the same to the Borrower) and the Trustee shall, upon request, confirm to the Credit Provider and the Borrower the principal amount of Bonds redeemed, cancelled or defeased.

(c) ***Extensions of Credit Facility.*** In the event that the term of the Credit Facility is extended, unless it is automatically extended by its terms or is extended by amendment, the Trustee shall surrender the instrument evidencing the Credit Facility to the Credit Provider in exchange for a new instrument conforming, in the opinion of Counsel, in all material respects to the instrument evidencing the Credit Facility being surrendered, except that the term thereof shall reflect the new term of the Credit Facility. The Trustee shall promptly surrender the instrument evidencing the Credit Facility to the Credit Provider for cancellation upon discharge of the Indenture pursuant to Section 5.01, subject to Section 3.08(d), or following a Credit Modification Date. If the Bonds are rated by a Rating Agency, notice of any extension of the Credit Facility (unless automatically extended by its terms) shall be furnished to such Rating Agency by the Trustee.

(d) ***Expiration or Termination of Credit Facility.*** If the Credit Facility provides that its term will be extended automatically unless the Credit Provider notifies the Trustee that the term will not be extended, then if the Trustee receives notice from the Credit Provider that the term of the Credit Facility will not be extended the Trustee shall mail a copy of such notice to the Borrower, the Remarketing Agent, if any, the Paying Agent and any Rating Agency then rating the Bonds no later than the Business Day after the Trustee receives such notice. The Trustee shall give notice to the Remarketing Agent and the Paying Agent, in the name of the Credit Provider, of the expiration or earlier

termination of any Credit Facility then in effect, which notice shall specify the date of such expiration or earlier termination of the Credit Facility. If the Bonds are rated by a Rating Agency, notice of any such expiration or termination of the Credit Facility shall be furnished to such Rating Agency by the Trustee. On any Credit Modification Date, the Trustee shall not surrender any evidence of the Credit Facility that is expiring or being terminated until the Trustee shall have made such drawings, if any, and taken such other actions, if any, thereunder as shall be required under this Indenture in order to provide sufficient money for payment of the Purchase Price of Bonds tendered or deemed tendered on such Credit Modification Date to the extent necessary pursuant to Section 2.06(g), and shall have received the proceeds of such drawing from the Credit Provider. Notwithstanding any provision hereof to the contrary, the Borrower may not cause any Credit Facility to be terminated (whether in connection with the delivery of an Alternate Credit Facility or otherwise) during a Flexible Term Rate Period.

(e) ***Delivery of Initial Credit Facility and Alternate Credit Facility.*** At any time, upon at least twenty-five (25) days prior written notice to the Trustee, the Paying Agent, the Rating Agency, if any, rating the Bonds, the Remarketing Agent, if any, the Market Agent, if any, and the Calculation Agent, the Borrower may, with the consent of the Remarketing Agent, if any, provide for delivery to the Trustee of an Initial Credit Facility or an Alternate Credit Facility, as the case may be, in accordance with the terms and conditions contained in this Section. Not less than fifteen (15) days prior to the proposed Credit Facility Effective Date (as defined below), which shall be a Credit Modification Date, the Trustee shall give each Owner notice of such Credit Modification Date by first-class mail, postage prepaid, which notice shall be in substantially the form of Exhibit E appropriately completed; provided, however, that if the proposed Credit Facility Effective Date is also a Conversion Date, the notice provisions of Section 2.04(e) shall apply.

If the terms and conditions contained in this Section are satisfied, the Trustee shall accept an Initial Credit Facility or an Alternate Credit Facility, and such Initial Credit Facility or Alternate Credit Facility shall become effective on the date such Initial Credit Facility or Alternate Credit Facility, as applicable, is delivered to the Trustee (the “Credit Facility Effective Date”). During any Weekly Rate Period, the Credit Facility Effective Date may be any Business Day. During any Flexible Term Rate Period, the Credit Facility Effective Date must be a day that would otherwise be an Interest Payment Date for all of the Bonds. The Trustee may accept an Initial Credit Facility or an Alternate Credit Facility on the first day of any Medium-Term Rate Period.

An Initial Credit Facility and any Alternate Credit Facility shall be an irrevocable direct-pay letter of credit issued by a commercial bank organized and doing business in the United States of America or a branch or agency of a foreign commercial bank located in the United States of America and subject to regulation by state or federal banking regulatory authorities. On or before the date of the delivery of an Initial Credit Facility or any Alternate Credit Facility to the Trustee, as a condition to the acceptance of such Initial Credit Facility or Alternate Credit Facility by the Trustee, the Borrower shall furnish to the Issuer and the Trustee (i) written evidence that the issuer of such Initial Credit Facility or Alternate Credit Facility is a commercial bank organized and doing

business in the United States of America or a branch or agency of a foreign commercial bank located and doing business in the United States of America and subject to regulation by state or federal banking regulatory authorities, (ii) an Approving Opinion, (iii) an Opinion of Counsel satisfactory to the Rating Agency, if any, rating the Bonds, the Issuer, and the Remarketing Agent, if any, to the effect that the Initial Credit Facility or Alternate Credit Facility has been duly executed, issued and delivered by, and is the legal, valid and binding obligation of, the Credit Provider (or, in the case of a branch or agency of a foreign commercial bank, the branch or agency) issuing the same, enforceable in accordance with its terms, that the Initial Credit Facility or Alternate Credit Facility is not subject to the registration requirements of the Securities Act of 1933, as amended, and if required by the Rating Agency, if any, rating the Bonds, that payments of principal, redemption premium, if any, or Purchase Price of or interest on the Bonds from the proceeds of a drawing on the Initial Credit Facility or Alternate Credit Facility will not constitute avoidable preferences under the Bankruptcy Code, and (iv) evidence of the written consent of the Remarketing Agent, if any. In the case of an Initial Credit Facility or Alternate Credit Facility issued by a branch or agency of a foreign commercial bank, there shall also be delivered an Opinion of Counsel licensed to practice law in the jurisdiction in which the head office of such bank is located, satisfactory to the Rating Agency, if any, rating the Bonds, the Issuer and the Remarketing Agent, if any, to the effect that the Initial Credit Facility or Alternate Credit Facility has been duly executed, issued and delivered by and is the legal, valid and binding obligation of such bank enforceable in accordance with its terms. The Trustee shall accept any such Initial Credit Facility or Alternate Credit Facility only in accordance with the terms, and upon the satisfaction of the conditions, contained in this Section and any other provisions applicable to acceptance of an Initial Credit Facility or Alternate Credit Facility under this Indenture.

(f) **Subrogation.** The Credit Provider shall be subrogated to all of the rights possessed hereunder by the Trustee and the owners of the Bonds against the Issuer and the Borrower to the extent that funds are drawn pursuant to the Credit Facility and used to pay the principal of or interest on the Bonds. For purposes of the subrogation rights of the Credit Provider hereunder, (i) any reference herein to the owners or registered owners of the Bonds, the principal of and interest on which have been paid with moneys collected pursuant to the Credit Facility, shall be deemed to be a reference to the Credit Provider, and (ii) any principal or Purchase Price of, or interest on, the Bonds paid with moneys collected pursuant to the Credit Facility shall be deemed to be unpaid hereunder. The subrogation rights granted to the Credit Provider hereunder are not intended to be exclusive of any other remedy or remedies available to the Credit Provider, and such subrogation rights shall be cumulative and shall be in addition to every other remedy given hereunder or under the Reimbursement Agreement, or any other instrument or agreement with respect to the reimbursement of moneys paid by the Credit Provider pursuant to the Credit Facility, and every other remedy now or hereafter existing at law or in equity or by statute.

Section 3.09. Swaps. If the Borrower enters into a Swap pursuant to Section 5.09 of the Agreement with any Swap Provider other than Wells Fargo, or any of its affiliates, the Borrower shall immediately submit the executed Swap documents to the Purchaser, if any, or the Credit

Provider, if any. Upon receipt of such executed Swap documents, the Purchaser, if any, or the Credit Provider, if any, shall promptly by notice to the Trustee (i) designate the periodic payments on the Swap to be either Parity Periodic Swap Payments or Subordinated Periodic Swap Payments and (ii) designate the termination payments on the Swap to be either Parity Swap Termination Payments or Subordinated Swap Termination Payments. If the Purchaser or the Credit Provider, as applicable, fails to make such designation, the periodic and termination payments on the Swap shall be deemed to be Subordinated Periodic Swap Payments and Subordinated Swap Termination Payments, respectively. The payments on any Swap between the Borrower and Wells Fargo, or any of its affiliates, including without limitation the Initial Swap, shall be Parity Periodic Swap Payments and Parity Swap Termination Payments.

ARTICLE IV

FUNDS

Section 4.01. Establishment and Use of Bond Fund and Current Account. There is hereby created and established with the Trustee the Bond Fund and, while a Credit Facility is in effect, within such fund a special account designated the “Current Account.” The Trustee shall establish with the Paying Agent a separate subaccount of the Bond Fund that, while a Credit Facility is in effect, shall be used for depositing moneys drawn by the Trustee under the Credit Facility for the payment of principal, redemption premium, if any, and interest on the Bonds. Neither the Trustee nor the Paying Agent shall commingle proceeds of a drawing under the Credit Facility with any other funds. Subject to the final paragraph of Section 2.02, there shall be deposited in the Bond Fund (a) all Repayments specified in the Agreement to be deposited in the Bond Fund, including all proceeds resulting from the enforcement of the Trust Estate or its realization as collateral, (b) all other moneys received by the Trustee under the Agreement for deposit by it in the Bond Fund, (c) all moneys received by the Trustee under and pursuant to the Guaranty Agreement and (d) all moneys drawn under any Credit Facility to pay principal, redemption premium, if any (if the Credit Facility provides for the payment of such premiums), or interest on the Bonds.

While a Credit Facility is in effect, each deposit into the Bond Fund not constituting Eligible Funds described in clause (a) of the definition thereof shall be placed in the Current Account within the Bond Fund and shall not be commingled with other moneys in the Bond Fund. The Trustee shall establish separate subaccounts within the Current Account for each deposit (including any investment income thereon) made into the Bond Fund so that the Trustee may at all times ascertain the date of deposit of the moneys in each subaccount.

Moneys in the Bond Fund shall be held in trust for the Owners and, except as otherwise expressly provided herein, shall be used solely for the payment of the interest on the Bonds and for the payment of principal of and redemption premium, if any, on the Bonds upon maturity, whether stated or accelerated, or upon mandatory or optional redemption.

The Issuer hereby authorizes and directs the Trustee, and the Trustee hereby agrees, to withdraw and make available at the designated office of the Paying Agent sufficient funds from the Bond Fund to pay the principal of, redemption premium, if any, and interest on the Bonds as the same become due and payable, but only in the following order of priority:

FIRST: Amounts drawn by the Trustee under a Credit Facility then in effect (provided, however, that such amounts shall not be used to pay any amounts with respect to any Bonds owned by or for the benefit of any Excluded Person, or any redemption premium on the Bonds unless such Credit Facility provides for the payment of such premium);

SECOND: If a Credit Facility is then in effect, from the moneys constituting Eligible Funds described in clause (a) of the definition thereof; and

THIRD: Any other amounts (whether or not Eligible Funds) in the Bond Fund.

If moneys in the Bond Fund available pursuant to items FIRST and SECOND above are insufficient to make any payment of principal of, redemption premium, if any or interest on the Bonds, whether due by maturity, acceleration, redemption or otherwise, or if the Credit Provider has dishonored its obligations under the Credit Facility, the Trustee, on or after the date such payment is to be made, shall apply any moneys described in item THIRD above.

To the extent that a Credit Facility is drawn on to make a payment of principal, interest or redemption premium on Bonds to any Owner, the Trustee shall use any moneys in the Bond Fund not then needed to make payments to Owners, regardless of whether such moneys constitute Eligible Funds, to reimburse the Credit Provider subject to the parity interests of any Swap Providers to such moneys as provided herein.

If the Trustee shall receive notice from a Swap Provider (a copy of which notice shall be delivered to the Borrower by the Trustee) that any Parity Periodic Swap Payments or Parity Swap Termination Payments remain due and unpaid after the passage of all grace periods applicable to such payments under the terms of the Swap, the Trustee shall pay to the Swap Provider from the Bond Fund such overdue payments in the amounts identified in such notice within two (2) Business Days after receipt thereof. If the amount available in the Bond Fund shall not be sufficient to pay in full the interest due on any Bond plus any sinking fund payments then due together with the overdue payments as set forth in the notice, then the amounts available in the Bond Fund shall be applied to the ratable payment of all such amounts due on such date.

After payment in full of the Bonds, or provision for the payment of the Bonds having been made pursuant to Section 5.02, the termination and payment in full of all Swap obligations (as evidenced by receipt of a certificate from the Borrower, signed by a Borrower Representative) and the payment of all other amounts payable hereunder, any amounts remaining in the Bond Fund shall be paid (a) first (i) to the Credit Provider, if any, if there is then any amount payable by the Borrower to the Credit Provider pursuant to this Indenture or the Reimbursement Agreement or (ii) to the Purchaser, if any, to the extent of any indebtedness of the Borrower to the Purchaser pursuant to this Indenture, the Agreement, or the Continuing Covenant Agreement, and (b) second to the Borrower. In making any payment to the Credit Provider or to the Purchaser under this Section, the Trustee may rely conclusively upon a written statement provided by the Credit Provider or the Purchaser, as the case may be, as to the amount payable to the Credit Provider hereunder or under the Reimbursement Agreement or to the

Purchaser under this Indenture, the Agreement or the Continuing Covenant Agreement, as applicable.

Each of the Bond Fund, Current Account and its sub-accounts shall at all times constitute an Eligible Account. In the event that an account required to be an Eligible Account no longer complies with the requirement, the Trustee shall promptly (and, in any case, within not more than 30 calendar days) move such account to another financial institution such that the Eligible Account requirement will again be satisfied.

Section 4.02. Establishment and Use of Project Fund. There is hereby created and established with the Trustee the Project Fund. Subject to the terms of Section 2.05 and the Continuing Covenant Agreement, the proceeds of the Bonds shall be delivered to the Trustee for deposit into the Project Fund.

The Trustee is hereby authorized and directed to use moneys in the Project Fund for payment or reimbursement to the Borrower of the Costs of the Project in accordance with the terms and conditions of the Agreement and any Continuing Covenant Agreement pursuant to a Requisition; provided, however, after payment in full of the Bonds, or provision for the payment of the Bonds having been made pursuant to Section 5.02, and the payment of all other amounts payable hereunder, any amounts remaining in the Project Fund shall be paid (a) first (i) to the Credit Provider, if any, if there is then any amount payable by the Borrower to the Credit Provider pursuant to this Indenture or the Reimbursement Agreement or (ii) to the Purchaser, if any, to the extent of any indebtedness of the Borrower to the Purchaser pursuant to this Indenture, the Agreement or the Continuing Covenant Agreement, and (b) second to the Borrower. In making any payment to the Credit Provider or to the Purchaser under this Section, the Trustee may rely conclusively upon a written statement provided by the Credit Provider or the Purchaser, as the case may be, as to the amount payable to the Credit Provider pursuant to this Indenture or the Reimbursement Agreement or to the Purchaser pursuant to this Indenture, the Agreement or the Continuing Covenant Agreement, as applicable. Notwithstanding anything herein to the contrary, the Trustee shall not use moneys in the Project Fund for payment or reimbursement to the Borrower unless the Purchaser, if any, shall have approved the applicable Requisition in writing.

Section 4.03. Establishment and Use of Surplus Fund. There is hereby established and created with the Trustee the Surplus Fund. The Trustee shall deposit all Surplus Bond Proceeds in the Surplus Fund on the Completion Date. The deposit of Surplus Bond Proceeds in the Surplus Fund shall be deemed to be a direction by the Borrower to the Trustee to redeem the greatest principal amount of the Bonds possible to be redeemed from such deposit pursuant to Section 2.18(a) on the earliest redemption date on which the Bonds may be redeemed, and on such redemption date an amount equal to the principal amount of Bonds to be redeemed plus interest and redemption premium, if any, accrued thereon to the redemption date shall be transferred from the Surplus Fund to the Bond Fund and used for such redemption. After such transfer, if and to the extent that there are moneys in the Surplus Fund on the date on which (i) the Bonds are scheduled to mature or (ii) the Bonds are subject to redemption, such moneys in the Surplus Fund shall be transferred to the Bond Fund and shall be used for such payment or redemption. Notwithstanding the foregoing, if while a Credit Facility is in effect there shall be any moneys on deposit in the Surplus Fund and there shall occur a drawing on the Credit Facility

to pay principal of the Bonds (but not the Purchase Price of tendered Bonds) the Trustee shall use any moneys in the Surplus Fund to reimburse the Credit Provider for such drawing; provided, further, if any of the events described in clauses (i) or (ii) above shall occur while a Credit Facility is in effect, the Trustee shall draw on the Credit Facility to the extent otherwise provided in this Indenture and shall immediately apply any moneys in the Surplus Fund (whether or not such moneys are Eligible Funds) to reimburse the Credit Provider therefor in whole or in part.

Section 4.04. Establishment and Use of Bond Purchase Fund and Current Purchase Account. There is hereby established and created with the Trustee the Bond Purchase Fund and, while a Credit Facility is in effect, within such fund a special account designated the “Current Purchase Account.” There shall be deposited in the Bond Purchase Fund all moneys required to be paid by the Borrower to provide for the payment of the Purchase Price of Bonds pursuant to this Indenture, together with any other moneys received by the Trustee pursuant to this Indenture, the Agreement or otherwise (including draws under the Credit Facility pursuant to Section 3.08(a)(ii)) that are required or directed to be paid into the Bond Purchase Fund. The Trustee shall establish with the Paying Agent a separate subaccount of the Bond Purchase Fund into which the proceeds of the remarketing of Bonds to purchasers (other than the Issuer, the Borrower, any other Person obligated (as guarantor or otherwise) to make payments on the Bonds or under the Agreement or under the Reimbursement Agreement or the Continuing Covenant Agreement or any “affiliate” of the Borrower as defined in Bankruptcy Code § 101(2)) will be deposited and a separate subaccount of the Bond Purchase Fund into which all amounts drawn under the Credit Facility pursuant to Section 3.08(a)(ii) will be deposited. Neither the Trustee nor the Paying Agent shall commingle amounts in either of such subaccounts with any other funds.

While a Credit Facility is in effect, each deposit into the Bond Purchase Fund not constituting Eligible Funds shall be placed in the Current Purchase Account within the Bond Purchase Fund and shall not be commingled with other moneys in the Bond Purchase Fund.

Moneys in the Bond Purchase Fund shall be held in trust for the Owners and, except as otherwise expressly provided herein, shall be used solely for the payment of the Purchase Price of the Bonds required to be purchased as set forth in Section 2.06(g).

The Trustee is hereby authorized and directed, and the Trustee hereby agrees, to withdraw and to transfer to the Paying Agent funds from the Bond Purchase Fund as contemplated by Section 2.06(g) by 1:30 p.m., Local Time, on each date that Bonds are to be purchased pursuant to Section 2.06 from the Bond Purchase Fund to pay the Purchase Price of Bonds tendered (or deemed tendered) for purchase pursuant to Section 2.06. The Trustee shall give the Remarketing Agent prompt telephonic notice of each such transfer.

To the extent that a Credit Facility is drawn on to make a payment of Purchase Price to any Owner, the Trustee shall use any moneys in the Bond Purchase Fund not then needed to make payments to Owners, regardless of whether such moneys constitute Eligible Funds, to reimburse the Credit Provider.

After payment in full of the Bonds, or provision having been made for payment of the Bonds pursuant to Section 5.02, and payment of all other amounts required to be paid under this Indenture, any amounts remaining in the Bond Purchase Fund shall be paid (a) first (i) to the Credit Provider, if any, if there is then any amount payable by the Borrower to the Credit Provider pursuant to this Indenture or the Reimbursement Agreement or (ii) to the Purchaser to the extent of any indebtedness of the Borrower to the Purchaser pursuant to this Indenture, the Agreement or the Continuing Covenant Agreement, and (b) second to the Borrower. In making any payment to the Credit Provider or to the Purchaser under this Section, the Trustee may rely conclusively upon a written statement provided by the Credit Provider or the Purchaser, as the case may be, as to the amount payable to the Credit Provider pursuant to this Indenture or the Reimbursement Agreement or to the Purchaser pursuant to this Indenture, the Agreement or the Continuing Covenant Agreement, as applicable.

Section 4.05. Establishment and Use of Debt Service Reserve Fund.

(a) There is hereby established and created with the Trustee the Debt Service Reserve Fund. The Debt Service Reserve Fund shall be in the custody of the Trustee but in the name of the Issuer and the Issuer hereby authorizes and directs the Trustee to withdraw sufficient funds from the Debt Service Reserve Fund to pay the principal of, redemption premium, if any, and interest on the Bonds, which authorization and direction the Trustee hereby accepts. In the event that amounts on deposit in the Bond Fund are insufficient to make payments of principal of, redemption premium, if any, or interest on the Bonds when due, the Trustee will transfer money from the Debt Service Reserve Fund to the Bond Fund to the extent necessary to pay principal of, redemption premium, if any, and interest on the Bonds when due.

(b) There shall be deposited into the Debt Service Reserve Fund, pursuant to Section 4.06, the Debt Service Reserve Requirement. There shall also be deposited into the Debt Service Reserve Fund all moneys required to be paid by the Borrower to the Trustee pursuant to Section 5.02(e) of the Agreement. In addition, there shall also be deposited into the Debt Service Reserve Fund (i) all moneys transferred to the Debt Service Reserve Fund from the Bond Fund, (ii) all other moneys required to be deposited therein pursuant to the Agreement or this Indenture, and (iii) all other moneys received by the Trustee when accompanied by directions not inconsistent with the Agreement or this Indenture that such moneys are to be paid into the Debt Service Reserve Fund. There shall also be retained in the Debt Service Reserve Fund interest and other income received on investments of Debt Service Reserve Fund moneys to the extent provided in Section 4.08.

In the event the Borrower shall deliver a Reserve Fund Credit Facility in substitution for the cash or Permitted Investments then on deposit in the Debt Service Reserve Fund pursuant to Section 5.10 of the Agreement (together with the Approving Opinion required thereby), the Trustee is hereby authorized to transfer to the Project Fund or to the Bond Fund, as directed by the Borrower, cash and Permitted Investments in an amount (including accrued but unpaid interest on such Permitted Investments, if any) equal to the face amount of such Reserve Fund Credit Facility. In addition, the Trustee is hereby authorized to release any Reserve Fund Credit Facility from the Trust

Estate in the event the Borrower shall deliver to the Trustee for deposit to the Debt Service Reserve Fund cash and Permitted Investments (exclusive of accrued but unpaid interest thereon) in an amount equal to the amount then available to be drawn under such released Reserve Fund Credit Facility. In the event that the Reserve Fund Credit Facility is to expire or terminate prior to the payment of the Bonds in full, the Trustee shall make a drawing thereunder in an amount equal to the lesser of the amount that, when deposited to the Debt Service Reserve Fund, will cause the balance held therein to equal the Debt Service Reserve Requirement and the maximum amount available to be drawn under the Reserve Fund Credit Facility.

(c) Moneys in the Debt Service Reserve Fund shall be used solely for the payment of the principal of, redemption premium, if any, and interest on the Bonds in the event moneys in the Bond Fund are insufficient to make such payments when due, whether on an Interest Payment Date, sinking fund redemption date, the Maturity Date or otherwise. Upon the occurrence of an Event of Default hereunder and the exercise by the Trustee of the remedy specified in Section 10.02(a) of the Agreement and Section 6.02, any moneys in the Debt Service Reserve Fund shall be transferred by the Trustee to the Bond Fund and applied in accordance with Section 6.07. On the Maturity Date any moneys in the Debt Service Reserve Fund may be used to pay the principal of and interest on the Bonds. In the event of the redemption of the Bonds in whole, any moneys in the Debt Service Reserve Fund shall be transferred to the Bond Fund and applied to the payment of the principal of and redemption premium, if any, on the Bonds. The Trustee shall value the Permitted Investments in the Debt Service Reserve Fund semiannually on _____ 1 and _____ 1 of each year at their market value. If on any such valuation date the amount in the Debt Service Reserve Fund (determined pursuant to this Section) is greater than the Debt Service Reserve Requirement, such excess shall be transferred by the Trustee to the Bond Fund and applied to the payment of the principal of and interest on the Bonds; provided, however, that the amount remaining in the Debt Service Reserve Fund (determined pursuant to this Section) immediately after such transfer shall not be less than the Debt Service Reserve Requirement on that date. If on any such valuation date the amount in the Debt Service Reserve Fund (determined pursuant to this Section) is less than the Debt Service Reserve Requirement, the Trustee shall notify the Borrower of its obligation to replenish the Debt Service Reserve Fund pursuant to Section 5.02(e) of the Agreement.

At such times as moneys are to be transferred out of the Debt Service Reserve Fund for deposit into the Bond Fund pursuant to this Section, the Trustee shall use cash, Permitted Investments or amounts derived from or drawn on a Reserve Fund Credit Facility in such order of priority as the Borrower shall direct in writing. If no Borrower direction has been received, the Trustee shall determine the priority of use of amounts in the Debt Service Reserve Fund. Any Reserve Fund Credit Facility shall be valued for all purposes of this Indenture at the amount available to be drawn thereunder.

Within five (5) Business Days of any transfer of funds from the Debt Service Reserve Fund to the Bond Fund, the Trustee shall notify the Borrower in writing of such transfer and of the amount of the deficiency, if any, of amounts then on deposit in the

Debt Service Reserve Fund as of such date. The Borrower shall thereafter replenish the Debt Service Reserve Fund as required by Section 5.02(e) of the Agreement.

(d) After payment in full of the Bonds, or provision having been made for payment of the Bonds pursuant to Section 5.02, and payment of all other amounts required to be paid under this Indenture, any amounts remaining in the Debt Service Reserve Fund shall be paid (i) first (A) to the Credit Provider, if any, if there is then any amount payable by the Borrower to the Credit Provider pursuant to this Indenture or the Reimbursement Agreement or (B) to the Purchaser, if any, to the extent of any indebtedness of the Borrower to the Purchaser pursuant to this Indenture, the Agreement or the Continuing Covenant Agreement, and (ii) second to the Borrower. In making any payment to the Credit Provider or to the Purchaser under this Section, the Trustee may rely conclusively upon a written statement provided by the Credit Provider or the Purchaser, as the case may be, as to the amount payable to the Credit Provider pursuant to this Indenture or the Reimbursement Agreement or to the Purchaser pursuant to this Indenture, the Agreement or the Continuing Covenant Agreement, as applicable.

Section 4.06. Deposit of Bond Proceeds. The Bond Proceeds shall be deposited in the Project Fund on the Issue Date. On the Issue Date, \$_____ of the Bond Proceeds shall be deposited into the Project Fund and \$_____ of the Bond Proceeds shall be deposited into the Debt Service Reserve Fund.

Section 4.07. Records. The Trustee shall cause to be kept and maintained records pertaining to the Project Fund, the Surplus Fund, the Bond Fund, the Debt Service Reserve Fund and the Bond Purchase Fund and all disbursements therefrom and shall periodically deliver to the Borrower statements of activity and statements indicating the investments, if applicable, made with moneys in all such funds during the applicable period. Upon written request, the Trustee shall provide the Borrower, within a reasonable period of time, with a report stating the Principal Amount and a list of the registered owners of the Bonds as of the date specified by the Borrower in its request.

The Trustee shall provide the Borrower with a written report, on a monthly basis through the calendar month in which the last obligation of the Bonds is retired, identifying the Permitted Investments in which the moneys held as part of the Project Fund, the Surplus Fund, the Bond Fund, the Debt Service Reserve Fund and the Bond Purchase Fund were invested during the preceding period and the dates of such investments, together with such other information as the Trustee ordinarily provides to Persons such as the Borrower in its regular monthly investment reports.

The Trustee shall furnish to the Issuer a statement of the amount and purpose of each withdrawal from the Project Fund no later than 30 days after each such withdrawal. The Trustee shall also furnish to the Issuer by July 15 of each calendar year, a statement of the outstanding principal balance of the Bonds as of June 30 of such year.

Section 4.08. Investment of Project Fund, Surplus Fund, Bond Fund, Debt Service Reserve Fund and Bond Purchase Fund Moneys. Moneys held by the Trustee as part of the Project Fund, the Surplus Fund, the Debt Service Reserve Fund and the Bond Fund shall be

invested and reinvested in Permitted Investments as instructed by a Borrower Representative; provided, however, that (i) any moneys held in the Bond Purchase Fund shall not be invested and (ii) the Paying Agent shall not invest any moneys it receives under this Indenture. All Permitted Investments shall be held by or under the control of the Trustee and shall be deemed at all times to be a part of the fund and account which was used to purchase the same. All interest accruing thereon and any profit realized from Permitted Investments shall be credited to the respective fund or account and any loss resulting from Permitted Investments shall be similarly charged. The Trustee is authorized to cause to be sold and reduced to cash a sufficient amount of Permitted Investments whenever the cash balance in any fund or account hereunder is or will be insufficient to make a requested or required disbursement. The Trustee may make any and all such investments through its own bond department or trust investment department. For purposes of this Section, any interest-bearing deposits, including certificates of deposit issued by or on deposit with the Trustee shall be deemed to be investments and not deposits. The Trustee shall not be responsible for any depreciation in the value of any Permitted Investment or for any loss resulting from such sale, so long as the Trustee performs its obligations hereunder in accordance with the provisions of Section 7.01(e). Absent specific instructions from the Borrower to invest cash balances in Permitted Investments hereunder, the Trustee shall invest any moneys hereunder in the Wells Fargo Advantage Government Money Market Fund or a successor money market fund offered by the Trustee. Notwithstanding anything to the contrary herein provided, the Borrower shall not direct the Trustee to invest moneys deposited in the Surplus Fund pursuant to Section 3.04 of the Agreement at a yield exceeding the yield on the Bonds. The Issuer shall not be liable for any loss resulting from any investment.

Section 4.09. Arbitrage; Rebate Fund. The Issuer recognizes that investment of the Bond Proceeds will be at the written direction of the Borrower but agrees that it will commit no act, or omit any action, that would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code and the applicable regulations thereunder. There is hereby established with the Trustee a Rebate Fund (the “Rebate Fund”). Any provisions in this Indenture to the contrary notwithstanding, amounts credited to the Rebate Fund shall be free and clear of any lien hereunder.

The Trustee shall deposit in the Rebate Fund the amount paid to the Trustee by the Borrower pursuant to Section 8.09(b) of the Agreement. Within sixty (60) days after each date on which rebate is required to be computed by the Code, the Trustee, at the direction of the Borrower and acting on behalf of the Issuer, shall pay to the United States of America in accordance with Section 148(f) of the Code from the moneys then on deposit in the Rebate Fund an amount equal to 90% (or such greater percentage not in excess of 100% as the Borrower may direct the Trustee to pay) of the amount certified by the Borrower to be the required rebate to the United States of America as calculated under Section 148(f)(2) of the Code (hereinafter called the “Rebate Amount”). The Borrower shall direct the Trustee to pay, within sixty (60) days after the payment in full of all Outstanding Bonds, to the United States of America, from the moneys then on deposit in the Rebate Fund, an amount determined in accordance with Section 148(f) of the Code to be equal to 100% of the Rebate Amount and any moneys remaining in the Rebate Fund following such payment shall be paid to the Borrower.

The Trustee shall be entitled to rely on the calculations made pursuant to this Section and neither the Issuer nor the Trustee shall be responsible for any loss or damage resulting from any good faith action taken or omitted to be taken in reliance upon such calculations.

The Trustee shall keep those records of the computations made pursuant to this Section that are furnished by the Borrower or the Issuer to the Trustee until six (6) years after the retirement of the Bonds, provided that nothing in this Indenture shall impose any obligation on the Trustee with respect to requesting, preparing, obtaining or verifying any such records or any computations therein.

Moneys in the Rebate Fund may be invested as provided in Section 4.08 for the investment of the Project Fund, the Surplus Fund, the Debt Service Reserve Fund and the Bond Fund.

Section 4.10. Non-presentment of Bonds. In the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or at the date fixed for redemption thereof or otherwise, if funds sufficient to pay the principal of, redemption premium, if any, and interest on such Bond shall have been made available to the Trustee for the benefit of the Owner or Owners thereof, payment of such Bond or portion thereof as the case may be, shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee, subject to any applicable escheat laws, to hold such fund or funds uninvested in the Bond Fund, without liability to the Owner of such Bond for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such fund or funds, for any claim of whatever nature on his/her part on, or with respect to, said Bond, or portion thereof, or redemption premium, if any.

ARTICLE V

DISCHARGE OF LIEN

Section 5.01. Discharge of Lien and Security Interest. Upon payment in full of all of the Bonds and the payment by or on behalf of the Borrower of all amounts outstanding under the Continuing Covenant Agreement or the Reimbursement Agreement, as applicable, and termination and payment of all amounts due under all Swaps, these presents and the Security Interests shall cease, determine and be discharged, and thereupon the Trustee shall (a) cancel and discharge this Indenture, the lien upon the Trust Estate and the Security Interests; (b) execute and deliver to the Issuer and the Borrower, at the Borrower's expense, such instruments in writing as shall be required to cancel and discharge this Indenture and the Security Interests and reconvey to the Issuer and the Borrower the Trust Estate, and assign and deliver to the Issuer and the Borrower so much of the Trust Estate as may be in its possession or subject to its control, except for moneys and Government Obligations held in the Bond Fund for the purpose of paying Bonds and except for moneys held in the Bond Purchase Fund for the purpose of paying the Purchase Price of the Bonds which have been purchased pursuant to Section 2.06(g); and (c) return any Credit Facility to the Credit Provider; provided, however, that the cancellation and discharge of this Indenture pursuant to this Section 5.01, (i) shall be subject to and qualified by the provisions of Section 5.03, (ii) shall not terminate the powers and rights granted to the Trustee, the Registrar and the Paying Agent with respect to the payment, registration of transfer and exchange of the

Bonds and (iii) shall not impair or limit the rights of the Issuer, the Trustee, the Registrar and the Paying Agent to indemnity, non-liability and payment of all reasonable fees and expenses, which rights shall survive the cancellation and discharge of this Indenture pursuant to this Section or Section 5.02. If the Bonds are rated by a Rating Agency, notice of payment in full of the Bonds shall be furnished by the Trustee to such Rating Agency.

Section 5.02. Provision for Payment of Bonds. Bonds shall be deemed to have been paid within the meaning of Section 5.01 if:

- (a) there shall have been irrevocably deposited in the Bond Fund:
 - (i) if the Bonds do not bear interest at the Fixed Rate, sufficient Eligible Funds, or
 - (ii) if the Bonds bear interest at the Fixed Rate, either (1) sufficient Eligible Funds, or (2) Government Obligations purchased with Eligible Funds of such maturities and interest payment dates and bearing such interest as will, in the opinion of a nationally recognized firm of certified public accountants, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon (said earnings also to be held in trust), be sufficient together with any moneys referred to in clause (1) above,

for the payment at their respective maturities or redemption or tender dates prior to maturity of the principal thereof and the redemption premium, if any, and interest to accrue thereon at such maturity or redemption or tender dates, as the case may be (except during a Direct Purchase Period, assuming that the Bonds bear interest at the Ceiling Rate during any period during which the interest rate on the Bonds may change);

(b) there shall have been paid or provision duly made for the payment of all fees and expenses of the Issuer, the Trustee, the Registrar, the Calculation Agent, the Paying Agent, the Market Agent and the Remarketing Agent, if any, due or to become due; and

(c) if any Bonds are to be redeemed on any date prior to their maturity, the Trustee shall have received in form satisfactory to it irrevocable instructions from a Borrower Representative to redeem such Bonds on such date and either evidence satisfactory to the Trustee that all redemption notices required by this Indenture have been given or irrevocable power authorizing the Trustee to give such redemption notices has been granted to the Trustee.

Limitations set forth elsewhere herein regarding the investment of moneys held by the Trustee in the Bond Fund shall not be construed to prevent the depositing and holding in the Bond Fund of the obligations described in Section 5.02(a)(ii) for the purpose of defeasing the lien of this Indenture as to Bonds which have not yet become due and payable. Notwithstanding any other provision of this Indenture to the contrary, all Eligible Funds deposited with the Trustee as provided in this Section may be invested and reinvested, at the direction of the Borrower, in Government Obligations (or, in the case of a deposit of Eligible Funds under Section 5.02(a), in a money market fund that invests solely in Government Obligations and is

rated in the highest category by one of Fitch, Moody's or S&P and, if more than one of such rating agencies then rates such money market fund, is rated no less than the highest rating category by each of such rating agencies then rating such money market fund) maturing in the amounts and times as hereinbefore set forth, and all income from all Government Obligations (or the money market fund) in the hands of the Trustee pursuant to this Section which is not required for the payment of the Bonds and interest and redemption premium, if any, thereon with respect to which such moneys shall have been so deposited shall be deposited in the Bond Fund as and when realized and collected for use and application as are other moneys deposited in the Bond Fund. Notwithstanding the foregoing provisions of this paragraph, if the Bonds are rated by S&P at the time a deposit of Eligible Funds is made under Section 5.02(a), such Eligible Funds may be invested solely in Government Obligations maturing or to be available to be withdrawn at par no later than the earlier of the Maturity Date, a Mandatory Purchase Date, redemption date or, if the Bonds are in a Weekly Rate Period, the next possible Optional Tender Date.

Notwithstanding any other provision of this Indenture to the contrary, if a Bond has been deemed to be paid under this Section and the Owner of such Bond delivers a tender notice with respect to such Bond that would result in the occurrence of an Optional Tender Date for such Bond prior to its maturity or redemption date: (1) the Remarketing Agent shall not remarket such Bond; (2) the Remarketing Agent shall notify the Trustee and the Paying Agent by the third Business Day prior to such Optional Tender Date for such Bond that it has received a tender notice with respect to such Bond; (3) the Trustee shall transfer to the Paying Agent, not later than 9:30 a.m., Local Time, on such Optional Tender Date for such Bond, Eligible Funds from the deposit made into the Bond Fund under Section 5.02(a)(i) sufficient to pay the Purchase Price of such Bond; (4) the Paying Agent shall purchase such Bond on such Optional Tender Date applicable to such Bond; and (5) such Bond shall be delivered to the Trustee for cancellation and shall be cancelled.

Notwithstanding any other provision of this Indenture to the contrary, during any Rate Period during which a Credit Facility is in effect, if all Bonds have been deemed to be paid because a deposit of Eligible Funds has been made under Section 5.02(a)(i), and if such deposit is made with proceeds of one or more drawings under the Credit Facility, then any excess funds remaining in the Bond Fund after payment of all of the Bonds at their respective maturities or redemption or tender dates shall be returned to the Credit Provider.

Notwithstanding any other provision of this Indenture to the contrary, if all Bonds have been deemed to be paid because a deposit has been made under Section 5.02(a), the Interest Rate Determination Method may not thereafter be changed by the Borrower.

If all Bonds have been deemed to be paid because a deposit has been made under Section 5.02(a)(i) with proceeds of one or more drawings under the Credit Facility, then the surrender by the Trustee of the Credit Facility to the Credit Provider for cancellation prior to the maturity or redemption date of the Bonds shall not constitute a Credit Modification Date.

At or immediately prior to the time provision for payment shall be made there shall be delivered to the Trustee and any Rating Agency then maintaining a rating on the Bonds (A) in the case of a defeasance with Government Obligations, the opinion of nationally recognized certified public accountants referred to in Section 5.02(a)(ii), (B) in the case of any defeasance, a

written Opinion of Counsel experienced in bankruptcy law matters and in form satisfactory to the Trustee and any Rating Agency that such provision for payment will not constitute or be (w) an avoidable preferential payment pursuant to Section 547 of the Bankruptcy Code, (x) an avoidable post-petition transfer pursuant to Section 549 of the Bankruptcy Code, (y) recoverable from Owners of the Bonds pursuant to Section 550 of the Bankruptcy Code and (z) subject to the automatic stay under Section 362 of the Bankruptcy Code in the event of an Act of Bankruptcy and (C) in the case of any defeasance, an Opinion of Counsel stating that all conditions precedent to the satisfaction and discharge of this Indenture have been complied with.

Section 5.03. Discharge of this Indenture. This Indenture, the lien upon the Trust Estate, the Security Interests and the rights granted and duties imposed hereby, shall continue and subsist after payment in full of the Bonds under Section 5.01 or the deemed payment in full of the Bonds in accordance with Section 5.02 and payment of all Swap obligations until the Trustee shall have paid to the Purchaser, if any, or the Credit Provider, if any, as the case may be, or returned to the Borrower, all funds held by the Trustee which the Purchaser or the Credit Provider, as the case may be, or the Borrower, is entitled to receive pursuant to this Indenture or the other Bond Documents after all Bonds have been paid at maturity or redeemed.

ARTICLE VI

DEFAULT PROVISIONS AND REMEDIES

Section 6.01. Events of Default. Any one of the following shall constitute an Event of Default hereunder:

- (a) Failure to pay interest on any Bond when and as the same shall have become due;
- (b) Failure to pay the principal of or any redemption premium on any Bond when and as the same shall become due, whether at the stated maturity or redemption date thereof or by acceleration;
- (c) Failure to pay the Purchase Price of any Bond required to be purchased hereunder on a Mandatory Purchase Date other than a Mandatory Purchase Date which is solely caused by the occurrence of a Direct Purchase Period Purchase Date when and as the same shall become due;
- (d) Failure to observe or perform any other of the covenants, agreements or conditions on the part of the Issuer included in this Indenture or in the Bonds and the continuance thereof for a period of thirty (30) days after written notice to the Issuer, the Purchaser, if any, the Credit Provider, if a Credit Facility is then in effect, and the Borrower has been given by the Trustee, provided that the Credit Provider, if any, or the Purchaser, if any, shall have consented to the same constituting an Event of Default;
- (e) The occurrence of an Event of Default under the Agreement;

(f) The Trustee shall have received a written notice from the Credit Provider that an event of default under any Reimbursement Agreement has occurred and is continuing and a written request from the Credit Provider that the Bonds be accelerated;

(g) The Trustee shall receive a written notice from the Purchaser that an event of default has occurred under any Continuing Covenant Agreement, which notice may in addition instruct the Trustee to accelerate the Bonds; or

(h) The Trustee shall receive a written notice from a Swap Provider that any Parity Periodic Swap Payment or Parity Swap Termination Payment is due and has not been paid after taking into account all grace periods applicable thereto under any Swap.

Section 6.02. Acceleration. Subject to the requirement that the consent of the Credit Provider, if any, and the Purchaser, if any, to any acceleration must be obtained, and further subject to the provisions of Section 6.04, upon the occurrence of any Event of Default hereunder the Trustee may, and upon the written request of the Credit Provider, if any, or the Purchaser, if any, and otherwise upon the written request of the Owners of not less than twenty-five percent (25%) in aggregate principal amount of Bonds then Outstanding, the Trustee, as soon as reasonably practicable, shall, by notice in writing sent to the Issuer, the Borrower, the Paying Agent, the Remarketing Agent, the Credit Provider, if any, and the Purchaser, if any, declare the principal of all Bonds then Outstanding (if not then due and payable) and the interest accrued thereon to be due and payable immediately, and, upon said declaration, such principal and interest shall become and be immediately due and payable. Upon any declaration of acceleration hereunder, the Trustee shall as soon as reasonably practicable exercise such rights as it may have under the Agreement to declare all payments thereunder to be immediately due and payable and, if a Credit Facility is in effect, the Trustee shall immediately draw upon the Credit Facility as provided in Section 3.08(a)(iii). If the Credit Provider honors the drawing under the Credit Facility upon a declaration of acceleration of the Bonds, interest on the Bonds shall accrue only to the date of such declaration and the Trustee shall pay the principal of and interest on the Bonds to the Owners immediately following the receipt of funds from such drawing. If no Credit Facility is in effect or the Credit Provider fails to honor a properly presented and conforming drawing under the Credit Facility upon acceleration of the Bonds, interest on the Bonds shall cease to accrue as provided in Section 6.07.

As soon as reasonably practicable following any such declaration of acceleration, the Trustee shall cause to be mailed notice of such declaration by first-class mail, postage prepaid, to each Owner of a Bond at his/her last address appearing on the Register. Any defect in or failure to give such notice of such declaration shall not affect the validity of such declaration.

Section 6.03. Other Remedies; Rights of Owners. Upon the happening and continuance of an Event of Default hereunder the Trustee may, only with the prior written consent of the Credit Provider, if any, and the Purchaser, if any, with or without taking action under Section 6.02, pursue any available remedy to enforce the performance of or compliance with any other obligation or requirement of this Indenture, any of the Security Documents or the Agreement.

Subject to the requirement that the consent of the Credit Provider, if any, and the Purchaser, if any, to the exercise by the Trustee of any such available remedy must be obtained, and further subject to the provisions of Section 6.04, upon the happening and continuance of an Event of Default, and if requested to do so by Credit Provider, if any, or the Purchaser, if any, and otherwise by the Owners of at least twenty-five percent (25%) in aggregate principal amount of Bonds then Outstanding and if the Trustee is indemnified as provided in Section 7.01(h), the Trustee shall exercise such of the rights and powers conferred by this Section and by Section 6.02 as the Trustee, being advised by Counsel, shall deem most effective to enforce and protect the interests of the Owners and any Swap Provider and, except to the extent inconsistent with the interests of the Owners, the Credit Provider, if any, and the Purchaser, if any.

No remedy by the terms of this Indenture conferred upon or reserved to the Trustee (or to the Owners) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Owners hereunder or now or hereafter existing.

No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or acquiescence therein and every such right and power may be exercised from time to time and as often as may be deemed expedient. No waiver of any default or Event of Default hereunder, whether by the Trustee or by the Owners, shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

The Trustee, as the assignee of substantially all right, title and interest of the Issuer in and to the Agreement, shall be empowered to enforce each and every right granted to the Issuer under the Agreement other than Reserved Rights.

Section 6.04. Right of Owners and Credit Provider to Direct Proceedings. Subject, if a Credit Facility is then in effect, to the rights of the Credit Provider and to the rights of the Purchaser, if any, as provided in Sections 6.02 and 6.03, the Owners of a majority in aggregate principal amount of Bonds then Outstanding shall have the right at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture and the Security Documents, or any other proceedings hereunder or thereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law, this Indenture and the Security Documents, shall not involve the Trustee in personal liability, and provided that the Trustee shall be indemnified to its satisfaction and the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction. Notwithstanding the foregoing or any other provision of this Indenture, during any Direct Purchase Period, the Purchaser shall be entitled to exercise all of the powers, consents, rights and remedies to which the Owners of a majority in aggregate principal amount of Bonds then Outstanding are entitled hereunder, including the right, at any time, by an instrument in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all remedial proceedings on behalf of the Owners available to the Trustee under this Indenture to be taken in connection with the enforcement of the terms of this Indenture or exercising any trust or power conferred on the Trustee by this Indenture.

No Owner shall have the right to institute any proceeding for the enforcement of this Indenture unless such Owner (or the Purchaser during any Direct Purchase Period) has given the Trustee and the Borrower written notice of an Event of Default, the Owners of a majority in aggregate principal amount of the Bonds then Outstanding (or the Purchaser during any Direct Purchase Period) shall have requested the Trustee in writing to institute such proceeding, the Trustee shall have been afforded a reasonable opportunity to exercise its powers or to institute such proceeding, there shall have been offered to the Trustee indemnity satisfactory to it against the cost, expense and liability to be incurred in connection with such request and the Trustee shall have thereafter failed or refused to exercise such powers or to institute such proceeding within sixty (60) days after receipt of notice with no inconsistent direction given during such sixty (60) days by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding (or by the Purchaser during any Direct Purchase Period). Nothing in this Indenture shall affect or impair any right of enforcement conferred on any Owner by the Act to enforce (i) the payment of the principal of and redemption premium, if any, and interest on Bonds at and after the maturity thereof, or (ii) the obligation of the Issuer to pay the principal of, redemption premium, if any, and interest on Bonds to such Owner at the time, place, from the sources and in the manner as provided in this Indenture. No Owner shall individually have the right to present a draft to, or otherwise make a demand on, the Credit Provider to collect amounts available under the Credit Facility.

Section 6.05. Discontinuance of Default Proceedings. Prior to the drawing on a Credit Facility, if any, pursuant to Section 3.08(a)(iii), in case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the Credit Provider, if any, the Purchaser, if any, and the Trustee shall be restored to their former positions and rights hereunder and all rights, remedies and powers of the Issuer, the Trustee, the Purchaser and the Credit Provider shall continue as if no such proceedings had been taken subject to the limits of any adverse determination.

Section 6.06. Waiver. The Trustee, with the consent of the Credit Provider, if any, and the Purchaser, if any, may waive any default or Event of Default hereunder and its consequences and rescind any declaration of acceleration of maturity of principal, and shall do so upon the written request of the Credit Provider, if any, or the Purchaser, if any; provided, however, that the Trustee shall not cause such a waiver or rescission (a) during a Direct Purchase Period, unless and until the Purchaser has provided to the Trustee its prior written consent and (b) unless and until the Purchase Price and all principal, redemption premium, if any, and interest on the Bonds in arrears, together with interest thereon (to the extent permitted by law) at the applicable rate of interest borne by the Bonds, all Parity Periodic Swap Payments and Parity Swap Termination Payments in arrears and all fees and expenses of the Trustee and the Issuer shall have been paid or provided for. The Trustee may not waive any default or Event of Default until the Trustee has received notice in writing from the Credit Provider that the amount available to be drawn under any Credit Facility then in effect in respect of the principal and Purchase Price of and interest on the Bonds has been reinstated in full and the notice of the Event of Default has been rescinded by the Credit Provider.

Section 6.07. Application of Moneys. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Indenture or under any of the other Bond Documents, including any proceeding at law or in equity to enforce the provisions of and foreclose, realize, levy or execute upon all items of collateral thereunder, shall be deposited in the Bond Fund and, after payment (out of moneys derived from a source other than the Credit Facility, moneys held for the purchase of Untendered Bonds, moneys held for the redemption of Bonds and proceeds from the remarketing of Bonds) of (i) the cost and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee, including reasonable attorneys' fees, and all other outstanding fees and expenses of the Trustee, and thereafter any fees, expenses, liabilities and advances due to, or incurred or made by, the Paying Agent and the Registrar and (ii) any sums due to the Issuer under the Agreement (other than Repayments), such moneys shall be applied in the order set forth below:

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

First: To the ratable payment of (i) all installments of interest then due on the Bonds, and (ii) all Parity Periodic Swap Payments then due, if any, and, if the amount available shall not be sufficient to pay in full all such amounts described in clauses (i) and (ii) of this paragraph, then to the ratable payment of all such amounts so due and the portion thereof allocable to the installments of interest shall be applied in order of priority first to installments past due for the greatest period; and

Second: To the ratable payment of (i) the unpaid principal of and redemption premium, if any, and the Purchase Price of the Bonds which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), (ii) any Parity Swap Termination Payments then due, if any, and (iii) to the payment of any Obligations payable to the Purchaser under the Continuing Covenant Agreement during any Direct Purchase Period (to the extent not required to be paid at a higher level of priority) and to the payment of any fees and expenses of a Credit Provider due and payable under any Reimbursement Agreement, and, if the amount available shall not be sufficient to pay in full all such amounts described in clauses (i), (ii) and (iii) of this paragraph due on any particular date, then to the ratable payment of all such amounts due on such date; and

Third: To the payment of Subordinated Periodic Swap Payments and Subordinated Swap Termination Payments then payable, if any, and if the amount available shall not be sufficient to pay all such amounts due on any particular date, then to the ratable payment of the amounts due on such date.

(b) If the principal of all the Bonds shall have become or been declared due and payable, all such moneys shall be applied:

First: To the payment of the principal, redemption premium, if any, and interest then due and unpaid upon the Bonds, any Parity Swap Termination Payment then due and any Parity Periodic Swap Payments then due, without preference or priority as between

principal, redemption premium, interest, installments of interest or Bonds, ratably according to the amounts due to the persons entitled thereto; and

Second: To the payment of any Obligations payable to the Purchaser under the Continuing Covenant Agreement during any Direct Purchase Period (to the extent not required to be paid at a higher level of priority) and to the payment of any fees and expenses of a Credit Provider due and payable under any Reimbursement Agreement; and

Third: To the payment of Subordinated Periodic Swap Payments and Subordinated Swap Termination Payments then payable, if any, ratably according to the amounts due to the persons entitled thereto.

(c) If the principal on all Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded under this Article then, subject to Section 6.07(b) in the event that the principal of all the Bonds shall again become or be declared due and payable, the moneys shall be applied in accordance with Section 6.07(a).

Notwithstanding the foregoing, unless the Credit Facility permits drawings to pay redemption premium with respect to Bonds, the Trustee shall be obligated to apply moneys received under a Credit Facility then in effect only to principal and Purchase Price of, and interest on the Bonds (except Bonds that are not entitled to any benefit of the Credit Facility as provided in Section 3.08). Whenever moneys (other than moneys received under a Credit Facility) are to be applied pursuant to this Section, the Trustee shall fix the date which shall be not more than seven (7) calendar days after such acceleration upon which such application is to be made and upon such date interest on the principal amount of Bonds to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date. As provided in Section 6.02, moneys received under a Credit Facility upon declaration of acceleration are to be applied as soon as is practicable following receipt to pay the principal of and interest on the Bonds to the Owners.

Whenever all of the Bonds and interest thereon have been paid under the provisions of this Section, the termination and payment in full of all Swap obligations and the payment of all other amounts payable hereunder, under any Continuing Covenant Agreement, any Reimbursement Agreement or any Swap, any balance remaining in the Bond Fund, the Project Fund, the Debt Service Reserve Fund and the Surplus Fund shall be paid as provided in Article IV.

Section 6.08. Rights of a Credit Provider. All rights of any Credit Provider under this Indenture to consent to certain extensions, remedies, waivers, actions and amendments hereunder shall be suspended (i) for so long as the Credit Provider wrongfully dishonors any draft (or other appropriate form of demand) presented in strict conformity with the requirements of the Credit Facility and has not honored a subsequent draft (or other appropriate form of demand), if any, thereunder or (ii) if no Credit Facility is in effect or any Credit Facility terminates in accordance with its terms.

Section 6.09. Right of Sole Owner to Require Assignment by Trustee. At any time during a Direct Purchase Period, upon the occurrence and during the continuance of an Event of Default, the Purchaser, if it is then the sole Owner of all of the Bonds then Outstanding, shall have the right, at its option, exercised by delivery of a written instrument to the Trustee with a copy to the Borrower, to require the Trustee to assign to the Purchaser all of the rights, powers, and prerogatives of the Trustee under the Indenture to enforce the provisions of this Indenture, exercise any remedies and otherwise take actions and institute proceedings for the benefit of and on behalf of the Owners and any Swap Provider, and the Trustee covenants and agrees that upon its release and indemnification with respect to any action or failure to act of the Purchaser subsequent to the aforesaid assignment, it shall execute and deliver all such documents as are necessary to accomplish the foregoing and vest such rights, remedies and title in the Purchaser.

ARTICLE VII

THE TRUSTEE; THE PAYING AGENT; THE REGISTRAR; THE REMARKETING AGENT

Section 7.01. Appointment of Trustee. The Trustee is hereby appointed and does hereby agree to act in such capacity and to perform the duties of the Trustee under this Indenture, but only upon and subject to the following express terms and conditions (and no implied covenants or other obligations shall be read into this Indenture against the Trustee):

(a) The Trustee may execute any of its trusts or powers hereunder and perform any of its duties by or through attorneys, agents, receivers or employees and shall not be held liable for their actions if such agents are selected with reasonable care. The Trustee shall be entitled to advice of Counsel concerning all matters hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees. The Trustee may act upon the opinion or advice of Counsel, accountants, engineers or surveyors selected by it in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action in good faith in reliance upon such opinion or advice.

(b) The Trustee shall not be responsible for any recital herein or in the Bonds, or for the recording, re-recording, filing or re-filing of this Indenture or the Security Documents or for insuring the Trust Estate or the Project or collecting any insurance moneys, or for the validity of this Indenture or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, or for the value of or title to the Project or otherwise as to the maintenance of the Trust Estate. The Trustee shall have no obligation to perform any of the duties of the Issuer under the Agreement. The Trustee shall not be liable to the Borrower, any Owner or any other Person for any loss suffered in connection with any investment of funds made by it in accordance with Section 4.08. The Trustee shall not be liable to the Borrower for any loss suffered as a result of or in connection with any investment of funds made by the Trustee as instructed by a Borrower Representative. The Trustee shall have no duty or responsibility to examine or review and shall have no liability for the contents of any documents submitted to or delivered to any Owner in the

nature of a preliminary or final placement memorandum, official statement, offering circular or similar disclosure document.

(c) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder after such Bonds shall have been delivered in accordance with instructions of the Issuer or for the use by the Borrower of the proceeds of the Bonds or for the use or application of any moneys received by the Paying Agent. The Trustee may become the owner of Bonds secured hereby with the same rights as any other Owner.

(d) The Trustee shall be protected in acting upon Opinions of Counsel and upon any notice, request, consent, certificate, order, affidavit, letter or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Owner of any Bond shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof. The Trustee may conclusively rely upon a certificate furnished by a Credit Provider as to amounts payable under the Reimbursement Agreement. The Trustee shall not be liable for an error in judgment made in good faith, unless it has been proven that the Trustee was negligent in ascertaining the pertinent facts.

(e) The permissive right of the Trustee to do things enumerated in this Indenture or the Agreement shall not be construed as duties. The Trustee shall only be responsible for the performance of the duties expressly set forth herein and shall not be answerable for other than its gross negligence or willful misconduct in the performance of those express duties.

(f) The Trustee shall not be personally liable for any debts contracted or for damages to persons or to personal property injured or damaged, or for salaries or non-fulfillment of contracts, relating to the Project.

(g) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trust and powers or otherwise in respect of this Indenture.

(h) Before taking any action under Article VI or as requested hereunder by the Owners (except for acceleration of the Bonds as required by Section 6.02, drawing on the Credit Facility as required by Section 3.08(a) and the payment of principal, interest, redemption premium and Purchase Price to Owners), the Trustee may require satisfactory security or indemnity bond for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its own gross negligence or willful misconduct by reason of any action so taken.

(i) All moneys received by the Trustee or the Paying Agent, until used or applied or invested as herein provided, shall be held as special trust funds for the purposes specified in this Indenture and for the benefit and security of the Owners of the

Bonds and the Credit Provider as herein provided. Such moneys need not be segregated from other funds except to the extent required by law or herein provided, and neither the Trustee nor the Paying Agent shall otherwise be under any liability for interest on any moneys received hereunder except such as may be agreed upon. In accepting the trust hereby created, the Trustee acts solely as Trustee for the Owners of the Bonds and not in its individual capacity and all Persons, including, without limitation, the Owners of the Bonds, the Issuer or the Borrower, having any claim against the Trustee arising from this Indenture shall look only to the funds and accounts held by the Trustee hereunder for payment except as otherwise provided herein.

(j) The Trustee shall not be bound to ascertain or inquire as to the performance of the obligations of the Borrower or the Issuer under the Agreement or this Indenture, and shall not be deemed to have, or be required to take, notice of default under this Indenture (other than under Section 6.01(a), (b) or (c) if notice thereof has been received from the Paying Agent or under Section 6.01(f), (g) or (h)) except (i) if no Credit Facility is in effect, in the event the Borrower fails to pay any Repayment when due, (ii) in the event of an insufficient amount in the Bond Fund (or any account therein) to make a principal or interest or redemption premium, if any, payment on the Bonds, (iii) written notification of such default by any Owner or Swap Provider, or (iv) written notification from the Credit Provider pursuant to Section 6.01(f). In the absence of (i), (ii), (iii), or (iv), the Trustee may conclusively assume that no default exists. The Trustee may nevertheless require the Issuer and the Borrower to furnish information regarding performance of their obligations under the Agreement and this Indenture, but is not obligated to do so.

(k) The Trustee shall, prior to any Event of Default and after the curing of all Events of Default which may have occurred, perform such duties and only such duties of the Trustee as are specifically set forth in this Indenture. The Trustee shall, during the existence of any Event of Default which has not been cured, exercise such of the rights and powers vested in it by this Indenture and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of his/her own affairs. The foregoing shall not limit the Trustee's obligations under Section 3.08(a) or Section 6.02.

(l) The Paying Agent and the Registrar shall each be entitled to the same rights and immunities with respect to their respective duties under this Indenture as the Trustee is under this Section 7.01 with respect to its duties hereunder.

(m) In addition to the Trustee's other duties hereunder, the Trustee shall authenticate and cancel Bonds as provided herein, keep such books and records relating to such duties as shall be consistent with prudent industry practice and make such books and records available for inspection by the Issuer and the Borrower at all reasonable times. All Bonds shall be made available for authentication, exchange and registration of transfer at the designated office of the Trustee.

(n) The Trustee shall have no duty to inspect or oversee the construction or completion of the Project or to verify the truthfulness or accuracy of the certifications

made by the Borrower with respect to the Trustee's disbursements for Costs of the Project in accordance with the Bond Documents. The Trustee is not responsible for the application of any Bond proceeds after they have been disbursed hereunder or for the use or application of any property or money released or paid out in accordance with the provisions of this Indenture.

(o) Without limiting the duties of the Trustee expressly set forth herein, the Trustee shall have no obligation or responsibility whatsoever in connection with (i) any federal or state tax-exempt status of the Bonds or the interest thereon; (ii) the consequences of the investment or non-investment of any funds or accounts relating to the Bonds or the Credit Facility under Section 148 of the Code, (iii) the calculation of any amount required to be rebated to the United States of America under Section 148 of the Code or (iv) compliance by the Borrower with the Tax Certificate.

(p) No provision of this Indenture, the Agreement or the Bonds shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers. Under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Bonds.

(q) Whenever in the administration of this Indenture the Trustee deems it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee may rely upon a written certificate of a Borrower Representative or an Issuer Representative.

(r) Except as provided in Section 7.09, in the event that the Trustee receives inconsistent or conflicting requests and indemnity from two or more groups of Owners of the Bonds, each representing less than a majority in aggregate principal amount of the Bonds Outstanding, pursuant to the provisions of this Indenture, then the Trustee, in its sole discretion, may determine what action or actions, if any, shall be taken or not taken.

(s) The Trustee's immunities and protections from liability and its rights to indemnification in connection with the performance of its duties under this Indenture shall likewise extend to the Trustee's officers, directors, agents, attorneys and employees. Such immunities and protections and rights to indemnification, together with the Trustee's rights to compensation, shall survive the Trustee's resignation or removal, the discharge of this Indenture and the final payment of the Bonds.

(t) The Trustee, in its commercial banking or in any other capacity, may in good faith buy, sell, own, hold or deal in any of the Bonds and may join in any action that any Owner may be entitled to take with like effect as if it were not the Trustee. The Trustee, in its commercial banking or in any other capacity, may also engage in or be interested in any financial or other transaction with the Borrower, including Swaps, and may act as depository, trustee or agent for any committee of Owners secured hereby or other obligations of the Borrower, as freely as if it were not the Trustee hereunder. The provisions of this paragraph shall extend to the affiliates of the Trustee.

(u) Neither Section 2.04(h) nor any other provision of this Indenture shall require the Trustee to enter into any continuing disclosure agreement or other undertaking or to take any other action as may be required to cause compliance with Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

(v) The Trustee shall have no responsibility or obligation to Participants, to Indirect Participants, or to the Persons for whom they act as nominees with respect to the Bonds, or to any Beneficial Owner of Bonds in respect of the accuracy of any records maintained by the Securities Depository, the Securities Depository Nominee or any Participant or Indirect Participant, the payment by the Securities Depository, the Securities Depository Nominee or any Participant or Indirect Participant of any amount in respect of the principal or Purchase Price of or interest on the Bonds, any notice which is permitted or required to be given under this Indenture, the selection by the Securities Depository, the Securities Depository Nominee or any Participant or Indirect Participant of any Person to receive payment in the event of a partial redemption of the Bonds, or any consent given or other action taken by the Securities Depository or the Securities Depository Nominee as registered owner of the Bonds.

(w) Whether or not expressly so provided, each and every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee is subject to the provisions of this Section 7.01.

Section 7.02. Compensation and Indemnification of Trustee, Paying Agent, Remarketing Agent, Calculation Agent, Market Agent and Registrar; Trustee's Prior Claim. The Agreement provides that the Borrower will pay the reasonable fees and expenses of the Issuer, the Trustee, the Paying Agent, the Remarketing Agent, the Calculation Agent, the Market Agent and the Registrar under this Indenture and all other amounts which may be payable to the Trustee, Paying Agent, the Calculation Agent, the Market Agent or Registrar under this Section, and the reasonable fees and expenses of the Remarketing Agent and all other amounts which may be payable to the Remarketing Agent under the Remarketing Agreement, such fees and expenses to be paid when due and payable by the Borrower directly to the Trustee, the Paying Agent, the Calculation Agent, the Market Agent, the Registrar and the Remarketing Agent, respectively, for their own accounts.

The Borrower shall (a) pay the Trustee from time to time, and the Trustee shall be entitled to, reasonable compensation (which shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust), (b) pay the Paying Agent, the Calculation Agent, the Market Agent, the Registrar and any other agent of the Issuer or the Borrower acting hereunder or under the Agreement (the Paying Agent, the Calculation Agent, the Market Agent, the Registrar and any other agent of the Issuer being herein referred to as a "Borrower Agent") reasonable compensation, (c) pay or reimburse each of the Trustee and any Borrower Agent upon request for all reasonable expenses, disbursements and advances incurred or made, in accordance with any of the provisions of this Indenture and the Agreement (including the reasonable compensation and the reasonable expenses and disbursements of its Counsel and of all agents and other persons not regularly in its employ), except to the extent that any such expense, disbursement or advance is due to such party's own gross negligence or willful misconduct, and (d) indemnify each of the Trustee and any Borrower Agent for, and to

hold it harmless against, any loss, liability, damage, cost or expense incurred by it, arising out of or in connection with the acceptance or administration of this Indenture or the trusts hereunder or the performance of its duties hereunder or under the Agreement, including the reasonable costs and expenses of defending itself against or investigating any claim of liability in the premises, except to the extent that any such loss, liability, damage, cost or expense was due to such party's own gross negligence or willful misconduct. The obligations of the Borrower under the Agreement referred to in this Section shall constitute additional indebtedness hereunder and shall survive the satisfaction and discharge of this Indenture and any resignation or removal of the Trustee. Such additional indebtedness shall be a senior claim to that of the Bonds upon all property and funds held or collected by the Trustee as such, except funds held with respect to Untendered Bonds and unredeemed Bonds for which notice of redemption has been given, and except for any arbitrage rebate fund or account established pursuant hereto or pursuant to any arbitrage regulatory agreement. Notwithstanding the foregoing, neither the Trustee nor any Borrower Agent shall have any claim upon or shall be paid, prior to any Owner, from any Credit Facility or proceeds from the remarketing of Bonds, or the proceeds thereof, with respect to any such compensation, payment, reimbursement or indemnity. "Trustee," "Borrower Agent," "Paying Agent," "Calculation Agent," "Market Agent" and "Registrar" for purposes of this Section shall include any predecessor Trustee, Borrower Agent, Paying Agent, Calculation Agent, Market Agent and Registrar but the gross negligence or willful misconduct of any Trustee, Borrower Agent, Paying Agent, Calculation Agent, Market Agent or Registrar shall not affect the indemnification of any other Person. The obligations of the Borrower under this Section shall survive the termination of this Indenture and the resignation or removal of the Trustee.

Section 7.03. Intervention in Litigation. In any judicial proceedings to which the Issuer is a party, the Trustee may intervene on behalf of Owners, and shall intervene if requested in writing by the Credit Provider or the Owners of at least twenty-five percent (25%) in aggregate principal amount of Bonds then Outstanding and indemnified as provided in Section 7.01(h).

Section 7.04. Resignation; Successor Trustees. The Trustee and any successor Trustee may resign only upon giving sixty (60) days prior written notice to the Issuer, the Credit Provider, if any, the Borrower and each Owner of Bonds then Outstanding as shown on the Register. Such resignation shall take effect only upon the appointment of a successor Trustee by the Issuer with the written consent of the Borrower, the Purchaser, if any, and the Credit Provider, if any, and the acceptance of such appointment by the successor Trustee. If no successor is appointed within sixty (60) days after the notice of resignation, the resigning party may appoint a successor or petition any court of competent jurisdiction to appoint a successor. Upon appointment of a successor Trustee, the resigning Trustee shall assign all of its right, title and interest in this Indenture and the Trust Estate (including any Credit Facility then in effect) to the successor Trustee. The successor Trustee shall be a bank or trust company with trust powers organized under the laws of the United States of America or any state of the United States of America, or the District of Columbia, having a combined capital stock, surplus and undivided profits aggregating at least \$50,000,000. Any successor Trustee shall accept in writing its duties and responsibilities hereunder and such writing shall be filed with the Issuer, the Credit Provider, if any, the Borrower and the Purchaser, if any.

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or any material part of the corporate trust business of the Trustee that includes this Indenture, shall be the successor of the Trustee hereunder, without the execution or filing of any instrument or any further act on the part of any Person, anything herein to the contrary notwithstanding, provided that such successor Trustee shall be eligible to serve as Trustee under the provisions of this Indenture. If the Trustee is not the successor corporation in any such merger or consolidation, the Trustee shall give notice of such event to the Borrower and shall take such action as may be required to effect a transfer of the trust included in this Indenture to such successor corporation.

Section 7.05. Removal of Trustee. The Trustee may be removed at any time, by an instrument or concurrent instruments in writing delivered to the Trustee, the Credit Provider, if any, the Purchaser, if any, the Issuer and the Borrower and signed by the Owners of a majority in aggregate principal amount of Bonds then Outstanding, but only with the prior consent of the Credit Provider, if any, and the Purchaser, if any. During such time that no Event of Default has occurred and is continuing under this Indenture, the Trustee may also be removed by an instrument in writing delivered to the Trustee, the Credit Provider, if any, the Issuer and the Purchaser, if any, and signed by a Borrower Representative. Such removal shall take effect only upon the appointment of a successor Trustee by the Issuer with the written consent of the Borrower, the Purchaser, if any, and the Credit Provider, if any, and the acceptance of such appointment by the successor Trustee. Upon such removal, the Trustee shall assign to the successor Trustee all of its right, title and interest in this Indenture and the Trust Estate (including any Credit Facility then in effect) in the same manner as provided in Section 7.04. If the Bonds are rated by a Rating Agency, notice concerning any change in the Trustee shall be furnished by the successor Trustee to such Rating Agency.

Section 7.06. Paying Agent. The Trustee is hereby appointed by the Issuer as the initial Paying Agent. The Issuer, at the direction of the Borrower and with the approval of the Remarketing Agent, if any, and the Credit Provider, if any, shall appoint any successor Paying Agent for the Bonds, subject to the conditions set forth in Section 7.07. The Paying Agent shall designate to the Issuer and the Trustee its designated office for all purposes hereof and signify its acceptance of the duties imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer and the Trustee under which the Paying Agent shall agree, particularly:

- (a) to hold all sums held by it for the payment of the principal and Purchase Price of, redemption premium, if any, or interest on the Bonds in trust for the benefit of the Owners of the Bonds until such sums shall be paid to such Owners of the Bonds or otherwise disposed of as herein provided;
- (b) to perform its obligations under this Indenture; and
- (c) to keep such books and records relating to its duties as Paying Agent as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Issuer, the Trustee and the Borrower at all reasonable times.

The Issuer shall cooperate with the Trustee, the Paying Agent and the Borrower to cause the necessary arrangements to be made and to be thereafter continued whereby:

(i) funds derived from the sources specified in this Indenture will be made available at the designated office of the Paying Agent for the timely payment of principal and Purchase Price of, redemption premium, if any, and interest on the Bonds; and

(ii) the Paying Agent shall be furnished such records and other information, at such times, as shall be required to enable the Paying Agent to perform the duties and obligations imposed upon it hereunder.

In carrying out its responsibilities hereunder the Paying Agent will act for the benefit of the Owners. Notwithstanding anything to the contrary in this Indenture, the Paying Agent shall not invest any moneys it receives from a draw on the Credit Facility, if any.

No purchase of Bonds by the Paying Agent shall constitute a redemption of Bonds or any extinguishment of the debt represented thereby or cause the Paying Agent to be recognized as the owner of such Bonds for any purpose whatsoever. No delivery of Bonds to the Trustee shall constitute a redemption of Bonds or any extinguishment of the debt represented thereby or cause the Trustee to be recognized as the owner of such Bonds for any purpose whatsoever unless the Trustee has purchased such Bonds for its own account.

Section 7.07. Qualifications of Paying Agent. The Paying Agent shall be a bank or trust company with trust powers duly organized under the laws of the United States of America or any state or territory thereof, having a combined capital stock, surplus and undivided profits of at least \$15,000,000 and authorized by law to perform all the duties imposed upon it by this Indenture. The designated office of the Paying Agent for all purposes hereof shall be the office of the Paying Agent at which all deliveries to it hereunder shall be made and any and all notices and other communications in connection herewith shall be delivered. The Paying Agent may at any time resign and be discharged of its duties and obligations created by this Indenture by giving at least sixty (60) days' notice to the Issuer, the Borrower and the Trustee. The Paying Agent may be removed at any time, at the direction of the Borrower, by an instrument, signed by the Issuer, filed with such Paying Agent and with the Trustee.

Section 7.08. Resignation of Paying Agent; Removal; Successors.

(a) In the event of the resignation or removal of the Paying Agent, the Paying Agent shall deliver any moneys and any related books and records held by it in such capacity to its successor or, if there be no successor, to the Trustee.

(b) In the event that the Paying Agent shall resign or be removed, or be dissolved, or if the property or affairs of the Paying Agent shall be taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, and the Issuer shall not have appointed a successor Paying Agent (any appointment by the Issuer shall be with the prior written consent of the Borrower), the Trustee shall ipso facto be deemed to be the Paying Agent for all

purposes of this Indenture until the appointment by the Issuer and acceptance of a successor Paying Agent.

Section 7.09. Instruments of Owners. Any instrument required by this Indenture to be executed by Owners may be in any number of writings of similar tenor and may be executed by Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds given in any of the following forms shall be sufficient for any of the purposes of this Indenture:

(a) A certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him/her the execution thereof;

(b) A certificate executed by any trust company or bank stating that at the date thereof the party named therein did exhibit to an officer of such trust company or bank, as the property of such party, the Bonds therein mentioned.

The Trustee may rely on such an instrument of Owners unless and until the Trustee receives notice in the form specified in (a) or (b) above that the original such instrument is no longer reliable. In the event that the Trustee shall receive conflicting directions from two (2) or more groups of Owners, each with combined holdings of not less than twenty-five percent (25%) of the principal amount of Outstanding Bonds, the directions given by the group of Owners which holds the largest percentage of Bonds shall be controlling and the Trustee shall follow such directions to the extent required herein.

Section 7.10. Power to Appoint Co-Trustees. At any time or times, for the purpose of meeting any legal requirements of any jurisdiction in which any part of the Project may at the time be located, the Issuer and the Trustee shall have power to appoint and, upon the request of the Trustee or of the Owners of a majority of the aggregate principal amount of the Bonds then Outstanding, the Issuer shall for such purpose join with the Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to appoint, one or more persons approved by the Trustee and the Borrower either to act as co-trustee or co-trustees, jointly with the Trustee of all or any part of the Project, or to act as separate trustee or separate co-trustees of all or any part of the Project, and to vest in such person or persons, in such capacity, such title to the Project or any part thereof, and such rights, powers, duties, trusts or obligations as the Issuer and the Trustee may consider necessary or desirable, subject to the remaining provisions of this Section.

Any co-trustee or separate trustee shall be a bank or trust company with trust powers organized under the laws of the United States of America or any state of the United States of America or the District of Columbia, having a combined capital stock, surplus and undivided profits aggregating at least \$50,000,000.

The Trustee and co-trustee, if any, may by written instrument between them designate and assign either the Trustee or the co-trustee or both of them to perform all or any part of the responsibilities and duties of the Trustee under this Indenture.

If the Issuer shall not have joined in such appointment within thirty (30) days after the receipt by it of a written request to do so, or in case an Event of Default shall have occurred and be continuing, the Trustee and the Borrower shall have the power to make such appointment.

The Issuer shall execute, acknowledge and deliver all such instruments as may be required by any such co-trustee or separate trustee for more fully confirming such title, rights, powers, trusts, duties and obligations to such co-trustee or separate trustee.

Every co-trustee or separate trustee appointed pursuant to this Section, to the extent permitted by law or any applicable contract, shall be subject to the following terms, namely:

(a) This Indenture shall become effective at the time the Bonds shall be authenticated and delivered, and thereupon such co-trustee or separate trustee shall have all rights, powers, trusts, duties and obligations by this Indenture conferred upon the Trustee in respect of the custody, control or management of moneys, papers, securities and other personal property.

(b) All rights, powers, trusts, duties and obligations conferred or imposed upon the trustees shall be conferred or imposed upon and exercised or performed by the Trustee, or by the Trustee and such co-trustee or co-trustees, or separate trustee or separate trustees, as shall be provided in the instrument appointing such co-trustee or co-trustees or separate trustee or separate trustees, except to the extent that, under the law of any jurisdiction in which any particular act or acts are to be performed, the Trustee shall be incompetent or unqualified to perform such act or acts, in which event such act or acts shall be performed by such co-trustee or co-trustees or separate trustee or separate trustees.

(c) Any request in writing by the Trustee to any co-trustee or separate trustee to take or to refrain from taking any action hereunder shall be sufficient warrant for the taking, or the refraining from taking, of such action by such co-trustee or separate trustee.

(d) Any co-trustee or separate trustee, to the extent permitted by law, may delegate to the Trustee the exercise of any right, power, trust, duty or obligation, discretionary or otherwise.

(e) The Trustee at any time, by an instrument in writing, with the concurrence of the Borrower and the Issuer evidenced by a resolution, may accept the resignation of any co-trustee or separate trustee appointed under this Section, and, in case an Event of Default shall have occurred and be continuing, the Trustee shall have power to accept the resignation of, or remove, any such co-trustee or separate trustee without the concurrence of the Issuer and the Borrower. Upon the request of the Trustee, the Issuer and the Borrower shall join with the Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to effectuate such resignation or removal. A successor to any co-trustee or separate trustee so resigned or removed may be appointed in the manner provided in this Section.

(f) No co-trustee or separate trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder.

(g) Any moneys, paper, securities or other items of personal property received by any such co-trustee or separate trustee hereunder shall forthwith, so far as may be permitted by law, be turned over to the Trustee.

Upon the acceptance in writing of such appointment by any such co-trustee or separate trustee, it or he shall be vested with the Security Interest in the Trust Estate and with such rights, powers, duties, trusts or obligations, as shall be specified in the instrument of appointment jointly with the Trustee (except insofar as applicable law makes it necessary for any such co-trustee or separate trustee to act alone) subject to all the terms of this Indenture. Every such acceptance shall be filed with the Trustee.

In case any co-trustee or separate trustee shall die, become incapable of acting, resign or be removed, the Security Interest in the Trust Estate and all rights, powers, trusts, duties and obligations of said co-trustee or separate trustee shall, so far as permitted by law, vest in and be exercised by the Trustee unless and until a successor co-trustee or separate trustee shall be appointed in the same manner as provided for with respect to the appointment of a successor Trustee pursuant to Section 7.04.

Section 7.11. Filing of Financing Statements. The Borrower shall file or record or cause to be filed or recorded all Financing Statements that are required in order fully to protect and preserve the Security Interests and the priority thereof and the rights and powers of the Trustee in connection therewith. The Borrower shall file or record or cause to be filed or recorded all continuation statements for the purpose of continuing without lapse the effectiveness of (i) those Financing Statements which shall have been filed at or prior to the issuance of the Bonds in connection with the security for the Bonds pursuant to the authority of the U.C.C., and (ii) any previously filed continuation statements that shall have been filed as required herein. The Issuer and the Trustee shall sign, if necessary, and the Trustee shall deliver to the Borrower or its designee, all such Financing Statements as may be required for the purposes specified in the preceding sentence. Upon the filing of any such Financing Statement the Borrower shall immediately notify the Issuer and the Trustee that the same has been accomplished.

Section 7.12. Remarketing Agent. At the request of the Borrower, a Remarketing Agent may, and prior to any Conversion Date converting the Bonds to a Weekly Rate Period or a Flexible Term Rate Period, shall, be appointed with the prior written approval of the Issuer, the Purchaser, if any, and the Credit Provider, if any. The Borrower shall give written notice to the Trustee of such an appointment, and the Trustee, in turn, shall cause written notice of such appointment to be given to the Owners of the Bonds. The Issuer, at the direction of the Borrower, and with the consent of the Credit Provider, if any and the Purchaser, if any, shall appoint any successor Remarketing Agent for the Bonds (except for assignees permitted under the following sentence), subject to the conditions set forth in Section 7.13. To the extent permitted by any Remarketing Agreement then in effect, the Remarketing Agent may at any time transfer all of its duties and obligations as Remarketing Agent hereunder to an affiliate of such Remarketing Agent that satisfies the conditions set forth in Section 7.13 and, upon such transfer, such affiliate shall automatically become the Remarketing Agent hereunder without any further action.

Any Remarketing Agent shall designate to the Issuer and the Trustee its designated office for purposes hereof, which shall be the office of such Remarketing Agent at which all notices

and other communications in connection herewith may be delivered to it, and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Borrower, the Trustee, the Purchaser, if any, and the Credit Provider, if any, under which such Remarketing Agent shall agree particularly (i) to hold all Bonds delivered to it hereunder in trust for the benefit of the respective Owners of Bonds that delivered such Bonds until moneys representing the Purchase Price of such Bonds are delivered to or for the account of or to the order of such Owners of Bonds; (ii) to hold all moneys delivered to it hereunder for the purchase of Bonds in trust for the benefit of the person or entity that has delivered such moneys until the Bonds purchased with such moneys are delivered to or for the account of such person or entity; and (iii) to keep books and records with respect to its activities hereunder available for inspection by the Issuer, the Trustee, the Borrower, the Purchaser, if any, and the Credit Provider, if any, at all reasonable times.

Section 7.13. Qualifications of Remarketing Agent; Resignation; Removal. The Remarketing Agent shall be a financial institution or registered broker/dealer authorized by law to perform all the duties imposed upon it by this Indenture. The Remarketing Agent may at any time resign and be discharged of its duties and obligations created by this Indenture by giving at least thirty (30) days' notice to the Issuer, the Borrower, the Paying Agent, the Trustee, the Purchaser, if any, and the Credit Provider, if any; provided, however, that if no successor Remarketing Agent has been appointed in accordance with Section 7.12 and this Section on or prior to the effective date of such resignation, (i) the resigning Remarketing Agent shall give written notice to Owners on the effective date of such resignation that all optional tender notices under Section 2.06(a) should be delivered to the Trustee until a successor Remarketing Agent has been appointed and (ii) until a successor Remarketing Agent has been appointed, the Trustee shall have no duty to remarket the Bonds, but shall provide the funds described in clauses (ii), (iii) and (iv) of Section 2.06(g) to the Paying Agent in that order on each Optional Tender Date specified in such notices to pay the Purchase Price of all Bonds tendered. The Remarketing Agent may be removed at any time, upon not less than thirty (30) days' notice, at the direction of the Borrower, by an instrument signed by the Issuer and the Borrower and filed with the Remarketing Agent, the Trustee, the Paying Agent, the Purchaser, if any, and the Credit Provider, if any; provided that no such removal shall be effective until a successor Remarketing Agent has been appointed in accordance with Section 7.12 and this Section and such successor Remarketing Agent has accepted such appointment.

Section 7.14. Several Capacities. Anything in this Indenture to the contrary notwithstanding, the same entity may serve hereunder as the Trustee, the Credit Provider, the Paying Agent, the Registrar, the Purchaser, the Calculation Agent, the Market Agent and the Remarketing Agent and in any other combination of such capacities, to the extent permitted by law.

Section 7.15. Trustee Not Responsible for Duties of Remarketing Agent, Registrar, Calculation Agent, Market Agent and Paying Agent. Notwithstanding anything to the contrary in this Indenture, the Trustee shall not be liable or responsible for any of the duties or obligations of the Remarketing Agent, the Registrar, the Calculation Agent, the Market Agent or the Paying Agent under this Indenture (or be liable or responsible for the acts or omissions of the Paying Agent, the Registrar, the Calculation Agent, the Market Agent or the Remarketing Agent or any action taken by the Trustee or failure to act in reasonable reliance upon any action or

failure to act by the Paying Agent, the Registrar, the Calculation Agent, the Market Agent or the Remarketing Agent) except for the duties imposed upon, or the acts and omissions of, (i) the Trustee while deemed to be the Paying Agent pursuant to Section 7.08(b) because a successor Paying Agent has not been appointed by the Issuer and (ii) the Trustee as recipient of optional tender notices after the written notice provided for in Section 7.13 has been given by the resigning Remarketing Agent to Owners to the effect that no successor Remarketing Agent has been appointed. The Trustee shall not be bound to ascertain or inquire as to the truth or accuracy of any information provided to it by the Paying Agent, the Registrar, the Calculation Agent, the Market Agent or the Remarketing Agent but may for any purpose conclusively rely upon any information given to the Trustee by the Paying Agent, the Registrar, the Calculation Agent, the Market Agent or the Remarketing Agent.

Section 7.16. Cooperation of the Issuer. The Issuer shall cooperate with the Trustee, the Paying Agent, the Registrar, the Calculation Agent, the Market Agent, the Remarketing Agent, if any, and the Borrower, if requested to do so by the Trustee or the Borrower and to the extent it may lawfully do so, to cause the necessary arrangements to be made and to be thereafter continued whereby funds from the sources specified in Section 4.04 will be made available to pay the Purchase Price of Bonds presented to the Trustee.

Section 7.17. Cooperation of the Trustee, the Remarketing Agent, the Calculation Agent, the Market Agent, the Registrar and the Paying Agent. The Trustee, the Remarketing Agent, if any, the Calculation Agent, the Market Agent, the Registrar and the Paying Agent shall cooperate in all respects and shall provide to the other in a timely fashion the information and knowledge each possesses so that the Trustee and each of such parties may faithfully exercise their respective obligations hereunder.

Section 7.18. Calculation Agent.

(a) During the Direct Purchase Period, the Calculation Agent shall be Wells Fargo, and thereafter shall be such other person as the Borrower may appoint meeting the requirements of Section 7.18(b). The Borrower shall appoint any successor Calculation Agent for the Bonds, subject to the conditions set forth in Section 7.18(b). Any Calculation Agent which is not Wells Fargo or the Trustee shall designate its principal office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Borrower and the Trustee in which the Calculation Agent will agree to perform all calculations and provide all notices required of the Calculation Agent under this Indenture.

(b) The Calculation Agent shall be a corporation duly organized under the laws of the United States of America or any state or territory thereof and shall be authorized by law to perform all the duties imposed upon it by this Indenture and may be the Trustee, Wells Fargo, the Credit Provider, the Purchaser or any other Person, but may not be the Borrower or an affiliate of the Borrower. The Calculation Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least sixty (60) days' written notice to the Borrower, the Trustee, the Tender Agent, the Remarketing Agent, if any, and the Purchaser, if any. Upon receipt of such notice, during any Rate Period in which the services of a Calculation Agent are required

under this Indenture, the Borrower will diligently seek to appoint a successor Calculation Agent to assume the duties of the Calculation Agent on the effective date of the prior Calculation Agent's resignation. In the event that the Borrower shall fail to appoint a successor Calculation Agent in a timely manner when required under this Indenture, the Trustee shall either (i) appoint a Calculation Agent to act as such or (ii) petition any court of competent jurisdiction for the appointment of a successor Calculation Agent, and such court may thereupon, after such notice, if any, as it may deem proper, appoint such successor Calculation Agent; provided however, that during the pendency of any such petition, the Trustee shall itself act as Calculation Agent, service in any such case shall commence on the effective date of the resignation of the prior Calculation Agent and shall remain in effect until a successor Calculation Agent assumes such position in accordance with the provisions hereof. The Calculation Agent may be removed at any time by written notice from the Borrower to the Trustee, the Tender Agent, the Purchaser, if any, and the Remarketing Agent, if any, provided that such removal shall not be effective until a successor Calculation Agent assumes such position in accordance with the provisions of this Section.

(c) The Trustee shall, within thirty (30) days of the resignation or removal of the Calculation Agent or the appointment of a successor Calculation Agent, give notice thereof to the registered owners of the Bonds.

Section 7.19. Market Agent.

(a) At the request of the Borrower, a Market Agent meeting the requirements of Section 7.19(b) may, and prior to any conversion of the Bonds to any Rate Period requiring the services of a Market Agent, shall, be appointed with the prior written approval of the Purchaser, if any. The Borrower shall appoint any successor Market Agent, subject to the conditions set forth in Section 7.19(b). Any Market Agent which is not Wells Fargo or the Trustee shall designate its principal office and signify its acceptance of the duties and obligations imposed on it hereunder by a written instrument of acceptance delivered to the Borrower and the Trustee in which the Market Agent will agree to perform all calculations and provide all notices required of the Market Agent under this Indenture.

(b) The Market Agent shall be a financial institution or registered broker/dealer authorized by law to perform all the duties imposed upon it by this Indenture and may be the Trustee or Wells Fargo, but may not be the Borrower or an affiliate of the Borrower. The Market Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least sixty (60) days' written notice to the Borrower, the Trustee, the Tender Agent, the Remarketing Agent, if any, and the Purchaser, if any. Upon receipt of such notice, during any Rate Period in which the services of a Market Agent are required under this Indenture, the Borrower will diligently seek to appoint a successor Market Agent to assume the duties of the Market Agent on the effective date of the prior Market Agent's resignation. In the event that the Borrower shall fail to appoint a successor Market Agent in a timely manner when required under this Indenture, the Trustee shall either (i) appoint a Market Agent to act as such or (ii) petition any court of competent jurisdiction for the appointment of a successor

Market Agent, and such court may thereupon, after such notice, if any, may deem proper, appoint such successor Market Agent; provided, however that during the pendency of any such petition, the Trustee shall itself act as Market Agent, services in any such case shall commence on the effective date of the resignation of the prior Market Agent and shall remain in effect until a successor Market Agent assumes such position in accordance with the provisions hereof. The Market Agent may be removed at any time by written notice from the Borrower to the Trustee, the Tender Agent, the Purchaser, if any, and the Remarketing Agent, if any, provided that such removal shall not be effective until a successor Market Agent assumes such position in accordance with the provisions of this Section.

(c) The Trustee shall, within thirty (30) days of the resignation or removal of the Market Agent or the appointment of a successor Market Agent, give notice thereof to the registered owners of the Bonds.

ARTICLE VIII

AMENDMENTS, SUPPLEMENTAL INDENTURES

Section 8.01. Supplemental Indentures. The Issuer and the Trustee, with the consent of the Credit Provider, if any, and the Purchaser, if any, but without the consent of or notice to any Owners during any Short-Term Rate Period, Medium-Term Rate Period or Fixed Rate Period may enter into an indenture or indentures supplemental to this Indenture that do not materially adversely affect the interest of the Owners for one or more of the following purposes:

(a) to grant to or confer upon the Trustee for the benefit of the Owners and such Credit Provider, if any, any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners or the Trustee;

(b) to grant or pledge to the Trustee for the benefit of Owners and such Credit Provider, if any, any additional security other than that granted or pledged under this Indenture; provided that no additional security shall be granted or pledged to the Trustee for the benefit of such Credit Provider unless such Credit Provider agrees that the Trustee shall hold such security in trust for the equal or ratable benefit of such Credit Provider, on the one hand, and the Holders, on the other hand;

(c) to modify, amend or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification thereof under the Trust Indenture Act of 1939 or any similar federal statute then in effect or to permit the qualification of the Bonds for sale under the securities laws of any of the states of the United States of America;

(d) to appoint a successor Trustee, separate trustees or co-trustees in the manner provided in Article VII;

(e) to modify, amend or supplement this Indenture for the purpose of obtaining or retaining a rating on the Bonds from a Rating Agency;

(f) to modify, amend or supplement this Indenture to permit a transfer of Bonds from one Securities Depository to another or the discontinuance of the Book Entry System and issuance of replacement Bonds to the Beneficial Owners;

(g) to cure any ambiguity or to correct or supplement any provision contained herein or in any supplemental indenture that may be defective or inconsistent with any provision contained herein or in any supplemental indenture, or to make such other provisions in regard to matters or questions arising under this Indenture which shall not materially adversely affect the interest of the Owners or such Credit Provider, if any;

(h) to modify, amend or supplement this Indenture to permit the Paying Agent or the Registrar to assume any administrative duties of the Trustee hereunder (except any duties of the Trustee with respect to the acceptance, modification, reduction or release of or drawing on, any Credit Facility) or for the Trustee to assume any administrative duties of the Paying Agent or the Registrar hereunder;

(i) to make any change herein necessary, in the opinion of Bond Counsel, to maintain the exclusion of the interest on any Outstanding Bonds from gross income of the Owners thereof for federal income tax purposes; and

(j) to make any change to the administrative provisions hereof, to accommodate the provisions of an Initial Credit Facility, Alternate Credit Facility, bond insurance or a liquidity facility.

When requested by the Issuer, and if all conditions precedent under this Indenture have been met, the Trustee shall join the Issuer in the execution of any such supplemental indenture unless it imposes additional obligations on the Trustee or adversely affects the Trustee's rights and immunities under this Indenture or otherwise. A copy of all such supplemental indentures shall be promptly furnished to the Credit Provider, if any, and the Paying Agent, and the Registrar shall be promptly advised of any modifications of its rights, duties and obligations hereunder.

The Trustee shall file copies of all such supplemental indentures with the Borrower, the Purchaser, if any, and the Credit Provider, if any, and, if the Bonds are rated by a Rating Agency, shall forward copies of all such supplemental indentures to such Rating Agency.

Section 8.02. Amendments to Indenture; Consent of Owners, the Credit Provider and the Borrower. Exclusive of supplemental indentures covered by Section 8.01 and subject to the terms and provisions contained in this Section, and not otherwise, the Owners of a majority in aggregate principal amount of the Bonds then Outstanding and affected by such indenture or indentures supplemental hereto, with the consent of the Credit Provider, if any, shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and direct the execution by the Trustee of such other indenture or indentures supplemental hereto as shall be consented to by the Issuer in its sole discretion for the purpose of modifying, altering, amending, adding to or rescinding any of the terms or provisions contained in this Indenture or in any supplemental indenture; provided, however, that nothing contained in this Section shall permit, or be construed as permitting, without the consent of the

Owners of all Outstanding Bonds, (a) an extension of the maturity of the principal of, or the mandatory redemption date of, or interest on, any Bond, (b) a reduction in the principal amount of, or the redemption premium or the rate of interest on, any Bond, (c) a preference or priority of any Bond or Bonds over any other Bond or Bonds, (d) the creation of a lien on the Trust Estate prior to or on parity with the lien of this Indenture, or (e) a reduction in the aggregate principal amount of the Bonds required for any consent to any supplemental indenture; provided further, however, that without the written consent of the Trustee, the Trustee shall not be required to join in the execution of any supplemental indenture that affects the rights, duties, obligations or immunities of the Trustee or that imposes additional obligations on the Trustee. The giving of notice to and consent of the Owners to any such proposed supplemental indenture shall be obtained pursuant to Section 8.06.

Anything herein to the contrary notwithstanding, a supplemental indenture, amendment or other document described under this Article that affects any rights or obligations of the Borrower shall not become effective unless and until the Borrower shall have consented to the execution of such supplemental indenture, amendment or other document.

The Trustee shall file copies of all such supplemental indentures with the Borrower and, if the Bonds are rated by a Rating Agency, shall furnish copies of all such supplemental indentures to such Rating Agency.

Section 8.03. Amendments to the Security Documents or the Agreement Not Requiring Consent of Owners. The Issuer shall not cause or permit to exist, nor shall the Trustee consent to, any amendment, modification, supplement, waiver or consent with respect to any of the Security Documents or the Agreement without the prior written consent of the Credit Provider, if any, and during any Direct Purchase Period, the prior written consent of the Purchaser, but without any other requirement of the consent of or notice to any of the Owners; provided, however, that nothing contained in this Section shall permit, or be construed as permitting, without the consent of the Owners of all Outstanding Bonds, (a) an extension of the maturity of the principal of, or the mandatory redemption date of, or interest on, any Bond, (b) a reduction in the principal amount of, or the redemption premium or the rate of interest on, any Bond, (c) a preference or priority of any Bond or Bonds over any other Bond or Bonds, (d) the creation of a lien on the Trust Estate prior to or on parity with the lien of this Indenture, or (e) a reduction in the aggregate principal amount of the Bonds required for any consent to any supplemental indenture; provided further, however, that without the written consent of the Trustee, the Trustee shall not be required to join in the execution of any supplemental indenture that affects the rights, duties, obligations or immunities of the Trustee or that imposes additional obligations on the Trustee. With the consent of the Credit Provider or the Purchaser as aforesaid, the Issuer and the Trustee, as the case may be, may enter into or permit (and the Trustee shall consent to) any amendment of the Agreement, or any of the Security Documents acceptable to the Borrower as may be required (i) for the purpose of curing any ambiguity or formal defect or omission that shall not adversely affect the interest of the Owners, (ii) to grant or pledge to the Issuer or Trustee, for the benefit of the Owners or the Credit Provider, if any, any additional security, (iii) to modify, amend or supplement the Agreement or any of the Security Documents for the purpose of obtaining or retaining a rating on the Bonds from a Rating Agency, (iv) to make any change therein necessary, in the opinion of Bond Counsel, to maintain the exclusion of interest on any Outstanding Bonds from gross income of the Owners thereof for federal income

tax purposes or (v) in connection with any other change therein which, in the judgment of the Trustee acting in reliance upon an Opinion of Counsel, is not materially prejudicial to the interests of the Trustee and the Owners of the Bonds; provided, however, that without the written consent of the Trustee, the Trustee shall not be required to join in the execution of any such amendment that affects the rights, duties, obligations or immunities of the Trustee or that imposes additional obligations on the Trustee.

The Trustee and the Borrower shall file copies of any such amendments to the Agreement and the Security Documents with the Issuer, the Credit Provider, if any, the Purchaser, and, if the Bonds are rated by a Rating Agency, the Trustee shall furnish copies of such amendments to such Rating Agency.

Section 8.04. Other Amendment Provisions. The Issuer shall not enter into, and the Trustee shall not consent to, any modification or amendment of the Agreement or any of the Security Documents, nor shall any such modification or amendment become effective, without the consent of the Credit Provider, if any, and during any Direct Purchase Period, the consent of the Purchaser, and (except as permitted by Section 8.03) the consent of the Owners of a majority in aggregate principal amount of the Bonds at the time Outstanding, such consent to be obtained in accordance with Section 8.06. No such amendment may, without the consent of the Owners of all the Outstanding Bonds, reduce the amounts or delay the times of payment of Repayments under the Agreement.

Except as provided in this paragraph, the Issuer shall not enter into, and the Trustee shall not consent to, any modification or amendment of this Indenture, the Agreement or the Security Documents, nor shall any such modification or amendment become effective, without the consent of any Swap Provider for which either Parity Periodic Swap Payments or Parity Swap Termination Payments are payable, if such modification or amendment affects (a) the timing or amount of any payment or payments under such Swap, (b) a preference or priority of any payment with respect to any Bonds or Swap over any Swap, (c) the creation of a lien on the Trust Estate prior to or on a parity with the lien of this Indenture or (d) this paragraph.

The Trustee and the Borrower shall file copies of all such amendments to the Agreement and the Security Documents with the Issuer, the Credit Provider, if any, the Purchaser, if any, and, if the Bonds are rated by a Rating Agency, the Trustee shall furnish copies of such amendments to such Rating Agency.

Section 8.05. Amendments, Changes and Modifications to the Credit Facility. Except as otherwise provided in the Agreement or in this Indenture, subsequent to the initial issuance of the Bonds and prior to payment of the Bonds in full (or provision for the payment thereof having been made in accordance with the provisions of this Indenture), no Credit Facility may be effectively amended, changed or modified without the prior written consent of the Trustee and the Paying Agent. The Trustee may, without the consent of the Owners of the Bonds, consent to any amendment of the Credit Facility as may be required to extend the term thereof or for purposes of curing any ambiguity, formal defect or omission or obtaining or retaining a rating on the Bonds from a Rating Agency that, in the Trustee's and the Paying Agent's judgment, does not prejudice in any material respect the interests of the Owners. Except for such amendments, and as otherwise provided herein, the Credit Facility may be amended

only with the consent of the Issuer, the Trustee and the Owners of a majority in aggregate principal amount of Outstanding Bonds, except that no such amendment may be made that would reduce the amounts required to be paid thereunder, change the time for payment of such amounts or accelerate the expiration date of the Credit Facility without the written consent of the Owners of all Outstanding Bonds. The foregoing shall not limit the Trustee's obligation to send notice to the Credit Provider to reduce amounts available to be drawn under a currently effective Credit Facility under the circumstances set forth therein.

The Trustee shall file copies of all such amendments, changes or modifications with the Rating Agency, if any, rating the Bonds.

Section 8.06. Notice to and Consent of Owners. If consent of the Owners is required under the terms of this Indenture for the amendment of this Indenture or any of the other Bond Documents or the Credit Facility or for any other similar purpose, the Trustee shall cause notice of the proposed execution of the amendment or supplemental indenture to be given by first-class mail, postage prepaid, to the Owners of the Outstanding Bonds then shown on the Register. Such notice shall briefly set forth the nature of the proposed amendment, supplemental indenture or other action and shall state that copies of any such amendment, supplemental indenture or other document are on file at the office of the Trustee designated in accordance with Section 9.04 for inspection by all Owners. If, within sixty (60) days or such longer period as shall be prescribed by the Issuer following the mailing of such notice, the Owners of a majority or all, as the case may be, of the principal amount of the Bonds Outstanding (or, during any Direct Purchase Period, the Purchaser) by instruments filed with the Trustee shall have consented to the amendment, supplemental indenture or other proposed action, then the Trustee shall execute such amendment, supplemental indenture or other document or take such proposed action and the consent of the Owners shall thereby be conclusively presumed. Notwithstanding the foregoing provisions of this Section, the Remarketing Agent shall be deemed to be the Owner of the Outstanding Bonds on any Mandatory Purchase Date for the purpose of giving any consent required under the terms of this Indenture for the amendment of this Indenture, the Agreement, the Security Documents or the Credit Facility, if notice of such amendment has been given to the Persons to whom the Bonds are proposed to be remarketed.

Section 8.07. Approving Opinion Required. No indenture supplemental or amendment to this Indenture shall become effective without the delivery of an Approving Opinion.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Right of Trustee to Pay Taxes and Other Charges. If any tax, assessment or governmental or other charge upon any part of the Project is not paid as required, the Trustee may, subject to any indemnity required pursuant to Section 7.01(h), pay such tax, assessment or governmental or other charge, without prejudice, however, to any rights of the Trustee hereunder arising in consequence of such failure; and any amount at any time so paid under this Section, with interest thereon from the date of payment until paid at the greater of the rate of interest borne by the Bonds or the per annum rate of interest announced from time to time

by the bank serving as Trustee as its “prime rate” shall become so much additional indebtedness secured by this Indenture, shall be given a preference in payment over the Bonds, and shall be paid out of the Trust Estate (other than from funds obtained from the Credit Facility).

Section 9.02. Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any Person other than the parties hereto, the Owners, the Credit Provider, the Purchaser, if any, the Paying Agent, the Remarketing Agent, if any, and the Borrower any legal or equitable right, remedy or claim under or in respect to this Indenture or any covenants, conditions and provisions herein contained; this Indenture and all of the covenants, conditions and provisions herein being intended to be and being for the sole and exclusive benefit of the parties hereto, the Owners, the Credit Provider, the Purchaser, if any, the Paying Agent, the Remarketing Agent, if any, and the Borrower as herein provided.

Section 9.03. Severability. If any provision of this Indenture is held to be in conflict with any applicable statute or rule of law or is otherwise held to be unenforceable for any reason whatsoever, such circumstances shall not have the effect of rendering the other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatsoever. The invalidity of any one or more phrases, sentences, clauses or Sections of this Indenture shall not affect the remaining portions of this Indenture or any part thereof.

Section 9.04. Notices. Except as otherwise provided herein, all notices, approvals, consents, requests, and other communications hereunder shall be in writing and shall be deemed to have been given when the writing is delivered if given or delivered by hand, overnight delivery service or facsimile transmitter (with confirmed receipt) to the address or facsimile number set forth below and shall be deemed to have been given on the date deposited in the mail, if mailed, by first-class, registered or certified mail, postage prepaid, addressed as set forth below. Where required herein, notice shall be given by telephone, and promptly confirmed in writing, and shall be deemed given when given by telephone to the telephone numbers set forth below. The Issuer, the Borrower, the Purchaser, any Credit Provider, the Trustee, the Remarketing Agent, if any, the Registrar, the Calculation Agent, the Market Agent, if any, and the Paying Agent may, by written notice given hereunder, designate any different addresses, phone numbers and facsimile numbers to which subsequent notices, certificates, approvals, consents, requests or other communications shall be sent.

To the Issuer:	Alaska Industrial Development and Export Authority
	813 West Northern Lights Boulevard
	Anchorage, Alaska 99503
	Attention: Deputy Director, Finance & Operations
	Telephone: (907) 771-3009
	Email: mlamb@aidea.org

To the Trustee, Registrar or Paying Agent:

Wells Fargo Bank, National Association
1700 Lincoln Street, 10th Floor
MAC C7300-107
Denver, Colorado 80203
Attention: Juliet Ward
Telephone: (303) 863-6480
Facsimile: (303) 863-5645

To the Borrower:

AKBEV Group, LLC

Attention: _____
Telephone: _____
Facsimile: _____

To the Purchaser:

Wells Fargo Bank, National Association

Attention: _____
Telephone: _____
Facsimile: _____

To the Calculation Agent:

Wells Fargo Bank, National Association

Attention: _____
Telephone: _____
Facsimile: _____

Section 9.05. Payments Due on Non-Business Days. In any case where the date of maturity of interest on or redemption premium, if any, or principal of the Bonds or the date fixed for redemption or purchase of any Bonds shall not be a Business Day, then payment of such Purchase Price, interest, redemption premium or principal, unless otherwise provided herein, need not be made on such date but shall be made on the immediately succeeding Business Day, with the same force and effect as if made on the date of maturity or the date fixed for redemption, and, in the case of such payment, no interest shall accrue for the period from and after such date.

Section 9.06. Binding Effect. This instrument shall inure to the benefit of and shall be binding upon the Issuer and the Trustee and their respective successors and assigns, subject, however, to the limitations contained in this Indenture.

Section 9.07. Captions. The captions or headings in this Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Indenture.

Section 9.08. Governing Law. This Indenture shall be governed by and interpreted in accordance with the laws of the State.

Section 9.09. Notices to Rating Agency. If the Bonds are rated by a Rating Agency, the Trustee shall provide written notice to such Rating Agency with respect to (i) the appointment of any successor Trustee, Remarketing Agent or Paying Agent, (ii) the appointment of any agent by the Trustee to perform any material duties of the Trustee under this Indenture, (iii) the expiration, termination, extension or substitution of any Credit Facility, (iv) any Fixed Rate Conversion Date or any conversion to a Flexible Term Rate or a Medium-Term Rate, (v) any Mandatory Purchase Date (except Conversion Dates), (vi) any amendment or supplement to this Indenture, the Credit Facility, the Reimbursement Agreement or the Remarketing Agreement, and (vii) the payment in full of all of the Bonds (whether at stated maturity or upon redemption, acceleration or defeasance). Failure of the Trustee to provide any such notice shall not have any effect on the occurrence of such event.

Section 9.10. Execution in Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.11. Attorney's Fees. Except as may be otherwise set forth herein, attorney's fees shall not necessarily be recoverable by the prevailing party in the event this Indenture is subject to litigation.

Section 9.12. Patriot Act Compliance. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust or other legal entity the Trustee will ask for documentation to verify its formation and existence as a legal entity. The Trustee may also ask to see financial statements, licenses, identification, and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

Section 9.13. Certain References Ineffective Except during a Period in which a Credit Facility is in Effect. Except during any period in which a Credit Facility is in effect and during the period immediately succeeding such a period until receipt by the Trustee of a certificate from the Credit Provider stating that all amounts payable to the Credit Provider under the Reimbursement Agreement have been paid in full, all references to the Credit Provider, the Reimbursement Agreement (as defined herein) and the Bonds shall be ineffective.

Section 9.14. Electronic Signatures. The parties agree that the electronic signature of a party to this Indenture shall be as valid as an original signature of such party and shall be effective to bind such party to this Indenture. The parties agree that any electronically signed document (including this Indenture) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or "printouts," if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, "electronic signature" means a manually

signed original signature that is then transmitted by electronic means; “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a “pdf” (portable document format) or other replicating image attached to an e mail message; and, “electronically signed document” means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

Section 9.15. Third Party Beneficiaries. To the extent any of the Purchaser, any Credit Provider or any Swap Provider is determined not to be a direct beneficiary under this Indenture, such entity shall be a direct third party beneficiary in interest under this Indenture.

[The remainder of this page is left blank intentionally.]

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be executed, sealed and delivered in their names and on their behalf by their respective duly authorized representatives, all as of the day and year first above written.

ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY

By: _____
Name: _____
Title: _____

(SEAL)

ATTEST:

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

[Signature Page to Indenture]

EXHIBIT A

BOND FORM – SHORT-TERM AND FLEXIBLE TERM RATE

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”) to issuer or its agent for registration of transfer, exchange, or payment and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

United States of America

\$ _____

ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY VARIABLE RATE REVENUE BONDS (AKBEV GROUP, LLC), SERIES 2014A

Interest Rate

Maturity Date

Issue Date

CUSIP

AS STATED
BELOW

_____, 20__

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ (\$_____)

FOR VALUE RECEIVED, Alaska Industrial Development and Export Authority, a public corporation of the State of Alaska and a body corporate and politic constituting a political subdivision of the State of Alaska, duly organized and existing under the Constitution and laws of the State of Alaska (the “Issuer”), hereby promises to pay to the Registered Owner specified above, or its registered assigns (each, an “Owner”), upon surrender hereof at a designated office of Wells Fargo Bank, National Association, as registrar (the “Registrar”), on the Maturity Date specified above, unless redeemed prior thereto, the Principal Amount specified above, together with interest thereon at the rates determined as set forth in the Indenture (as hereinafter defined) from the Issue Date specified above, but only from the sources and in the manner provided in the Indenture on [the first Business Day of each calendar month during any Weekly Rate Period] [each [_____] 1 and [_____] 1 during any Medium-Term Rate Period] [the first Business Day immediately succeeding the last day of each Flexible Term Rate Period (but only as to Bonds for which such Flexible Term Rate Period is applicable)] beginning on [insert first payment date] and on each Conversion Date (each, an “Interest Payment Date”) until the principal hereof is paid or duly provided for upon redemption or maturity. Payment of the principal and Purchase Price of, redemption premium, if any, and interest on this Bond shall be made in lawful money 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. Unless other arrangements are made pursuant to the Indenture, interest is payable by check or draft drawn upon Wells Fargo Bank, National Association, as Paying Agent (the "Paying Agent"), mailed on the Interest Payment Date (or, if such day is not a Business Day, the immediately succeeding Business Day) to the Owner hereof at the close of business on the Record Date immediately preceding each Interest Payment Date at the address of such Owner as it appears on the Register. In any case where the date of maturity of the principal of, redemption premium, if any and interest on this Bond or the date fixed for redemption of this Bond shall not be a Business Day, then payment of such principal, Purchase Price, redemption premium, if any, or interest need not be made on such date but shall be made on the immediately succeeding Business Day, with the same force and effect as if made on the date of maturity or the date fixed for redemption, and, in the case of such payment, no interest shall accrue for the period from and after such date.

THIS BOND IS A SPECIAL OBLIGATION OF THE ISSUER. THE PRINCIPAL AND PURCHASE PRICE OF, AND PREMIUM, IF ANY, AND INTEREST ON THE BONDS ARE PAYABLE SOLELY FROM THE REVENUES PLEDGED FOR THEIR BENEFIT PURSUANT TO THE INDENTURE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OR OTHER LIABILITY OF THE STATE OF ALASKA OR OF A POLITICAL SUBDIVISION OF THE STATE OF ALASKA AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF ALASKA OR ANY POLITICAL SUBDIVISION OF THE STATE OF ALASKA IS PLEDGED FOR THE PAYMENT OF THE BONDS.

This Bond is one of the Bonds of a duly authorized issue of revenue bonds of the Issuer in the aggregate principal amount of \$_____ known as Alaska Industrial Development And Export Authority Variable Rate Revenue Bonds (AKBEV Group, LLC), Series 2014A (the "Bonds"), dated as of the Issue Date referenced above. All of the Bonds are issued under and pursuant to the Alaska Statutes 44.88, as amended from time to time (the "Act"), and an Indenture of Trust (as amended, restated, supplemented or otherwise modified from time to time, the "Indenture"), dated as of November 1, 2014, between the Issuer and Wells Fargo Bank, National Association, as Trustee (the "Trustee"). Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of the Bonds, the collection and disposition of revenues, a description of the funds charged with and pledged to the payment of the principal and Purchase Price of, redemption premium, if any, and interest on the Bonds, the nature and extent of the security for the Bonds, the terms and conditions under which the Bonds are or may be issued, the rights, duties and obligations of the Issuer and the Trustee and the rights of the Owners of the Bonds. By the acceptance of this Bond, the Owner hereof assents to all of the provisions of the Indenture. Capitalized terms used herein and not defined shall have the meanings assigned to them in the Indenture.

The Bonds have been issued to (i)(a) construct a warehouse of approximately 15,000 square feet, with an approximately 5,000 square foot mezzanine connecting existing warehouses owned by the Borrower and located on Shaune Drive in Juneau, Alaska (the "Warehouse"); (b) purchase four new Mueller 1,400 barrel stainless steel tanks for storing packaged beer; (c) install a Brewmaxx process control system; (d) install other processing equipment supporting these processes; (e) purchase approximately 4,400 new stainless steel kegs; and (f) pay costs and

provide reserves as required in connection with the financing of the foregoing (collectively, the “Project”) and (ii) payment of certain costs incurred in connection with the issuance of the Bonds. The Issuer and AKBV Group, LLC (the “Borrower”), have entered into a Loan Agreement, dated as of November 1, 2014 (as amended, restated, supplemented or otherwise modified from time to time, the “Agreement”), pursuant to which the Issuer has agreed to lend the proceeds of the sale of the Bonds to the Borrower, and the Borrower has agreed to make payments in an amount, corresponding to the Principal Amount of, interest rate on, Purchase Price of and due dates of the Bonds.

This Bond is further secured by (a) that certain Guaranty Agreement dated as of _____, from _____, in favor of the Trustee, and (b) that certain _____ dated as of November 1, 2014, from the Borrower in favor of the Trustee.

The Bonds are additionally secured by an irrevocable, direct-pay letter of credit (the “Initial Credit Facility”) from _____ (the “Credit Provider”), in the amount of the aggregate principal amount of the Bonds Outstanding from time to time, plus _____ days interest computed at an assumed interest rate of _____% per annum, which Initial Credit Facility will expire on _____, unless extended or earlier terminated in accordance with its terms. Under certain circumstances described in the Indenture, the Borrower may substitute an Alternate Credit Facility for the Initial Credit Facility.

The Bonds are issuable as fully registered Bonds in the principal amount of \$100,000 and multiples of \$5,000 in excess thereof (an “Authorized Denomination”). This Bond, upon surrender hereof at the designated office of the Registrar with a written instrument of transfer satisfactory to the Registrar executed by the Owner hereof or such Owner’s attorney duly authorized in writing, may, at the option of the Owner hereof, be exchanged for an equal aggregate principal amount of Bonds of the same aggregate principal amount and tenor as the Bond being exchanged and of any Authorized Denomination. This Bond may be registered as transferred as provided in the Indenture, subject to certain limitations therein contained, only upon the Register, and only upon surrender of this Bond for registration of transfer to the Registrar accompanied by a written instrument of transfer (in substantially the form of the assignment attached hereto) duly executed by the Owner hereof or his/her duly authorized attorney. Thereupon, one or more new Bonds of any Authorized Denomination and in the same aggregate principal amount and tenor as the Bond surrendered (or for which registration of transfer has been effected) will be issued to the designated transferee or transferees.

1. Tender of Bonds for Purchase. The Bonds are subject to optional tender and mandatory tender for purchase prior to the Maturity Date as set forth in the Indenture.

2. Conversion of the Interest Rate Determination Method for the Bonds. The Indenture provides that the Borrower may change the Interest Rate Determination Method for the Bonds, subject to the terms and conditions set forth therein.

3. Issuance of an Initial Credit Facility or Alternate Credit Facility. The Indenture provides that the Borrower may arrange for the issuance of an Initial Credit Facility or an Alternate Credit Facility, subject to the terms and conditions set forth therein.

4. **Redemption of Bonds.** The Bonds are subject to mandatory redemption, optional redemption, extraordinary optional redemption and mandatory sinking fund redemption as set forth in the Indenture. Notice of redemption shall be given as provided in the Indenture.

5. **Miscellaneous.** Under certain circumstances as described in the Indenture, the principal of all the Bonds may be declared due and payable in the manner and with the effect provided in the Indenture.

Modifications or alterations to the Indenture, the Agreement or the Credit Facility may be made only to the extent and in the circumstances permitted by the Indenture and the Agreement.

The Owner of this Bond shall have no right to enforce the provisions of the Indenture or the Agreement, or to institute action to enforce the covenants therein, or to take any action with respect to a default under the Indenture or the Agreement, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided under certain limited circumstances described in the Indenture and the Agreement; provided, however, that nothing contained in the Indenture shall affect or impair any right of enforcement conferred on the Owner hereof by the Act to enforce (i) the payment of the principal and Purchase Price of, redemption premium, if any, and interest on this Bond at and after the maturity hereof, or (ii) the obligation of the Issuer to pay the principal and Purchase Price of, redemption premium, if any, and interest on this Bond to the Owner hereof at the time, place, from the source and in the manner as provided in the Indenture.

It is hereby certified that all acts, conditions and things required to happen, exist and be performed under the laws of the State of Alaska and under the Indenture precedent to and in the issuance of this Bond have happened, exist and have been performed as so required and that the issuance, authentication and delivery of this Bond have been duly authorized by the Issuer.

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

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Alaska Industrial Development and Export Authority has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of the Chairman of the Issuer and its official seal to be impressed or imprinted hereon and attested by manual or facsimile signature of the Secretary of the Issuer, all as of the Issue Date referenced above.

ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY

(SEAL)

By: _____
Name: _____
Title: _____

ATTEST:

Secretary

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds issued under the provisions of the within-mentioned Indenture.

WELLS FARGO BANK, NATIONAL
ASSOCIATION

By: _____
Authorized Representative

Dated: _____, 20__

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ (Please print or type the Name and Address, including the Zip Code of the Transferee, and the federal taxpayer identification or social security number) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration and transfer thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature on this Assignment must correspond with the name as it appears upon the face of the within-mentioned Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed

By: _____

NOTICE: Signature(s) must be guaranteed by a member firm of the STAMP, SEMP or MSP signature guaranty medallion program.

EXHIBIT B

BOND FORM - DIRECT PURCHASE PERIOD

**THIS BOND MAY NOT BE TRANSFERRED EXCEPT IN ACCORDANCE WITH
SECTION 2.14 OF THE INDENTURE AND AS PROVIDED HEREIN**

United States of America

\$ _____

**ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY VARIABLE RATE
REVENUE BONDS (AKBEV GROUP, LLC), SERIES 2014A**

No. R-____

Interest Rate

Maturity Date

Issue Date

AS STATED BELOW

REGISTERED OWNER: WELLS FARGO BANK, NATIONAL ASSOCIATION

FOR VALUE RECEIVED, Alaska Industrial Development and Export Authority, a a public corporation of the State of Alaska and a body corporate and politic constituting a political subdivision of the State of Alaska, duly organized and existing under the Constitution and laws of the state of Alaska (the "Issuer"), hereby promises to pay to the Registered Owner specified above, or its registered assigns (each, an "Owner"), upon surrender hereof at a designated office of Wells Fargo Bank, National Association, as registrar (the "Registrar"), on the Maturity Date specified above, unless redeemed prior thereto, an aggregate principal amount equal to \$ _____ (the "Principal Amount"), together with interest thereon at the rates determined as set forth in the Indenture (as hereinafter defined) from the Issue Date specified above, beginning on [insert first payment date], but only from the sources and in the manner provided in the Indenture on the first Business Day of each calendar month and on each Conversion Date (each, an "Interest Payment Date") until the principal hereof is paid or duly provided for upon redemption or maturity. Payment of the principal and Purchase Price of, redemption premium, if any, and interest on this Bond shall be made in lawful money 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. The Issuer and the Trustee have agreed that all amounts payable to the Owner with respect to any Bond held by the Owner shall be made to the Owner (without any presentment thereof, except upon payment of the final installment of principal, and without any notation of such payment being made thereon) in such manner or at such address in the United States of America as may be designated by the Owner in writing to the Trustee and the Issuer. Partial payments of the principal on this Bond may be noted on the Table of Partial Redemptions attached herein in lieu of surrendering this Bond in connection with such payment. In any case where the date of maturity of the principal or Purchase Price of, redemption premium, if any, or interest of this Bond or the date fixed for redemption of this Bond shall not be a Business Day, then payment of such principal, Purchase Price, redemption premium or interest need not be

made on such date but shall be made on the immediately succeeding Business Day, with the same force and effect as if made on the date of maturity or the date fixed for redemption, and, in the case of such payment, no interest shall accrue for the period from and after such date.

THIS BOND IS A SPECIAL OBLIGATION OF THE ISSUER. THE PRINCIPAL AND PURCHASE PRICE OF, AND PREMIUM, IF ANY, AND INTEREST ON THE BONDS ARE PAYABLE SOLELY FROM THE REVENUES PLEDGED FOR THEIR BENEFIT PURSUANT TO THE INDENTURE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OR OTHER LIABILITY OF THE STATE OF ALASKA OR OF A POLITICAL SUBDIVISION OF THE STATE OF ALASKA AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF ALASKA OR ANY POLITICAL SUBDIVISION OF THE STATE OF ALASKA IS PLEDGED FOR THE PAYMENT OF THE BONDS.

This Bond is one of the Bonds of a duly authorized issue of revenue bonds of the Issuer in the aggregate principal amount of \$ _____ known as Alaska Industrial Development And Export Authority Variable Rate Revenue Bonds (AKBEV Group, LLC), Series 2014A (the “Bonds”), dated as of the Issue Date referenced above. All of the Bonds are issued under and pursuant to the Alaska Statutes 44.88, as amended from time to time (the “Act”), and an Indenture of Trust (as amended, restated, supplemented or otherwise modified from time to time, the “Indenture”), dated as of November 1, 2014, between the Issuer and Wells Fargo Bank, National Association, as Trustee (the “Trustee”). Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of the Bonds, the collection and disposition of revenues, a description of the funds charged with and pledged to the payment of the principal and Purchase Price of, redemption premium, if any, and interest on the Bonds, the nature and extent of the security for the Bonds, the terms and conditions under which the Bonds are or may be issued, the rights, duties and obligations of the Issuer and the Trustee and the rights of the Owners of the Bonds. By the acceptance of this Bond, the Owner hereof assents to all of the provisions of the Indenture. Capitalized terms used herein and not defined shall have the meanings assigned to them in the Indenture.

The Bonds have been issued to (i)(a) construct a warehouse of approximately 15,000 square feet, with an approximately 5,000 square foot mezzanine connecting existing warehouses owned by the Borrower and located on Shaune Drive in Juneau, Alaska (the “Warehouse”); (b) purchase four new Mueller 1,400 barrel stainless steel tanks for storing packaged beer; (c) install a Brewmaxx process control system; (d) install other processing equipment supporting these processes; (e) purchase approximately 4,400 new stainless steel kegs; and (f) pay costs and provide reserves as required in connection with the financing of the foregoing (collectively, the “Project”) and (ii) payment of certain costs incurred in connection with the issuance of the Bonds. The Issuer and AKBEV Group, LLC (the “Borrower”), have entered into a Loan Agreement, dated as of November 1, 2014 (as amended, restated, supplemented or otherwise modified from time to time, the “Agreement”), pursuant to which the Issuer has agreed to lend the proceeds of the sale of the Bonds to the Borrower, and the Borrower has agreed to make payments in an amount, corresponding to the Principal Amount of, interest rate on, Purchase Price of and due dates of the Bonds.

This Bond is further secured by (a) that certain Guaranty Agreement dated as of _____, from _____, in favor of the Trustee, and (b) that certain _____ dated as of November 1, 2014, from the Borrower in favor of the Trustee.

The Bonds are issuable as fully registered Bonds in the principal amount of [\$100,000 and multiples of \$5,000 in excess thereof][\$250,000 and multiples of \$0.01 in excess thereof] (an “Authorized Denomination”). This Bond, upon surrender hereof at the designated office of the Registrar with a written instrument of transfer satisfactory to the Registrar executed by the Owner hereof or such Owner’s attorney duly authorized in writing, may, at the option of the Owner hereof, be exchanged for an equal aggregate principal amount of Bonds of the same aggregate principal amount and tenor as the Bond being exchanged and of any Authorized Denomination. This Bond may be registered as transferred as provided in the Indenture, subject to certain limitations therein contained, only upon the Register, and only upon surrender of this Bond for registration of transfer to the Registrar accompanied by a written instrument of transfer (in substantially the form of the assignment attached hereto) duly executed by the Owner hereof or his/her duly authorized attorney. Thereupon, one or more new Bonds of any Authorized Denomination and in the same aggregate principal amount and tenor as the Bond surrendered (or for which registration of transfer has been effected) will be issued to the designated transferee or transferees.

1. Tender of Bonds for Purchase. The Bonds are subject to mandatory tender for purchase prior to the Maturity Date as set forth in the Indenture.

2. Conversion of the Interest Rate Determination Method for the Bonds. The Indenture provides that the Borrower may change the Interest Rate Determination Method for the Bonds, subject to the terms and conditions set forth therein.

3. Redemption of Bonds. Subject to any limitations set forth in the Continuing Covenant Agreement, the Bonds are subject to mandatory redemption, optional redemption, extraordinary optional redemption and mandatory sinking fund redemption as set forth in the Indenture. Notice of redemption shall be given as provided in the Indenture.

4. Miscellaneous. Under certain circumstances as described in the Indenture, the principal of all the Bonds may be declared due and payable in the manner and with the effect provided in the Indenture.

Modifications or alterations to the Indenture or the Agreement may be made only to the extent and in the circumstances permitted by the Indenture and the Agreement.

The Owner of this Bond shall have no right to enforce the provisions of the Indenture or the Agreement, or to institute action to enforce the covenants therein, or to take any action with respect to a default under the Indenture or the Agreement, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided under certain limited circumstances described in the Indenture and the Agreement; provided, however, that nothing contained in the Indenture shall affect or impair any right of enforcement conferred on the Owner hereof by the Act to enforce (i) the payment of the principal and Purchase Price of, redemption premium, if any, and interest on this Bond at and after the maturity hereof, or (ii) the

obligation of the Issuer to pay the principal and Purchase Price of, redemption premium, if any, and interest on this Bond to the Owner hereof at the time, place, from the source and in the manner as provided in the Indenture.

It is hereby certified that all acts, conditions and things required to happen, exist and be performed under the laws of the State of Alaska and under the Indenture precedent to and in the issuance of this Bond have happened, exist and have been performed as so required and that the issuance, authentication and delivery of this Bond have been duly authorized by the Issuer.

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

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Alaska Industrial Development and Export Authority has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of the Chairman of the Issuer and its official seal to be impressed or imprinted hereon and attested by manual or facsimile signature of the Secretary of the Issuer, all as of the Issue Date referenced above.

ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY

(SEAL)

By: _____
Name: _____
Title: _____

ATTEST:

Secretary

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds issued under the provisions of the within-mentioned Indenture.

WELLS FARGO BANK, NATIONAL
ASSOCIATION

By: _____
Authorized Representative

Dated: _____, 20__

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ (Please print or type the Name and Address, including the Zip Code of the Transferee, and the federal taxpayer identification or social security number) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration and transfer thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature on this Assignment must correspond with the name as it appears upon the face of the within-mentioned Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed

By: _____

NOTICE: Signature(s) must be guaranteed by a member firm of the STAMP, SEMP or MSP signature guaranty medallion program.

TABLE OF PARTIAL REDEMPTIONS

Upon all partial redemptions (whether optional, mandatory or otherwise) the above Bond may be surrendered to the Trustee for the appropriate notation by it on the table below or the Owner may make such notation itself. The Trustee's records relating to the outstanding principal amount of the Bond shall in all cases prevail:

<u>Date</u>	<u>Amount Redeemed</u>	<u>Remaining Unpaid Principal Amount</u>	<u>Signature of Bondholder or Trustee</u>

[End of Form of Bond]

EXHIBIT C

BOND FORM - MEDIUM-TERM OR FIXED RATE

BOOK-ENTRY BONDS:

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to issuer or its agent for registration of transfer, exchange, or payment and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

United States of America

\$ _____

ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY VARIABLE RATE
REVENUE BONDS (AKBEV GROUP, LLC), SERIES 2014A

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Issue Date</u>	<u>CUSIP</u>
AS STATED BELOW	_____	_____, 20__	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ (\$ _____)

FOR VALUE RECEIVED, Alaska Industrial Development and Export Authority, a public corporation of the State of Alaska and a body corporate and politic constituting a political subdivision of the State of Alaska, duly organized and existing under the Constitution and laws of the Alaska (the "Issuer"), hereby promises to pay to the Registered Owner specified above, or its registered assigns (each, an "Owner"), upon surrender hereof at a designated office of Wells Fargo Bank, National Association, as registrar (the "Registrar"), on the Maturity Date specified above, unless redeemed prior thereto, the Principal Amount specified above, together with interest thereon at the rates determined as set forth in the Indenture (as hereinafter defined) from the Issue Date specified above, but only from the sources and in the manner provided in the Indenture on each _____ 1 and _____ 1, beginning on [insert first payment date] and on each Conversion Date (each, an "Interest Payment Date") until the principal hereof is paid or duly provided for upon redemption or maturity. Payment of the principal and Purchase Price of, redemption premium, if any, and interest on this Bond shall be made in lawful money 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. [DIRECT PURCHASE FIXED RATE BOND: The Issuer and the Trustee have agreed that all amounts payable to the Owner with respect to any Bond held by the Owner shall be made to the Owner (without any presentment thereof, except

upon payment of the final installment of principal, and without any notation of such payment being made thereon) in such manner or at such address in the United States of America as may be designated by the Owner in writing to the Trustee and the Issuer. While this Bond is subject to a Direct Purchase Period, partial payments of the principal on this Bond may be noted on the Table of Partial Redemptions attached herein in lieu of surrendering this Bond in connection with such payment.] [NON-DIRECT PURCHASE BOND: Unless other arrangements are made pursuant to the Indenture (as hereinafter defined), interest is payable by check or draft drawn upon Wells Fargo Bank, National Association, as Paying Agent (the "Paying Agent"), mailed on the Interest Payment Date (or, if such day is not a Business Day, the immediately succeeding Business Day) to the Owner hereof at the close of business on the Record Date immediately preceding each Interest Payment Date at the address of such Owner as it appears on the Register.] In any case where the date of maturity of principal or Purchase Price of, redemption premium, if any, or interest on this Bond or the date fixed for redemption of this Bond shall not be a Business Day, then payment of such principal, Purchase Price, redemption premium or interest need not be made on such date but shall be made on the immediately succeeding Business Day, with the same force and effect as if made on the date of maturity or the date fixed for redemption, and, in the case of such payment, no interest shall accrue for the period from and after such date.

THIS BOND IS A SPECIAL OBLIGATION OF THE ISSUER. THE PRINCIPAL AND PURCHASE PRICE OF, AND PREMIUM, IF ANY, AND INTEREST ON THE BONDS ARE PAYABLE SOLELY FROM THE REVENUES PLEDGED FOR THEIR BENEFIT PURSUANT TO THE INDENTURE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OR OTHER LIABILITY OF THE STATE OF ALASKA OR OF A POLITICAL SUBDIVISION OF THE STATE OF ALASKA AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF ALASKA OR ANY POLITICAL SUBDIVISION OF THE STATE OF ALASKA IS PLEDGED FOR THE PAYMENT OF THE BONDS.

This Bond is one of the Bonds of a duly authorized issue of revenue bonds of the Issuer in the aggregate principal amount of \$_____ known as Alaska Industrial Development And Export Authority Variable Rate Revenue Bonds (AKBEV Group, LLC), Series 2014A (the "Bonds"), dated as of the Issue Date referenced above. All of the Bonds are issued under and pursuant to the [_____] (the "Act"), and an Indenture of Trust (as amended, restated, supplemented or otherwise modified from time to time, the "Indenture"), dated as of November 1, 2014, between the Issuer and Wells Fargo Bank, National Association, as Trustee (the "Trustee"). Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of the Bonds, the collection and disposition of revenues, a description of the funds charged with and pledged to the payment of the principal and Purchase Price of, redemption premium, if any, and interest on the Bonds, the nature and extent of the security for the Bonds, the terms and conditions under which the Bonds are or may be issued, the rights, duties and obligations of the Issuer and the Trustee and the rights of the Owners of the Bonds. By the acceptance of this Bond, the Owner hereof assents to all of the provisions of the Indenture. Capitalized terms used herein and not defined shall have the meanings assigned to them in the Indenture.

The Bonds have been issued to (i)(a) construct a warehouse of approximately 15,000 square feet, with an approximately 5,000 square foot mezzanine connecting existing warehouses owned by the Borrower and located on Shaune Drive in Juneau, Alaska (the “Warehouse”); (b) purchase four new Mueller 1,400 barrel stainless steel tanks for storing packaged beer; (c) install a Brewmaxx process control system; (d) install other processing equipment supporting these processes; (e) purchase approximately 4,400 new stainless steel kegs; and (f) pay costs and provide reserves as required in connection with the financing of the foregoing (collectively, the “Project”) and (ii) payment of certain costs incurred in connection with the issuance of the Bonds. The Issuer and AKBV Group, LLC (the “Borrower”), have entered into a Loan Agreement, dated as of November 1, 2014 (as amended, restated, supplemented or otherwise modified from time to time, the “Agreement”), pursuant to which the Issuer has agreed to lend the proceeds of the sale of the Bonds to the Borrower, and the Borrower has agreed to make payments in an amount, corresponding to the Principal Amount of, interest rate on, Purchase Price of and due dates of the Bonds.

This Bond is further secured by (a) that certain Guaranty Agreement dated as of _____, from _____, in favor of the Trustee, and (b) that certain _____ dated as of November 1, 2014, from the Borrower in favor of the Trustee.

[The Bonds are additionally secured by an irrevocable, direct-pay letter of credit (the “Initial Credit Facility”) from _____ (the “Credit Provider”), in the amount of the aggregate principal amount of the Bonds Outstanding from time to time, plus _____ days interest computed at an assumed interest rate of _____% per annum, which Initial Credit Facility will expire on _____, unless extended or earlier terminated in accordance with its terms. Under certain circumstances described in the Indenture, the Borrower may substitute an Alternate Credit Facility for the Initial Credit Facility.]

The Bonds are issuable as fully registered Bonds in the principal amount of \$[100,000][250,000] and multiples of \$5,000 in excess thereof (an “Authorized Denomination”). This Bond, upon surrender hereof at the designated office of the Registrar with a written instrument of transfer satisfactory to the Registrar executed by the Owner hereof or such Owner’s attorney duly authorized in writing, may, at the option of the Owner hereof, be exchanged for an equal aggregate principal amount of Bonds of the same aggregate principal amount and tenor as the Bond being exchanged and of any Authorized Denomination. This Bond may be registered as transferred as provided in the Indenture, subject to certain limitations therein contained, only upon the Register, and only upon surrender of this Bond for registration of transfer to the Registrar accompanied by a written instrument of transfer (in substantially the form of the assignment attached hereto) duly executed by the Owner hereof or his/her duly authorized attorney. Thereupon, one or more new Bonds of any Authorized Denomination and in the same aggregate principal amount and tenor as the Bond surrendered (or for which registration of transfer has been effected) will be issued to the designated transferee or transferees.

1. Tender of Bonds for Purchase. The Bonds are subject to mandatory tender for purchase prior to the Maturity Date as set forth in the Indenture.

2. [MEDIUM-TERM RATE BOND: **Conversion of the Interest Rate Determination Method for the Bonds**. The Indenture provides that the Borrower may change the Interest Rate Determination Method for the Bonds, subject to the terms and conditions set forth therein.]

3. **Issuance of an Initial Credit Facility or Alternate Credit Facility**. The Indenture provides that the Borrower may arrange for the issuance of an Initial Credit Facility or an Alternate Credit Facility, subject to the terms and conditions set forth therein.

4. **Redemption of Bonds**. [DIRECT PURCHASE FIXED RATE BOND: Subject to any limitations set forth in the Continuing Covenant Agreement, the] [The] Bonds are subject to mandatory redemption, optional redemption, extraordinary optional redemption and mandatory sinking fund redemption as set forth in the Indenture. Notice of redemption shall be given as provided in the Indenture.

5. **Miscellaneous**. Under certain circumstances as described in the Indenture, the principal of all the Bonds may be declared due and payable in the manner and with the effect provided in the Indenture.

Modifications or alterations to the Indenture or the Agreement may be made only to the extent and in the circumstances permitted by the Indenture and the Agreement.

The Owner of this Bond shall have no right to enforce the provisions of the Indenture or the Agreement, or to institute action to enforce the covenants therein, or to take any action with respect to a default under the Indenture or the Agreement, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided under certain limited circumstances described in the Indenture and the Agreement; provided, however, that nothing contained in the Indenture shall affect or impair any right of enforcement conferred on the Owner hereof by the Act to enforce (i) the payment of the principal and Purchase Price of, redemption premium, if any, and interest on this Bond at and after the maturity hereof, or (ii) the obligation of the Issuer to pay the principal and Purchase Price of, redemption premium, if any, and interest on this Bond to the Owner hereof at the time, place, from the source and in the manner as provided in the Indenture.

It is hereby certified that all acts, conditions and things required to happen, exist and be performed under the laws of the State of Alaska and under the Indenture precedent to and in the issuance of this Bond have happened, exist and have been performed as so required and that the issuance, authentication and delivery of this Bond have been duly authorized by the Issuer.

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

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Alaska Industrial Development and Export Authority has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of the Chairman of the Issuer and its official seal to be impressed or imprinted hereon and attested by manual or facsimile signature of the Secretary of the Issuer, all as of the Issue Date referenced above.

ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY

(SEAL)

By: _____
Name: _____
Title: _____

ATTEST:

Secretary

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds issued under the provisions of the within-mentioned Indenture.

WELLS FARGO BANK, NATIONAL
ASSOCIATION

By: _____
Authorized Representative

Dated: _____, 20__

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ (Please print or type the Name and Address, including the Zip Code of the Transferee, and the federal taxpayer identification or social security number) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration and transfer thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature on this Assignment must correspond with the name as it appears upon the face of the within-mentioned Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed

By: _____

NOTICE: Signature(s) must be guaranteed by a member firm of the STAMP, SEMP or MSP signature guaranty medallion program.

[USE FOR DIRECT PURCHASE FIXED RATE BOND]

TABLE OF PARTIAL REDEMPTIONS

Upon all partial redemptions (whether optional, mandatory or otherwise) the above Bond may be surrendered to the Trustee for the appropriate notation by it on the table below or the Owner may make such notation itself. The Trustee's records relating to the outstanding principal amount of the Bond shall in all cases prevail:

[illegible]

[End of Form of Bond]

EXHIBIT D

NOTICE OF CONVERSION DATE

[Name and Address of Owner]

This Notice of Conversion Date is delivered pursuant to that certain Indenture of Trust dated as of November 1, 2014 (the "Indenture"), between Wells Fargo Bank, National Association, as trustee (the "Trustee"), and Alaska Industrial Development and Export Authority (the "Issuer"), relating to the Issuer's Variable Rate Revenue Bonds (AKBEV Group, LLC), Series 2014A (the "Bonds"). You are hereby notified that:

1. AKBEV Group, LLC (the "Borrower"), has elected to change the Interest Rate Determination Method pertaining to the Bonds to a new Interest Rate Determination Method (or the interest rate applicable during a Medium-Term Rate Period to a new interest rate during a new Medium-Term Rate Period, or from an Index Interest Rate Period to a new Index Interest Rate Period).

2. The consent of the Purchaser, if applicable, required by the Indenture is attached hereto as Exhibit 1.

3. The proposed Conversion Date shall be _____.

4. As a result of the proposed conversion, a Mandatory Purchase Date, as defined in the Indenture, shall occur and the Bonds shall be subject to mandatory tender for purchase at the Purchase Price thereof, as defined in the Indenture.

5. If certain conditions set forth in the Indenture are not satisfied or if the conversion is revoked, the Interest Rate Determination Method shall not be changed.

6. All Bonds should be presented to the Trustee at [_____].

7. Owners have no right to retain Bonds subject to mandatory tender. [The Bonds will be remarketed by [_____] as Remarketing Agent. Owners interested in repurchasing Bonds on the Conversion Date may contact the Remarketing Agent at [_____].]

8. All capitalized terms not otherwise defined herein shall have the meaning given to such terms in the Indenture.

Very truly yours,

Wells Fargo Bank, National Association, as
Trustee

By: _____

EXHIBIT E

NOTICE OF CREDIT MODIFICATION DATE

[Name and Address of Owner]

This Notice of Credit Modification Date is delivered pursuant to that certain Indenture of Trust dated as of November 1, 2014 (the "Indenture"), between Wells Fargo Bank, National Association, as trustee (the "Trustee"), and Alaska Industrial Development and Export Authority (the "Issuer"), relating to the Issuer's Variable Rate Revenue Bonds (AKBEV Group, LLC), Series 2014A issued in the original principal amount of \$_____ (the "Bonds"). You are hereby notified that:

1. The undersigned Trustee is Trustee under the Indenture.
2. A Credit Modification Date, as defined in the Indenture, shall occur on _____ and Bonds shall be subject to mandatory tender for purchase at the Purchase Price thereof, as defined in the Indenture.
3. [The Borrower intends to deliver an Initial Credit Facility/Alternate Credit Facility issued by _____ on the Credit Modification Date. Upon acceptance by the Trustee of the Initial Credit Facility/Alternate Credit Facility, [the ratings on the Bonds from _____ are anticipated to be _____/the Bonds are not expected to be rated]. If certain conditions set forth in the Indenture are not satisfied, the Trustee shall not accept the Initial Credit Facility/Alternate Credit Facility.]
4. All Bonds should be presented to the Trustee at [_____].
5. Owners have no right to retain Bonds subject to mandatory tender. [The Bonds will be remarketed by [_____] as Remarketing Agent. Owners interested in repurchasing Bonds on the Credit Modification Date may contact the Remarketing Agent at [_____].]
6. All capitalized terms not otherwise defined herein shall have the meaning given to such terms in the Indenture.

Very truly yours,

Wells Fargo Bank, National Association, as
Trustee

By: _____

EXHIBIT F

NOTICE OF MANDATORY PURCHASE DATE

[Name and Address of Owner]

This Notice of Mandatory Purchase Date is delivered pursuant to that certain Indenture of Trust dated as of November 1, 2014 (the "Indenture"), between Wells Fargo Bank, National Association, as trustee (the "Trustee"), and Alaska Industrial Development and Export Authority (the "Issuer"), relating to the Issuer's Variable Rate Revenue Bonds (AKBEV Group, LLC), Series 2014A (the "Bonds"). You are hereby notified that:

1. The undersigned Trustee is Trustee under the Indenture.
2. [The Borrower, with the consent of the [Remarketing Agent and the] Credit Provider, if any, has designated _____ as a Mandatory Purchase Date.] [The Purchaser has notified the Borrower that the Borrower is required to purchase the Bonds at the Purchase Price on a Direct Purchase Period Purchase Date. Under the terms of the Indenture, _____ has been designated as a Mandatory Purchase Date and Direct Purchase Period Purchase Date.] [The Credit Provider has notified the Trustee that an event of default under the Reimbursement Agreement has occurred and is continuing and has requested that the Bonds be required to be tendered for purchase. Under the terms of the Indenture, _____ has been designated as a Mandatory Purchase Date.] [The Purchaser has notified the Trustee that an event of default under the Continuing Covenant Agreement has occurred and is continuing and has requested that the Bonds be required to be tendered for purchase. Under the terms of the Indenture, _____ has been designated as a Mandatory Purchase Date.] The Bonds are subject to mandatory tender for purchase at the Purchase Price thereof, as defined in the Indenture, on such date.
3. All Bonds should be presented to the Trustee at [_____].
4. Owners have no right to retain Bonds subject to mandatory tender. [The Bonds will be remarketed by [_____] as Remarketing Agent. Owners interested in repurchasing Bonds on the Mandatory Purchase Date may contact the Remarketing Agent at [_____].]
5. All capitalized terms not otherwise defined herein shall have the meaning given to such terms in the Indenture.

Very truly yours,

Wells Fargo Bank, National Association, as
Trustee

By: _____

EXHIBIT G

FORM OF INVESTOR LETTER

[Date of Purchase]

[ADDRESSEES]

\$ _____

Alaska Industrial Development and Export Authority
Variable Rate Revenue Bonds (AKBEV Group, LLC), Series 2014A

Ladies and Gentlemen:

Wells Fargo Bank, National Association (“Purchaser”) has agreed to purchase the above-referenced bonds (the “Bonds”) in the amount of \$ _____ which were issued in the original aggregate principal amount of \$ _____ by Alaska Industrial Development and Export Authority (the “Issuer”) bearing the Index Interest Rate as set forth in the Indenture of Trust dated as of November 1, 2014 (the “Indenture”), between the Issuer and Wells Fargo Bank, National Association, as trustee (the “Trustee”). All capitalized terms used herein, but not defined herein, shall have the respective meanings set forth in the Indenture. The undersigned, an authorized representative of the Purchaser, hereby represents to you that:

1. The Purchaser has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the purchase of the Bonds.

2. The Purchaser has authority to purchase the Bonds and to execute this letter and any other instruments and documents required to be executed by the Purchaser in connection with the purchase of the Bonds.

3. The undersigned is a duly appointed, qualified and acting representative of the Purchaser and is authorized to cause the Purchaser to make the certifications, representations and warranties contained herein by execution of this letter on behalf of the Purchaser.

4. The Purchaser is (a) an affiliate of an Owner of the Bonds, (b) a trust or other custodial arrangement established by an Owner of the Bonds or one of its affiliates, the owners of the beneficial interests in which are limited to “qualified institutional buyers” as defined in Rule 144A promulgated under the Securities Act of 1933, as amended (the “1933 Act”) or (c) a qualified institutional buyer that is a commercial bank having a combined capital and surplus of \$5,000,000,000 or more.

5. The Purchaser understands that no official statement, prospectus, offering circular, or other comprehensive offering statement is being provided with respect to the Bonds. The Purchaser has made its own inquiry and analysis with respect to the Issuer, the Borrower, the Project, the Bonds and the security therefor, and other material factors affecting the security for and payment of the Bonds.

6. The Purchaser acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, regarding the Borrower, to which a reasonable investor would attach significance in making investment decisions, and has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Issuer, the Borrower, the Project, the Bonds and the security therefor, so that as a reasonable investor, it has been able to make its decision to purchase the Bonds.

7. The Purchaser understands that the Bonds (i) are not registered under the 1933 Act and are not registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state, (ii) are not listed on any stock or other securities exchange, and (iii) carry no rating from any credit rating agency.

8. The Bonds are being acquired by the Purchaser for investment for its own account and not with a present view toward resale or distribution; provided, however, that the Purchaser reserves the right to sell, transfer or redistribute the Bonds in Authorized Denominations, but agrees that any such sale, transfer or distribution by the Purchaser shall be to a Person:

- (a) that is an affiliate of an Owner of the Bonds;
- (b) that is a trust or other custodial arrangement established by an Owner of the Bonds or one of its affiliates, the owners of any beneficial interest in which are limited to qualified institutional buyers; or
- (c) that is a qualified institutional buyer that is a commercial bank having a combined capital and surplus of \$5,000,000,000 or more who executes an investor letter substantially in the form of this letter.

WELLS FARGO BANK, NATIONAL
ASSOCIATION

By _____
Name _____
Title _____

EXHIBIT H
FORM OF
DIRECT PURCHASE PERIOD CONVERSION NOTICE

[DATE]

Wells Fargo Bank, National Association
1700 Lincoln Street, 10th Floor
MAC C7300-107
Denver, Colorado 80203
Attention: Juliet Ward

\$ _____
Alaska Industrial Development and Export Authority
Variable Rate Revenue Bonds (AKBEV Group, LLC), Series 2014A

Ladies and Gentlemen:

Reference is hereby made to that:

A. Indenture of Trust, dated as of November 1, 2014 (the “Indenture”), between Alaska Industrial Development and Export Authority and Wells Fargo Bank, National Association, as Trustee;

B. Loan Agreement dated as of November 1, 2014 (the “Agreement”), between the Issuer and AKBEV Group, LLC (the “Borrower”); and

C. Continuing Covenant Agreement dated as of November 1, 2014 (the “Continuing Covenant Agreement”) between the Borrower and Wells Fargo Bank, National Association, as Purchaser (the “Purchaser”).

All capitalized terms contained herein which are not specifically defined shall have the meanings assigned to such terms in the Indenture.

The Borrower hereby elects, pursuant to Section 2.04(b) of the Indenture, to change the Interest Rate Determination Method for the Bonds to a new Interest Rate Determination Method as follows:

1. Conversion Date: _____.
2. New Interest Rate Determination Method: [Index Interest Rate Period][Medium-Term Rate Period][Fixed Rate Period].
[IF A FIXED RATE PERIOD IS SELECTED:
3. Term of Fixed Rate Period [to Maturity].

4. New Fixed Rate: _____.

[IF A MEDIUM-TERM RATE PERIOD IS SELECTED:

3. Term of new Direct Purchase Period: _____.

4. New Medium-Term Rate: _____.

5. New Direct Purchase Period Purchase Date _____.

[IF AN INDEX INTEREST RATE PERIOD IS SELECTED:

3. New Index Interest Rate: [LIBOR Index Rate] [SIFMA Index Rate].

4. New Direct Purchase Period Purchase Date: _____.

5. New Applicable Factor: _____%.

6. New Applicable Spread: _____ basis points (____%).

[IF FIXED RATE OR MEDIUM-TERM RATE IS SELECTED:

The redemption provisions for the Bonds while in the new Rate Period are as follows:

[INCLUDE OPTIONAL AND SINKING FUND PROVISIONS]

In accordance with Section 2.04(c) of the Indenture, the Borrower shall deliver an Approving Opinion to the Purchaser, the Trustee and the Market Agent by 10:00 a.m., Local Time, on the proposed Conversion Date specified above.

Very truly yours,

AKBEV GROUP, LLC

By _____
Name _____
Title _____

The Purchaser hereby agrees, subject to the satisfaction all requirements of the Indenture, to purchase the Bonds in the new [Index Interest Rate Period] [Medium-Term Rate Period] [Fixed Rate Period] upon the foregoing terms on the Conversion Date.

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Purchaser

By _____
Name _____
Title _____

In the judgment of the Market Agent, having due regard for prevailing market conditions for bonds or other securities comparable as to tax treatment, credit and maturity to the Bonds, the interest rate at which the Purchaser has agreed to purchase the Bonds as set forth above is the interest rate necessary, but does not exceed the interest rate necessary, to enable the Bonds to be placed at a price of par on the Conversion Date.

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Market Agent

By _____
Name _____
Title _____

Acknowledged and Agreed:

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Trustee

By _____
Name _____
Title _____

LOAN AGREEMENT

by and between

ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY

and

AKBEV GROUP, LLC

Dated as of November 1, 2014

Relating to

\$ _____
ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY
VARIABLE RATE REVENUE BONDS
(AKBEV GROUP, LLC PROJECT), SERIES 2014A

CERTAIN RIGHTS OF THE ISSUER UNDER THIS LOAN AGREEMENT HAVE BEEN ASSIGNED TO, AND ARE SUBJECT TO A SECURITY INTEREST IN FAVOR OF WELLS FARGO BANK, NATIONAL ASSOCIATION, AS TRUSTEE UNDER AN INDENTURE OF TRUST, DATED AS OF THE DATE FIRST ABOVE WRITTEN, AS AMENDED, RESTATED, SUPPLEMENTED OR OTHERWISE MODIFIED FROM TIME TO TIME. INFORMATION CONCERNING SUCH SECURITY INTEREST MAY BE OBTAINED FROM THE TRUSTEE AT 1700 LINCOLN STREET, 10TH FLOOR, DENVER, COLORADO 80203.

Table of Contents

Page

ARTICLE I DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.01.	Definitions.....	2
Section 1.02.	Incorporation of Certain Definitions by Reference	5
Section 1.03.	Computation of Time Periods.....	5
Section 1.04.	Relation to Other Documents; Incorporation by Reference	6
Section 1.05.	Construction.....	6

ARTICLE II REPRESENTATIONS AND WARRANTIES

Section 2.01.	Representations by the Issuer.....	6
Section 2.02.	Representations, Warranties and Covenants of the Borrower	8

ARTICLE III ACQUISITION OF THE PROJECT

Section 3.01.	Agreement to Undertake and Complete the Project	10
Section 3.02.	Disbursements from the Project Fund.....	10
Section 3.03.	Establishment of Completion Date and Certificate as to Completion	10
Section 3.04.	Closeout of Project Fund; Disposition of Balance in Project Fund	11
Section 3.05.	Borrower Required to Pay Costs of the Project in Event Project Fund Insufficient	11
Section 3.06.	Borrower and Issuer Representatives and Successors	11
Section 3.07.	Plans and Specifications	12

ARTICLE IV ISSUANCE OF THE BONDS

Section 4.01.	Agreement to Issue the Bonds	12
Section 4.02.	Third-Party Beneficiaries.....	12

ARTICLE V LOAN; PAYMENT PROVISIONS

Section 5.01.	Loan of Proceeds.....	13
Section 5.02.	Amounts Payable	13
Section 5.03.	Unconditional Obligations	14

Table of Contents

(continued)

	Page
Section 5.04. Prepayments	15
Section 5.05. Credits Against Payments	15
Section 5.06. Initial Credit Facility and Alternate Credit Facility	15
Section 5.07. Interest Rate Determination Method	15
Section 5.08. Covenant Regarding Short-Term Rate Period and Medium-Term Rate Period	15
Section 5.09. Swaps	15
Section 5.10. Reserve Fund Credit Facility	16
 ARTICLE VI MAINTENANCE AND TAXES	
Section 6.01. Borrower's Obligations to Maintain and Repair	16
Section 6.02. Taxes and Other Charges	16
 ARTICLE VII INSURANCE, EMINENT DOMAIN AND DAMAGE AND DESTRUCTION	
Section 7.01. Insurance	17
Section 7.02. Provisions Respecting Eminent Domain; Damage; Destruction	17
 ARTICLE VIII SPECIAL COVENANTS	
Section 8.01. Access to the Facilities and Inspection	17
Section 8.02. Financial Statements	18
Section 8.03. Further Assurances and Corrective Instruments	18
Section 8.04. Recording and Filing; Other Instruments	18
Section 8.05. Tax-Exempt Status	18
Section 8.06. Indemnity Against Claims	18
Section 8.07. Release and Indemnification	19
Section 8.08. Compliance with Laws	19
Section 8.09. Non-Arbitrage Covenant	19
Section 8.10. Notice of Determination of Taxability	20
Section 8.11. No Purchase of Bonds by Borrower or Issuer	20

Table of Contents

(continued)

	Page
Section 8.12. Maintenance of Existence	20
Section 8.13. Borrower Approval of Indenture	21
Section 8.14. Duties and Obligations.....	21
Section 8.15. Notice of Certain Acquisitions of Control	21
Section 8.16. Continuing Disclosure	22
ARTICLE IX	
ASSIGNMENT, LEASE AND SALE	
Section 9.01. Restrictions on Transfer of Issuer's Rights.....	22
Section 9.02. Assignment by the Issuer	22
Section 9.03. Assignment of Agreement by the Borrower or Lease or Sale of Facilities	22
ARTICLE X	
EVENTS OF DEFAULT AND REMEDIES	
Section 10.01. Events of Default Defined	23
Section 10.02. Remedies on Default.....	24
Section 10.03. Application of Amounts Realized in Enforcement of Remedies.....	24
Section 10.04. No Remedy Exclusive.....	24
Section 10.05. Agreement to Pay Attorneys' Fees and Expenses	25
Section 10.06. Issuer and Borrower to Give Notice of Default	25
ARTICLE XI	
PREPAYMENTS; PURCHASE OF BONDS	
Section 11.01. Optional Prepayments.....	25
Section 11.02. Optional Purchase of Bonds.....	26
Section 11.03. Prepayment to Include Fees and Expenses	26
Section 11.04. Purchase of Bonds.....	26
ARTICLE XII	
MISCELLANEOUS	
Section 12.01. Amounts Remaining in Funds	27
Section 12.02. No Implied Waiver	27
Section 12.03. Notices	27

Table of Contents

(continued)

	Page
Section 12.04. Issuer, Governing Body, Members, Commissioners, Directors, Officers, Agents and Employees of Issuer and Governing Body Not Liable	27
Section 12.05. No Liability of Issuer; No Charge Against Issuer's Credit.....	28
Section 12.06. Electronic Signatures	28
Section 12.07. If Performance Date Not a Business Day	29
Section 12.08. Binding Effect.....	29
Section 12.09. Severability	29
Section 12.10. Amendments, Changes and Modifications	29
Section 12.11. Execution in Counterparts.....	29
Section 12.12. Governing Law	29
Section 12.13. Certain References Ineffective Except during a Period in which a Credit Facility is in Effect.....	29
EXHIBIT A DESCRIPTION OF THE PROJECT	
EXHIBIT B FORM OF REQUISITION	

LOAN AGREEMENT

This Loan Agreement, dated as of November 1, 2014, is made and entered into by and between the **Alaska Industrial Development and Export Authority** and **AKBEV Group, LLC**. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in Section 1.01.

WITNESSETH:

WHEREAS, the Issuer is a public corporation of the State and a body corporate and politic constituting a political subdivision within the Department of Commerce, Community, and Economic Development of the State, but with separate and independent legal existence; and

WHEREAS, the Issuer is empowered pursuant to Alaska Statutes 44.88, as amended from time to time (the “Act”) to issue its bonds to pay the costs of any commercial activity by a business enterprise provided that the Issuer has provided for consideration at least sufficient, in the judgment of the Issuer, to pay the principal of and interest on the bonds as they become due; and

WHEREAS, the Issuer has determined that the Borrower’s obligations under this Loan Agreement will be sufficient to satisfy the consideration described in the preceding paragraph; and

WHEREAS, in furtherance of the public purpose for which the Issuer was created and contemporaneously with the execution and delivery hereof, the Issuer is issuing its \$[] in principal amount Variable Rate Revenue Bonds (the “Bonds”) pursuant to the Indenture to (a) construct a warehouse of approximately 15,000 square feet, with an approximately 5,000 square foot mezzanine connecting existing warehouses owned by the Borrower and located on Shaune Drive in Juneau, Alaska (the “Warehouse”); (b) purchase four new Mueller 1,400 barrel stainless steel tanks for storing packaged beer; (c) install a Brewmaxx process control system; (d) install other processing equipment supporting these processes; (e) purchase approximately 4,400 new stainless steel kegs; and (f) pay costs and provide reserves as required in connection with the financing of the foregoing (collectively, the “Project”); and

WHEREAS, the Borrower will own, operate, and manage the Project; and

WHEREAS, the Issuer proposes to loan the Bond Proceeds to the Borrower to acquire, construct, install and equip the Project upon the terms and conditions hereinafter set forth and to pay certain costs incurred in connection with the issuance of the Bonds.

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto covenant, agree and bind themselves as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.01. Definitions. In addition to the words and terms defined elsewhere in this Agreement, the following words and terms as used in this Agreement and the preambles hereto shall have the following meanings unless the context or use clearly indicates another or different meaning or intent:

“Acquisition” means, when used with reference to the Project, the acquisition, construction, installation and equipping of the Project.

“Act” shall have the meaning assigned to such term in the recitals hereto.

“Affiliate” means, with respect to any Person, any other Person directly or indirectly controlling or controlled by or under common control with such Person. Without limiting the foregoing, the definition of *“Affiliate”* of any Person shall include any subsidiary of such Person.

“Agreement” means this Loan Agreement.

“Applicable Law” means (a) all applicable common law and principles of equity and (b) all applicable provisions of all (i) constitutions, statutes, rules, regulations and orders of all Governmental Authorities, (ii) Governmental Approvals and (iii) orders, decisions judgments, writs, injunctions and decrees of all courts (whether at law or in equity) and arbitrators.

“Bond Proceeds” means the principal of the Bonds and any investment earnings thereon.

“Borrower” means AKB EV Group, LLC, an Alaska limited liability company, and its permitted successors and assigns.

“Borrower Representative” means any one of the persons at the time designated to act on behalf of the Borrower by written certificate furnished to the Issuer and the Trustee containing the specimen signatures of such persons and signed on behalf of the Borrower by the officer or officers authorized by the Management Committee of the Borrower.

“Completion Date” means, with respect to the Project, the earliest of (a) three (3) years after the Issue Date and (b) the date on which the Borrower Representative delivers a completion certificate to the Trustee pursuant to Section 3.03.

“Consolidated Tangible Net Worth” means the difference obtained by subtracting total consolidated liabilities (not including as a liability any capital or surplus item) from total consolidated tangible assets of the Borrower and all of its consolidated Affiliates, computed in accordance with GAAP.

“Continuing Covenant Agreement” means the Continuing Covenant Agreement dated as of November 1, 2014, by and between the Borrower and the Purchaser relating to the Bonds.

“control,” “controlled by” or “under common control with” means, when used with respect to any specified Person, the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting rights, the power to appoint officers, members, trustees or directors, by contract, statute or otherwise.

“Cost(s) of the Project” means all costs and allowances which the Issuer or the Borrower may properly pay or accrue for the Project and which, under GAAP, are chargeable to the capital account of the Project or could be so charged either with a proper election to capitalize such costs or, but for a proper election, to expense such costs, including (without limitation) the following costs:

- (a) fees and expenses incurred in preparing the Plans and Specifications for the Project (including any preliminary study or planning or any aspect thereof); any labor, services, materials and supplies used or furnished in site improvement and construction; any equipment for the Project; and all real and tangible personal property deemed necessary by the Borrower and acquired in connection with the Project;

- (b) fees for architectural, engineering, supervisory and consulting services;

- (c) any fees and expenses incurred in connection with perfecting and protecting title to the Project and any fees and expenses incurred in connection with preparing, recording or filing such documents, instruments or financing statements as either the Borrower, the Trustee or the Issuer may deem desirable to perfect or protect the rights of the Issuer or the Trustee under the Bond Documents;

- (d) any legal, accounting or financial advisory fees and expenses, including, without limitation, fees and expenses of Bond Counsel and counsel to the Issuer, the Borrower, the Credit Provider, if any, the Remarketing Agent, if any, the Purchaser, if any, or the Trustee, any fees and expenses of the Issuer, the Trustee, the Remarketing Agent, if any, the Credit Provider, if any, the Purchaser, if any, the Paying Agent or any rating agency, filing fees, and printing and engraving costs incurred in connection with the authorization, issuance, sale and purchase of the Bonds and the preparation of the Bond Documents and all other documents in connection with the authorization, issuance, sale and purchase of the Bonds;

- (e) any administrative or other fees charged by the Issuer or reimbursement thereto of expenses in connection with the Project until the Completion Date; and

- (f) any other costs and expenses relating to the Project which could constitute costs or expenses for which the Issuer may expend Bond Proceeds under the Act.

“Eminent Domain” means the taking of title to, or the temporary use of, the Facilities or any part thereof pursuant to eminent domain or condemnation proceedings, or by any settlement or compromise of such proceedings, or any voluntary conveyance of the Facilities or any part thereof during the pendency of, or as a result of a threat of, such proceedings.

“Event of Default” shall have the meaning assigned to such term in Section 10.01.

“Facilities” means, collectively, (a) the Project and (b) all materials, supplies, equipment, apparatus and other items of personal property owned by the Borrower and attached to, installed in or used in connection with the Project, including, without limitation, water, gas, electrical, storm and sanitary sewer facilities and all other utilities whether or not situated in easements.

“Fiscal Year” means the period of 12 consecutive calendar months for which financial statements of the respective entity have been examined by its independent certified public accountants; currently for the Borrower, a year ending on December 31.

“GAAP” means generally accepted accounting principles in the United States of America set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States of America, that are applicable to the circumstances as of the date of determination, consistently applied.

“Governing Body” means the members of the Issuer as described in AS 44.88.03.

“Governmental Approvals” means an authorization, consent, approval, permit, license, certificate of occupancy or an exemption of, a registration or filing with, or a report to, any Governmental Authority.

“Governmental Authority” means the government of the United States of America or any other nation or any political subdivision thereof or any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, central bank, service, district or other instrumentality of any governmental entity or other entity exercising executive, legislative, judicial, taxing, regulatory, fiscal, monetary or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank), or any arbitrator, mediator or other Person with authority to bind a party at law.

“Indenture” means the Indenture of Trust dated as of November 1, 2014, between the Issuer and the Trustee.

“Insurance Proceeds” means the insurance claims under and the proceeds of any and all policies of insurance covering the Facilities or any part thereof, including all returned and unearned premiums with respect to any insurance relating to such Facilities, in each case whether now or hereafter existing or arising.

“Issuer” means Alaska Industrial Development and Export Authority, a public corporation of the State and a body corporate and politic constituting a political subdivision within the Alaska Department of Commerce, Community, and Economic Development, but with separate and independent legal existence, duly organized and existing under the Constitution and laws of the State, including the Act, or any successor to its rights and obligations under this Agreement and the Indenture.

“Issuer Representative” means any one of the persons at the time designated to act on behalf of the Issuer by written certificate furnished to the Borrower and the Trustee containing

the specimen signatures of such persons and signed on behalf of the Issuer by its Chairman or Vice Chairman.

“Land” means the real property upon which the Facilities are located.

“Loan” means the loan from the Issuer to the Borrower of the proceeds of the Bonds, the repayment obligation of which is evidenced by this Agreement.

“Net Proceeds” means, when used with respect to any Insurance Proceeds or proceeds resulting from Eminent Domain, the gross proceeds therefrom less all expenses (including attorneys’ fees) incurred in the realization thereof.

“Plans and Specifications” means the plans and specifications used in the Acquisition of the Project, as the same may be revised from time to time by the Borrower in accordance with Section 3.07.

“Project” shall have the meaning assigned to such term in the recitals to this Agreement.

“Property” means, when used in connection with any Person, any and all rights, title and interests of such Person in and to any and all property (including cash) whether real, personal or mixed, or tangible or intangible, and wherever situated.

“Reserved Rights” means (a) the rights of, and amounts payable to, the Issuer pursuant to (i) Section 3.07 of the Indenture and (ii) Section 5.02(b), Section 5.02(c), Section 8.01, Section 8.06, Section 8.07, Section 10.05, Section 12.04, Section 12.05 of this Agreement, and (b) the rights of the Issuer under this Agreement to receive notices, reports and other statements be given to the Issuer and that consents be obtained from the Issuer.

“Rule” shall have the meaning assigned to such term in Section 8.16.

“State” means the State of Alaska.

“Trustee” means Wells Fargo Bank, National Association, as trustee under the Indenture, and any successor trustee appointed under the Indenture.

Section 1.02. Incorporation of Certain Definitions by Reference. Each capitalized term used herein and not otherwise defined herein shall have the meaning provided therefor in the Indenture, unless the context otherwise requires.

Section 1.03. Computation of Time Periods. In this Agreement, in the computation of a period of time from a specified date to a later specified date, unless otherwise specified herein, the word “from” means “from and including” and the words “to” and “until” each mean “to but excluding” and the word “through” means “to and including.”

Section 1.04. Relation to Other Documents; Incorporation by Reference.

(a) Nothing in this Agreement shall be deemed to amend, or relieve the Issuer or the Borrower of any of its obligations under, any Bond Document to which it is a party. Conversely, to the extent that the provisions of any Bond Document allow the parties hereto to take or not take certain actions, the parties hereto nevertheless shall be fully bound by the provisions of this Agreement.

(b) Except as provided in subsection (c) below, all references to this Agreement or any other documents, including, without limitation, the Bond Documents, shall be deemed to include all amendments, restatements, modifications and supplements thereto to the extent such amendment, restatement, modification or supplement is made in accordance with the provisions of such document and the Indenture.

(c) All provisions of this Agreement making reference to specific Sections of any Bond Document shall be deemed to incorporate such Sections into this Agreement by reference as though specifically set forth herein (with such changes and modifications as may be herein provided) and shall continue in full force and effect with respect to this Agreement notwithstanding payment of the Bonds and all amounts due under or secured by the Bond Documents, the termination or defeasance thereof or any modification thereto or any waiver given in connection therewith, so long as this Agreement is in effect and until all amounts due and owing under this Agreement, the Indenture, the Bonds and the other Bond Documents are paid in full.

Section 1.05. Construction. Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular, to the singular include the plural and to the part include the whole. The word “including” shall be deemed to mean “including but not limited to,” and “or” has the inclusive meaning represented by the phrase “and/or.” The words “hereof,” “herein,” “hereunder” and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. The Section headings contained in this Agreement and the table of contents preceding this Agreement are for reference purposes only and shall not control or affect the construction of this Agreement or the interpretation thereof in any respect. Article, section, subsection, exhibit, schedule and annex references are to this Agreement unless otherwise specified. Any exhibit, schedule or annex attached hereto is incorporated by reference herein and is a constituent part of this Agreement.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations by the Issuer. The Issuer represents and warrants as follows:

(a) The Issuer is a public corporation of the State and a body corporate and politic constituting a political subdivision within the Alaska Department of Commerce, Community, and Economic Development, but with separate and independent legal existence, duly organized and existing under and pursuant to the Constitution and laws of

the State, including the Act, and is authorized by the Act to execute and to enter into this Agreement and the other Bond Documents to which it is a party and to undertake the transactions contemplated herein and therein and to carry out its obligations hereunder and thereunder.

(b) The Issuer has all requisite power, authority and legal right to execute and deliver the Bond Documents to which it is a party and all other instruments and documents to be executed and delivered by the Issuer pursuant thereto, to perform and observe the provisions thereof and to carry out the transactions contemplated by the Bond Documents. All corporate action on the part of the Issuer which is required for the execution, delivery, performance and observance by the Issuer of the Bond Documents has been duly authorized and effectively taken, and such execution, delivery, performance and observation by the Issuer do not contravene Applicable Law or any contractual restriction binding on or affecting the Issuer.

(c) The Issuer has duly approved the issuance of the Bonds and the Loan of the proceeds thereof to the Borrower for the Acquisition of the Project; no other authorization or approval or other action by, and no notice to or filing with, any Governmental Authority is required as a condition to the performance by the Issuer of its obligations under any Bond Documents.

(d) This Agreement is, and each other Bond Document to which the Issuer is a party when delivered will be, legal, valid and binding special obligations of the Issuer enforceable against the Issuer in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally.

(e) There is no default of the Issuer in the payment of the principal of or interest on any of its indebtedness for borrowed money or under any instrument or instruments or agreements under and subject to which any indebtedness for borrowed money has been incurred which does or could affect the validity and enforceability of the Bond Documents or the ability of the Issuer to perform its obligations hereunder or thereunder, and no event has occurred and is continuing under the provisions of any such instrument or agreement which constitutes or, with the lapse of time or the giving of notice, or both, would constitute such a default.

(f) With respect to the Bonds, there are no other obligations of the Issuer that have been, are being or will be (i) sold at substantially the same time, (ii) sold pursuant to the same plan of financing, and (iii) reasonably expected to be paid from substantially the same source of funds.

(g) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending, or, to the best knowledge of the Issuer, threatened against or affecting the Issuer wherein an unfavorable decision, ruling or finding would adversely affect (i) the transactions contemplated by, or the validity or enforceability of, the Bonds and the Bond Documents to which it is a party or (ii) the tax-exempt status of interest on the Bonds, if applicable.

(h) In connection with the authorization, issuance and sale of the Bonds, the Issuer has complied with all provisions of the Constitution and laws of the State, including the Act.

(i) The Issuer has not assigned or pledged and will not assign or pledge its interest in this Agreement for any purpose other than to secure the Bonds under the Indenture. The Bonds constitute the only bonds or other obligations of the Issuer in any manner payable from the revenues to be derived from this Agreement, and except for the Bonds, no bonds or other obligations have been or will be issued on the basis of this Agreement.

(j) The Issuer is not in default under any of the provisions of the laws of the State, where any such default would affect the issuance, validity or enforceability of the Bonds or the transactions contemplated by the Bond Documents to which it is a party.

(k) No representation is made herein as to compliance with the securities or “blue sky” laws of any jurisdiction.

(l) The Issuer shall not be required to consent to service of process in any jurisdiction or be required to submit to the general jurisdiction of any state.

Section 2.02. Representations, Warranties and Covenants of the Borrower. The Borrower represents, warrants and covenants as follows:

(a) The Borrower (i) is a limited liability company organized and existing under the laws of the State, (ii) has organizational and other legal power and authority to enter into and to perform the agreements and covenants on its part contained in the Bond Documents to which it is a party, and (iii) has duly authorized the execution, delivery and performance of the Bond Documents to which it is a party and has duly approved the Bond Documents.

(b) The execution and delivery by the Borrower of the Bond Documents to which it is a party and the performance by the Borrower of its obligations thereunder (i) do not violate provisions of statutory laws or regulations applicable to the Borrower, (ii) do not violate its articles of incorporation or bylaws, (iii) do not breach or result in a default under any other agreement to which it is a party and (iv) do not violate the terms of any judicial or administrative judgment, order, decree or arbitral decision that names the Borrower and is specifically directed to it or its assets.

(c) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any Governmental Authority pending, or, to the best knowledge of the Borrower, threatened against or affecting the Borrower wherein an unfavorable decision, ruling or finding would adversely affect (i) the transactions contemplated by, or the validity or enforceability of, the Bond Documents or (ii) the tax-exempt status of interest on the Bonds.

(d) No further authorizations, consents or approvals of Governmental Authorities or agencies are required in connection with the execution and delivery by the Borrower of this Agreement or the other Bond Documents to which the Borrower is a party or in connection with the carrying out by the Borrower of its obligations under this Agreement or the other Bond Documents to which the Borrower is a party.

(e) The financing of the Project as provided under this Agreement and commitments therefor made by the Issuer have induced the Borrower to expand or locate its operations in the jurisdiction of the Issuer.

(f) The Borrower anticipates that upon completion of the Acquisition of the Project, the Borrower will operate the Project as a ["project"] within the meaning of the Act until the Bonds have been paid in full.

(g) The Project is of the type authorized and permitted by the Act and the Project is substantially the same in all material respects to that described in the notice of public hearing published on _____, 2014.

(h) The Project will be acquired, constructed, installed and equipped and will be operated by the Borrower in such manner as to conform with all applicable zoning, planning, building, environmental and other regulations of the Governmental Authorities having jurisdiction over the Project.

(i) The Borrower has taken no action, and has not omitted to take any action, which action or omission would in any way affect or impair the excludability of interest on the Bonds from gross income of the Owners thereof for federal income tax purposes.

(j) All of the representations, warranties and covenants of the Borrower contained in the Tax Certificate are hereby reaffirmed and incorporated herein by reference.

(k) The Borrower presently in good faith estimates the Costs of the Project to equal or exceed the original principal amount of the Bonds.

(l) The Project will be located wholly within the City and Borough of Juneau, Alaska.

(m) The Borrower further understands and agrees that (i) the continuing disclosure requirements of Rule 15c2-12 do not apply to the Bonds because, upon their initial issuance, the Bonds were issued in units of no less than \$100,000 to no more than 35 sophisticated investors; (ii) if the Borrower participates in any actions that result in a change of the Authorized Denominations of the Bonds or otherwise, to the best knowledge of the Borrower, would cause the Bonds to become subject to the requirements of Rule 15c2-12, the Borrower will promptly notify the Issuer of such action and will cooperate with the Issuer to take such steps as may be necessary to then comply with Rule 15c2-12. If, for any reason, the Bonds become subject to Rule 15c2-12, whether as a result of any action or inaction by the Borrower or otherwise, the Borrower will cooperate with the Issuer to ensure compliance with Rule 15c2-12.

All of the above representations and warranties shall survive the execution of this Agreement.

ARTICLE III

ACQUISITION OF THE PROJECT

Section 3.01. Agreement to Undertake and Complete the Project. The Borrower covenants and agrees to undertake and complete the Acquisition of the Project. Upon written request of the Issuer, the Trustee, or the Purchaser, if any, the Borrower agrees to make available (for review and copying) all the then current Plans and Specifications for the Project. The Borrower shall obtain or cause to be obtained all necessary permits and approvals for the Acquisition, operation and maintenance of the Project.

The Borrower agrees to cause the Project to be completed as soon as may be practicable and to cause all Bond Proceeds to be expended no later than three (3) years from the Issue Date. For Costs of the Project incurred prior to receipt by the Issuer of the proceeds of the Bonds, the Borrower agrees to advance all funds necessary to reimburse the Issuer for such purpose. Such advances may be reimbursed to the extent permitted by the Code and Section 3.02.

Section 3.02. Disbursements from the Project Fund. In the Indenture, the Issuer has authorized and directed the Trustee to use the moneys in the Project Fund for payment or reimbursement to the Borrower of the Costs of the Project.

Each Advance for a Cost of the Project shall be made only upon the receipt by the Trustee of a requisition and certificate, substantially in the form attached hereto as Exhibit B (a "Requisition") and signed by the Borrower Representative and, during a Direct Purchase Period, approved by the Purchaser and otherwise meeting the requirements and conditions of the Continuing Covenant Agreement.

The Borrower further agrees that it will not request any Advance hereunder which, if paid, would result in (i) less than substantially all (at least ninety-five percent (95%)) of the Bond Proceeds being used to provide land or property subject to the allowance for depreciation under Section 167 of the Code, (ii) less than all of the Bond Proceeds being used to provide for the Acquisition of the Project as contemplated by the Act, or (iii) the inclusion of the interest on any of the Bonds in the gross income of any Owner for purposes of federal income taxation. Notwithstanding the foregoing, the Borrower may request an Advance to pay costs of issuance with respect to the Bonds not to exceed in total 2% of the Bond Proceeds expected to be available to pay Costs of the Project.

Section 3.03. Establishment of Completion Date and Certificate as to Completion. Within thirty (30) days following the completion of the Acquisition of the Project, the Borrower Representative shall sign and deliver to the Issuer, the Trustee and the Purchaser, if any, a certificate stating that, except for amounts retained by the Trustee in the Project Fund for Costs of the Project not then due and payable, or the liability for which the Borrower is, in good faith, contesting or disputing, (a) the Project has been completed to the satisfaction of the Borrower, and all labor, services, materials and supplies used in such Acquisition have been paid for, and

(b) the Project is suitable and sufficient for the efficient operation as a [“project”] (as defined in the Act). Notwithstanding the foregoing, such certificate may state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

Section 3.04. Closeout of Project Fund; Disposition of Balance in Project Fund. All Surplus Bond Proceeds shall, on the Completion Date, be transferred to and deposited in the Surplus Fund as described in Section 4.03 of the Indenture. The Trustee shall, at the direction of the Borrower Representative, retain moneys in the Project Fund for payment of Costs of the Project not then due and payable or which are being disputed or contested by the Borrower in good faith.

Section 3.05. Borrower Required to Pay Costs of the Project in Event Project Fund Insufficient. If the moneys in the Project Fund available for payment of the Costs of the Project should not be sufficient to make such payments in full, the Borrower agrees to pay directly (or to deposit moneys in the Borrower’s deposit account as provided in the Continuing Covenant Agreement for the payment of) such costs of completing the Project as may be in excess of the moneys available therefor in the Project Fund. THE ISSUER DOES NOT MAKE ANY WARRANTY OR REPRESENTATION (EITHER EXPRESS OR IMPLIED) THAT THE MONEYS DEPOSITED INTO THE PROJECT FUND AND AVAILABLE FOR PAYMENT OF THE COSTS OF THE PROJECT UNDER THE PROVISIONS OF THIS AGREEMENT WILL BE SUFFICIENT TO PAY ALL OF THE COSTS OF THE PROJECT OR THAT THE PROJECT WILL BE SUITABLE FOR THE PURPOSES OF THE BORROWER. If, after exhausting the moneys in the Project Fund for any reason (including, without limitation, losses on investments made by the Trustee under the Indenture), the Borrower pays, or deposits moneys in the Borrower’s deposit account for the payment of, any portion of the Costs of the Project pursuant to the provisions of this Section 3.05, the Borrower shall not be entitled to any reimbursement therefor from the Issuer or from the Trustee, nor shall it be entitled to any diminution of the amounts payable under Section 5.02.

Section 3.06. Borrower and Issuer Representatives and Successors. At or prior to the initial sale of the Bonds, the Borrower and the Issuer shall appoint a Borrower Representative and an Issuer Representative, respectively, for the purpose of taking all actions and delivering all certificates required to be taken and delivered by the Borrower Representative and the Issuer Representative under the provisions of this Agreement. The Borrower and the Issuer, respectively, may appoint alternate Borrower Representatives and alternate Issuer Representatives to take any such action or make any such certification if the same is not taken or made by the incumbent Borrower Representative or the incumbent Issuer Representative. In the event any of such Persons, or any successor appointed pursuant to the provisions of this Section 3.06, should resign or become unavailable or unable to take any action or deliver any certificate provided for in this Agreement, another Borrower Representative or alternate Borrower Representative, or another Issuer Representative or alternate Issuer Representative, shall thereupon be appointed by the Borrower or the Issuer, respectively. If the Borrower or the Issuer fails to make such designation within ten (10) days following the date when the then incumbent Borrower Representative or Issuer Representative resigns or becomes unavailable or unable to take any such actions, the Chief Executive Officer of the Borrower, or the [Chairman

or the Vice Chairman] of the Issuer, shall serve as the Borrower Representative or the Issuer Representative, respectively.

Whenever the provisions of this Agreement require the Borrower's approval, require the Borrower to take some action at the request of the Issuer or require the Issuer or the Trustee to take some action at the request or direction of the Borrower, the Borrower Representative shall make such approval, request or direction in writing unless otherwise specified in this Agreement. Any action so taken with the written approval of or at the written direction of the Borrower Representative shall be binding upon the Borrower and the Issuer, the Calculation Agent, the Market Agent, if any, Remarketing Agent, if any, the Paying Agent and the Trustee shall be authorized to rely on any such approval or action.

Whenever the provisions of this Agreement require the Issuer's approval or require the Issuer to take some action at the request of the Borrower, such approval shall be made or such action shall be taken by the Issuer Representative and the Borrower, the Calculation Agent, the Market Agent, if any, the Remarketing Agent, if any, the Paying Agent and the Trustee shall be authorized to rely on any such approval or action.

Section 3.07. Plans and Specifications. The Borrower shall maintain a set of Plans and Specifications at the Project which shall be available to the Issuer, the Trustee and the Purchaser, if any, for inspection and examination during the Borrower's regular business hours. The Issuer and the Borrower agree that the Borrower may supplement, amend and add to the Plans and Specifications, and the Borrower may omit or make substitutions for components of the Project, without the approval of the Issuer, but subject to the requirements of any Continuing Covenant Agreement, including any required consent of the Purchaser, and, provided that no such change shall be made which, after giving effect to such change, would cause any of the representations and warranties set forth in Section 2.02 to be false or misleading in any material respect, or would result in a violation of the covenant set forth in Section 8.05. If any such change would render materially incorrect or inaccurate the description of the initial components of the Project as previously described in writing by the Borrower to the Purchaser, if any, the Borrower shall deliver to the Issuer, the Purchaser and the Trustee an Approving Opinion and thereafter, the Borrower and the Issuer shall amend Exhibit A to reflect such change. No approvals of the Issuer or the Trustee shall be required for the Acquisition of the Project or for the solicitation, negotiation, award or execution of contracts relating thereto.

ARTICLE IV

ISSUANCE OF THE BONDS

Section 4.01. Agreement to Issue the Bonds. To provide funds for the Acquisition of the Project, the Issuer agrees that it will sell, issue and deliver the Bonds in the aggregate principal amount not to exceed \$_____ to the Purchaser and will cause the proceeds of the Bonds to be applied as provided in Section 4.02 of the Indenture.

Section 4.02. Third-Party Beneficiaries. It is specifically agreed between the parties executing this Agreement that it is not intended by any of the provisions of any part of this Agreement to establish in favor of the public or any member thereof, other than as expressly

provided herein or as contemplated in the Indenture, the rights of a third-party beneficiary hereunder, or to authorize anyone not a party to this Agreement to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this Agreement. The duties, obligations and responsibilities of the parties to this Agreement with respect to third parties shall remain as imposed by law. Notwithstanding the foregoing, it is specifically agreed between the parties that during any Direct Purchase Period, the Purchaser, and while any Reimbursement Agreement is in effect, the Credit Provider, is an express third party beneficiary of this Agreement, entitled, but not obligated, to enforce each of the covenants and provisions of this Agreement.

ARTICLE V

LOAN; PAYMENT PROVISIONS

Section 5.01. Loan of Proceeds. The Issuer agrees, upon the terms and conditions contained in this Agreement and the Indenture, to lend to the Borrower the proceeds received by the Issuer from the sale of the Bonds. The Loan shall be made by depositing the proceeds from the initial sale of the Bonds into the Project Fund in accordance with Section 4.02 of the Indenture. Such proceeds shall be disbursed to or on behalf of the Borrower as provided in Section 3.02.

Section 5.02. Amounts Payable. The Borrower hereby agrees to repay the Loan by making the following payments:

(a) Subject to Sections 5.05 and 5.09, and the final paragraph of Section 2.02 of the Indenture, the Borrower shall pay or cause to be paid to the Trustee in immediately available funds for the account of the Issuer for deposit into the Bond Fund on or before any Interest Payment Date for the Bonds or any other date that any payment of interest, redemption premium, if any, or principal is required to be made in respect of the Bonds pursuant to the Indenture or pursuant to [Section 3.01(b)] of the Continuing Covenant Agreement, until the principal of, redemption premium, if any, and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the Indenture, a sum which, together with any Eligible Funds available for such payment in the Bond Fund, will enable the Trustee to pay the amount payable on such date as principal of (whether at maturity or upon redemption or acceleration or otherwise), redemption premium, if any, and interest on the Bonds as provided in the Indenture.

It is understood and agreed that all payments payable by the Borrower under this Section 5.02(a) are assigned by the Issuer to the Trustee for the benefit of the Owners. The Borrower assents to such assignment. Subject to the final paragraph of Section 2.02 of the Indenture, the Issuer hereby directs the Borrower and the Borrower hereby agrees to pay to the Trustee at the designated corporate trust office of the Trustee all payments payable by the Borrower pursuant to this Section 5.02(a).

(b) The Borrower also shall pay or cause to be paid the reasonable fees and expenses of the Issuer, the Trustee, the Paying Agent and the Registrar under the Indenture and all other amounts which may be payable to the Trustee, the Paying Agent, the Calculation Agent, the Market Agent or the Registrar under Section 7.02 of the Indenture, and the reasonable fees and expenses of any Remarketing Agent and all other amounts which may be payable to such Remarketing Agent under the Remarketing Agreement, such fees and expenses to be paid when due and payable by the Borrower directly to the Issuer, the Trustee, the Paying Agent, the Calculation Agent, the Market Agent, the Registrar and the Remarketing Agent, respectively, for their own account. The Borrower also shall pay (i) to the Purchaser, any amounts owed to the Purchaser under any Continuing Covenant Agreement and (ii) to the Credit Provider, any amounts owed to the Credit Provider under any Reimbursement Agreement.

(c) The Borrower also shall pay or cause to be paid when due and payable the reasonable fees and expenses of the Issuer related to the Project and the issuance of the Bonds, including without limitation, attorneys' fees and expenses.

(d) Subject to Section 5.05, the Borrower also shall pay or cause to be paid, when due to the Paying Agent, such amounts as shall be necessary to enable the Paying Agent to pay the Purchase Price of Bonds delivered to it for purchase, all as more particularly described in Section 2.06 of the Indenture.

(e) In the event any moneys in the Debt Service Reserve Fund are transferred to the Bond Fund pursuant to Section 4.05 of the Indenture, or in the event the Trustee has notified the Borrower of a deficiency in the Debt Service Reserve Fund pursuant to Section 4.05 of the Indenture, the Borrower shall deposit or cause to be deposited moneys, in twelve (12) equal monthly installments, into the Debt Service Reserve Fund in an amount equal to the amount required to cause the total amount in the Debt Service Reserve Fund to equal the Debt Service Reserve Requirement. Notwithstanding the foregoing, in lieu of the deposits described above, the Borrower may deliver a Reserve Fund Credit Facility to the Trustee for deposit into the Debt Service Reserve Fund in accordance with Section 4.05 of the Indenture.

(f) In the event the Borrower shall fail to make any of the payments required in this Section 5.02, the item or installment so in default shall continue as an obligation of the Borrower and shall bear interest at the Default Rate until the amount in default shall have been fully paid.

Section 5.03. Unconditional Obligations. The obligation of the Borrower to make the payments required by Section 5.02 shall be absolute and unconditional. Except as expressly provided for herein, the Borrower shall pay all such amounts without abatement, diminution or deduction (whether for taxes or otherwise) regardless of any cause or circumstance whatsoever including, without limitation, any defense, set-off, recoupment or counterclaim that the Borrower may have or assert against the Issuer, the Trustee, the Paying Agent, the Purchaser, if any, or any other Person.

Section 5.04. Prepayments. The Borrower may prepay all or any part of the amounts required to be paid by it under Section 5.02, at the times and in the amounts provided in Article XI for redemption of the Bonds, and in any such case, the Borrower shall cause to be furnished to the Issuer, subject to the final paragraph of Section 2.02 of the Indenture, such amounts on or prior to the applicable redemption dates. Subject to the final paragraph of Section 2.02 of the Indenture, prepayment of amounts due hereunder pursuant to this Section 5.04 shall be deposited in the Bond Fund.

Section 5.05. Credits Against Payments. To the extent that principal or Purchase Price of, redemption premium, if any, or interest on the Bonds shall be paid with moneys available under the Credit Facility, if any, from remarketing proceeds (with respect to Purchase Price) or other sources available under the Indenture, the obligation of the Borrower to make payments required by Section 5.02 shall be satisfied and discharged to the extent of the principal or Purchase Price of, redemption premium, if any, or interest on the Bonds so paid. If the principal of, redemption premium, if any, and interest on the Bonds shall have been paid sufficiently that payment of the Bonds shall have occurred in accordance with Article V of the Indenture, then the obligations of the Borrower pursuant to Section 5.02, ipso facto, shall be deemed to have been paid in full, and the Borrower's obligations under Section 5.02 and this Agreement shall be discharged. Notwithstanding anything to the contrary herein, during any Direct Purchase Period, the obligation of the Borrower to make any payment hereunder of principal, redemption premium, if any, or interest on the Bonds shall be deemed satisfied and discharged to the extent a corresponding payment is made by the Borrower directly to the Purchaser pursuant to Section 2.02 of the Indenture.

Section 5.06. Initial Credit Facility and Alternate Credit Facility. The Borrower shall be entitled to provide an Initial Credit Facility and an Alternate Credit Facility under certain circumstances as provided in the Indenture.

Section 5.07. Interest Rate Determination Method. The Borrower is hereby granted the right to designate from time to time changes in the Interest Rate Determination Method (as defined in the Indenture) in the manner and to the extent set forth in Section 2.04 of the Indenture, subject to any limitations set forth in any Continuing Covenant Agreement.

Section 5.08. Covenant Regarding Short-Term Rate Period and Medium-Term Rate Period. The Borrower acknowledges and agrees that the Bonds initially shall not be rated by any Rating Agency. Further, the Borrower acknowledges that in the event that it shall select a Short-Term Rate Period as the Rate Period, it shall be required to provide a Credit Facility in accordance with Section 3.08 of the Indenture. The Borrower covenants that, in the event that it shall select a Short-Term Rate Period or a Medium-Term Rate Period (that is not a Direct Purchase Period), it shall amend or cause the amendment of, this Agreement and the Indenture, respectively, such that the Bonds shall be rated at least investment grade by Moody's, Fitch or S&P, as the case may be.

Section 5.09. Swaps. The Borrower may enter into a Swap relative to its obligation to pay interest under Section 5.02. The Borrower shall timely make to the Swap Provider all payments required by the Swap. The Borrower hereby grants a security interest in and to its interest in any Swap and all payments made thereunder, together with any proceeds thereof, to

the Trustee for the benefit of the Purchaser, if any, the Owners and the Swap Provider and such security interest shall constitute part of the Trust Estate. The Borrower shall direct the Swap Provider to make all payments pursuant to the Swap directly to the Trustee. To the extent a Periodic Swap Payment made by the Swap Provider is actually received by the Trustee, the Borrower shall receive a credit on that amount against its obligation to make an interest payment as required by Section 5.02.

Section 5.10. Reserve Fund Credit Facility. The Borrower may at any time substitute (a) cash or Permitted Investments for a Reserve Fund Credit Facility or (b) a Reserve Fund Credit Facility for cash or Permitted Investments, so long as the amount on deposit in the Debt Service Reserve Fund after such substitution is at least equal to the Debt Service Reserve Requirement. In the event the Borrower shall substitute a Reserve Fund Credit Facility for cash or Permitted Investments, the amount on deposit in the Debt Service Reserve Fund shall be that amount available to be drawn or otherwise paid thereunder at the time of calculation. Notwithstanding the foregoing, no Reserve Fund Credit Facility shall be accepted by the Trustee for such substitution unless the Trustee has received an Approving Opinion acceptable to the Issuer and the Purchaser, if any, with respect to such substitution and the intended use by the Borrower of the cash or Permitted Investments to be released from the Debt Service Reserve Fund.

ARTICLE VI

MAINTENANCE AND TAXES

Section 6.01. Borrower's Obligations to Maintain and Repair. The Borrower agrees that during the term of this Agreement it will keep and maintain all of its material properties and equipment (including the Facilities) necessary to the operation of its business in good condition, repair and working order, ordinary wear and tear excepted, at its own cost, and will make or cause to be made from time to time all repairs thereto (including external and structural repairs) and renewals and replacements thereto necessary for the operation thereof.

Section 6.02. Taxes and Other Charges. The Borrower will promptly pay and discharge or cause to be promptly paid and discharged, as the same become due, all taxes, assessments, governmental charges or levies and all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Facilities imposed upon it or in respect of the Facilities before the same shall become in default, as well as all lawful claims which, if unpaid, might become a lien or charge upon such property and assets or any part thereof, except such that are contested in good faith by the Borrower for which the Borrower has maintained adequate reserves satisfactory to the Credit Provider or the Purchaser, in each case, as applicable, or in the absence of any Credit Provider or Purchaser, satisfactory to the Issuer.

ARTICLE VII

INSURANCE, EMINENT DOMAIN AND DAMAGE AND DESTRUCTION

Section 7.01. Insurance. The Borrower will during the term of this Agreement and at all times while any Bonds are outstanding continuously maintain casualty and liability insurance on the Facilities in amounts and covering such risks as are customarily insured against by businesses of like size and type, paying as the same become due all premiums in respect thereof. In addition the Borrower shall comply, or cause compliance, with all applicable worker's compensation laws of the State.

Section 7.02. Provisions Respecting Eminent Domain; Damage; Destruction. In case of a taking or proposed taking of all or any part of the Facilities or any right therein by Eminent Domain, the party hereto upon which notice of such taking is served shall give prompt written notice to the other party and to the Trustee, the Credit Provider, if any, and the Purchaser, if any. Each such notice shall describe generally the nature and extent of the taking or proposed taking and any proceedings or negotiations related thereto. If at any time while any of the Bonds are Outstanding, the Facilities, or any portion thereof, shall be damaged or destroyed by fire, flood, windstorm or other casualty, or title to, or the temporary use of, the Facilities, or any portion thereof, shall have been taken by the power of Eminent Domain, the Borrower (unless it shall have exercised its option to prepay all of the Bonds) shall cause the Net Proceeds or an amount equal thereto to be used for the repair, reconstruction, restoration or improvement of the Facilities or the redemption of the Bonds, or any combination thereof. In case of any damage to or destruction of all or any part of the Facilities exceeding \$50,000, the Borrower shall give prompt written notice thereof to the Issuer, the Purchaser, if any, the Credit Provider, if any, and the Trustee. Notwithstanding the above, (a) so long as a Credit Facility is outstanding, the Borrower shall comply with the terms of the Reimbursement Agreement relating to the use of Net Proceeds and (b) during any Direct Purchase Period, the Borrower shall comply with the terms of the Continuing Covenant Agreement relating to the use of Net Proceeds.

ARTICLE VIII

SPECIAL COVENANTS

Section 8.01. Access to the Facilities and Inspection. The Issuer and the Trustee, and their respective agents and employees, shall have the right, at all reasonable times during normal business hours of the Borrower upon the furnishing of reasonable notice to the Borrower under the circumstances, to enter upon and examine and inspect the Project and to examine and copy the books and records of the Borrower insofar as such books and records relate to Costs of the Facilities or the Bond Documents.

Upon the taking of possession of all or any portion of the Facilities by the Trustee pursuant to this Agreement upon the occurrence of any Event of Default, the Borrower shall give to the Trustee or an agent designated by the Trustee possession of the Facilities in proper condition, ordinary wear and tear excepted. While the Trustee is in possession of the Facilities, to the extent that funds are available to the Trustee for such purpose, the Trustee shall maintain the Facilities in good condition, ordinary wear and tear excepted.

Section 8.02. Financial Statements. The Borrower shall, upon request, deliver to the Issuer as soon as practicable and in any event within one hundred twenty (120) days after the end of each Fiscal Year, the audited financial statements of the Borrower for such Fiscal Year.

Section 8.03. Further Assurances and Corrective Instruments. Subject to the provisions of the Indenture, the Issuer and the Borrower agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements and amendments hereto and such further instruments as may reasonably be required for carrying out the intention or facilitating the performance of this Agreement or the transactions contemplated hereby.

Section 8.04. Recording and Filing; Other Instruments. The Borrower shall cause this Agreement and all necessary Financing Statements (including continuation statements) to be recorded and filed in such manner and in such places as may be required by law to fully preserve and protect the security of the Owners and the rights of the Trustee and to perfect the Security Interest created by the Indenture. The Borrower covenants that it will cause continuation statements to be filed as required by law in order fully to preserve and to protect the rights of the Trustee or the Issuer in the assignment of certain rights of the Issuer under this Agreement and otherwise under the Indenture. The Borrower and the Issuer shall execute and deliver all instruments and shall furnish all information and evidence deemed necessary or advisable in order to enable the Borrower to fulfill its obligations as provided in this Section 8.04. The Borrower shall file and re-file and record and re-record or shall cause to be filed and re-filed and recorded and re-recorded all instruments required to be filed and re-filed and recorded or re-recorded and shall continue or cause to be continued the liens of such instruments for so long as any of the Bonds shall be Outstanding and any other amounts remain due and payable under any Continuing Covenant Agreement or any Reimbursement Agreement.

Section 8.05. Tax-Exempt Status. The Borrower covenants and agrees that it has not taken and will not take or cause to be taken, and has not omitted and will not omit or cause to be omitted, any action which will result in interest paid on the Bonds being included in gross income of the Owners of the Bonds for the purposes of federal income taxation.

The Borrower covenants and agrees that it will take or cause to be taken all required actions necessary to preserve the exclusion from gross income for federal income tax purposes of interest on the Bonds; and the Issuer covenants and agrees that it will take or cause to be taken all required actions to preserve the exclusion from gross income for federal income tax purposes of interest on the Bonds; provided that the Issuer has no obligation or responsibility to direct or cause the Borrower to take any action.

Section 8.06. Indemnity Against Claims. The Borrower will pay and discharge and will indemnify and hold harmless the Issuer and the Trustee, and their respective directors, members, officers, employees and agents, from any taxes, assessments, impositions and other charges in respect of the Project. If any such claim is asserted, or any such lien or charge upon payments, or any such taxes, assessments, impositions or other charges, are sought to be imposed, the Issuer or the Trustee, as the case may be, will give prompt written notice to the Borrower; provided, however, that the failure to provide such notice will not relieve the Borrower of the Borrower's obligations and liability under this Section 8.06 and will not give

rise to any claim against or liability of the Issuer or the Trustee. The Borrower shall have the sole right and duty to assume, and shall assume, the defense thereof, with counsel acceptable to the Person on behalf of whom the Borrower undertakes a defense, with full power to litigate, compromise or settle the same in its sole discretion.

Section 8.07. Release and Indemnification. The Borrower shall at all times protect, indemnify and hold the Issuer, the Governing Body and the Trustee, and their respective members, directors, officers, employees, attorneys and agents, harmless against any and all liability, losses, damages, costs, expenses, taxes, causes of action, suits, claims, demands and judgments of any nature arising from or in connection with the Acquisition of the Project or the use or occupancy of the Facilities, including, without limitation, all claims or liability resulting from, arising out of or in connection with the acceptance or administration of the Bond Documents or the trusts thereunder or the performance of duties under the Bond Documents or any loss or damage to property or any injury to or death of any Person that may be occasioned by any cause whatsoever pertaining to the Project or the use thereof, including without limitation any lease thereof or assignment of any interest in this Agreement, such indemnification to include the reasonable costs and expenses of defending itself or investigating any claim of liability and other reasonable expenses and attorneys' fees incurred by the Issuer, the Governing Body and the Trustee, and their respective members, directors, officers, employees, attorneys and agents, in connection therewith, provided that the benefits of this Section 8.07 shall not inure to any Person other than the Issuer, the Governing Body, the Trustee, their respective members, directors, officers, employees, attorneys and agents, and provided further that such loss, damage, death, injury, claims, demands or causes shall not have resulted from the gross negligence or willful misconduct of, the Issuer, the Governing Body, the Trustee or such members, directors, officers, employees, attorneys and agents. The obligations of the Borrower under this Section 8.07 shall survive the termination of this Agreement and the Indenture and the resignation or removal of the Trustee. Notwithstanding any other provision of this Agreement or the Indenture to the contrary, the Borrower agrees (i) not to assert any claim or institute any action or suit against the Trustee or its employees arising from or in connection with any investment of funds made by the Trustee in good faith [and without gross negligence] in accordance with the provisions of the Indenture as directed by a Borrower Representative, and (ii) to indemnify and hold the Trustee and its employees harmless against any liability, losses, damages, costs, expenses, causes of action, suits, claims, demands and judgments of any nature arising from or in connection with any such investment.

Section 8.08. Compliance with Laws. The Borrower shall comply with all Applicable Laws.

Section 8.09. Non-Arbitrage Covenant.

(a) The Borrower and the Issuer covenant that they will (i) not take, or fail to take, any action or make any investment or use of Bond Proceeds that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and (ii) comply with the requirements of Section 148 of the Code.

(b) In the event that all of the Bond Proceeds are not expended by the date which is six (6) months following the Issue Date, or if for any other reason a rebate is

payable to the United States of America pursuant to Section 148 of the Code, the Borrower shall calculate, or cause to be calculated, the Rebate Amount. The Borrower agrees to pay the amount so calculated, together with supporting documentation, to the Trustee so as to permit the Trustee to pay such rebate to the United States of America as directed by the Borrower at the times required by the Code. The amount paid by the Borrower to the Trustee shall be deposited into the Rebate Fund. The Borrower shall maintain or cause to be maintained records of the determinations of the rebate, if any, pursuant to this Section 8.09(b) until six (6) years after the retirement of the Bonds. This Section 8.09(b) shall be construed in accordance with Section 148(f) of the Code, including, without limitation, any applicable tax regulations promulgated under the Code. Nothing contained in this Agreement or in the Indenture shall be interpreted or construed to require the Issuer to pay any applicable rebate, such obligation being the sole responsibility of the Borrower. The Borrower shall pay all fees, costs and expenses associated with calculation of the Rebate Amount and upon request from the Issuer provide the Issuer with a copy of such calculation. The Issuer covenants that, if so requested by the Borrower, it shall execute any form required to be signed by an issuer of tax-exempt bonds in connection with the payment of any rebate or the recovery of overpayment of any rebate amount under the Code (including Internal Revenue Service Form 8038-T and Internal Revenue Service Form 8038-R). The Borrower shall supply all information required to be stated in such form and shall prepare such form. Except for the execution and delivery of such form upon timely presentation by the Borrower, the Issuer shall have no responsibility for such form or the information stated thereon.

Section 8.10. Notice of Determination of Taxability. Promptly after the Borrower first becomes aware of the occurrence of a Determination of Taxability or an event that could trigger the occurrence of a Determination of Taxability, the Borrower shall give written notice thereof to the Issuer, the Remarketing Agent, if any, the Calculation Agent, the Trustee, the Credit Provider, if any, and the Purchaser, if any.

Section 8.11. No Purchase of Bonds by Borrower or Issuer. During the time a Credit Facility is in effect none of the Borrower, the Issuer and any Affiliates of any of them shall purchase any of the Bonds from the Remarketing Agent except under the circumstances under which the Remarketing Agent may remarket Bonds to the Borrower or the Issuer as provided in Section 2.07(d) of the Indenture.

Section 8.12. Maintenance of Existence. The Borrower agrees that it will maintain its organizational existence, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another Person or permit one or more other Persons to consolidate with or merge into it, except in strict compliance with the terms of Applicable Law and any Reimbursement Agreement or Continuing Covenant Agreement. If no Credit Facility or Continuing Covenant Agreement is in effect, the Borrower agrees that it will continue to be a limited liability company either organized under the laws of the State or duly qualified to do business as a foreign organization in the State, will maintain its organizational existence, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another Person or permit one or more Persons to consolidate with or merge into it; provided, that the Borrower may, without violating the foregoing, consolidate with or merge into another Person, or permit one or more Persons to consolidate with

or merge into it, or transfer all or substantially all of its assets to another such Person (and thereafter dissolve or not dissolve, as the Borrower may elect) if no Event of Default has occurred and is continuing hereunder and the Person surviving such merger or resulting from such consolidation, or the Person to which all or substantially all of the assets of the Borrower are transferred, as the case may be:

(a) is a corporation, limited liability company or other business entity organized under the laws of the United States of America, or any state, district or territory thereof, and qualified to do business in the State;

(b) shall expressly in writing assume all of the obligations of the Borrower contained in this Agreement; and

(c) has a Consolidated Tangible Net Worth (after giving effect to such consolidation, merger or transfer) of not less than the Consolidated Tangible Net Worth of the Borrower and its consolidated subsidiaries immediately prior to such consolidation, merger or transfer.

Prior to any such consolidation, merger or transfer, the Trustee shall be furnished with a certificate from the chief financial officer of the Borrower or his/her deputy stating that in the opinion of such officer none of the covenants in this Agreement or in any of the other Bond Documents will be violated as a result of said consolidation, merger or transfer.

Section 8.13. Borrower Approval of Indenture. The Borrower understands that the Issuer will, pursuant to the Indenture and as security for the payment of the principal of, redemption premium, if any, and the interest on the Bonds, assign and pledge to the Trustee, and create a Security Interest in favor of the Trustee in certain of its rights, title and interest in and to this Agreement (including all payments hereunder) reserving, however, the Reserved Rights; and the Borrower hereby agrees and consents to such assignment and pledge. The Borrower acknowledges that it has received a copy of the Indenture for its examination and review. By its execution of this Agreement, the Borrower acknowledges that it has approved, has agreed to and is bound by the provisions of the Indenture. The Borrower agrees that the Trustee shall be entitled to enforce and to benefit from the terms and conditions of this Agreement that relate to it notwithstanding the fact that it is not a signatory hereto.

Section 8.14. Duties and Obligations. The Borrower covenants and agrees that it will fully and faithfully perform all the duties and obligations that the Issuer has covenanted and agreed in the Indenture to cause the Borrower to perform and any duties and obligations that the Borrower is required in the Indenture to perform. The foregoing shall not apply to any duty or undertaking of the Issuer that by its nature cannot be delegated or assigned.

Section 8.15. Notice of Certain Acquisitions of Control. The Borrower hereby covenants to provide or cause to be provided written notice to the Trustee, the Remarketing Agent, and the Owners thirty (30) days prior, where reasonable, and not more than thirty (30) days subsequent to the consummation of any transaction that would result in the Borrower controlling or being controlled by the Credit Provider, if any. The Borrower acknowledges that

the foregoing sentence supersedes any exemptions from the continuing disclosure requirement pursuant to the Rule.

Section 8.16. Continuing Disclosure. The Borrower hereby covenants and agrees that on or before any conversion of the Interest Rate Determination Method (except for a conversion of the Interest Rate Determination Method that will result in the Bonds being subject to a Direct Purchase Period immediately following such conversion), the Borrower shall provide to the Trustee, the Issuer, the Remarketing Agent and, during a Direct Purchase Period, the Purchaser, at least two (2) Business Days prior to the proposed Conversion Date, either (a) a copy of a continuing disclosure agreement imposing obligations upon the Borrower or any other responsible party to comply with the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the “Rule”), with respect to the Bonds, together with such disclosure documents as the Remarketing Agent shall require in order to comply with the Rule, if the Rule will be applicable upon such conversion, or (b) an opinion of counsel that, notwithstanding such conversion, the Rule will not be applicable to the Bonds as of and after the Conversion Date.

ARTICLE IX

ASSIGNMENT, LEASE AND SALE

Section 9.01. Restrictions on Transfer of Issuer’s Rights. The Issuer agrees that, except for the assignment of certain of its rights, title and interests under this Agreement to the Trustee pursuant to the Indenture, it will not during the term of this Agreement sell, assign, transfer or convey its rights, title and interests in this Agreement except as provided in Section 9.02.

Section 9.02. Assignment by the Issuer. It is understood, agreed and acknowledged that the Issuer, as security for payment of the principal of and redemption premium, if any, and interest on the Bonds, will assign to the Trustee pursuant to the Indenture, among other things, all of its rights, title and interests in and to this Agreement (reserving, however, the Reserved Rights). The Borrower consents to such assignment and agrees that the Trustee shall be entitled to enforce this Agreement directly against the Borrower as a third party beneficiary hereof.

Section 9.03. Assignment of Agreement by the Borrower or Lease or Sale of Facilities. All or a portion of the rights, duties and obligations of the Borrower under this Agreement may be assigned by the Borrower and the Facilities may be leased or sold as a whole or in part by the Borrower, without having to obtain the consent of the Issuer or the Trustee, provided that unless permitted in the immediately succeeding sentence, the Borrower shall not be released from its obligations hereunder in connection with any such assignment, lease or sale. Upon the assignment of all of the Borrower’s rights, duties and obligations under this Agreement or the lease or sale of the Facilities as a whole, the Trustee may execute a release of the Borrower from its obligations hereunder and all references to the “Borrower” in this Agreement, and under the Indenture and the Bonds shall mean the assignee, lessee or purchaser if (i) such assignee, lessee or purchaser assumes the Borrower’s obligations hereunder in writing, (ii) such assignee, lessee or purchaser has a Consolidated Tangible Net Worth (after giving effect to such assignment, lease or sale) of not less than the consolidated tangible net worth of the Borrower

and its consolidated Affiliates immediately prior to such assignment, lease or sale; (iii) no Event of Default has occurred and is continuing hereunder, and (iv) the Credit Provider, if any, and the Purchaser, if any, have consented in writing to such release. Prior to any assignment, lease or sale pursuant to this Section, the Borrower shall have caused to be delivered to the Issuer, the Trustee, the Credit Provider, if any, and the Purchaser, if any, an Approving Opinion, satisfactory in form and substance to the Issuer, the Credit Provider, if any, and the Purchaser, if any.

ARTICLE X

EVENTS OF DEFAULT AND REMEDIES

Section 10.01. Events of Default Defined. The term “Event of Default” shall mean any one or more of the following events:

(a) Failure by the Borrower to make any payment required to be paid pursuant to Section 5.02;

(b) The occurrence of an Event of Default under the Indenture, any Continuing Covenant Agreement and any Reimbursement Agreement;

(c) Any representation by or on behalf of the Borrower contained in this Agreement or in any instrument furnished in compliance with or in reference to this Agreement or the Indenture proves false or misleading in any material respect as of the date of the making or furnishing thereof;

(d) Failure by the Borrower to observe or perform any of its other covenants, conditions, payments or agreements under this Agreement (other than as described in Sections 10.01(a) or 10.01(b)) for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to the Borrower by the Issuer, the Credit Provider, if any, the Purchaser, if any, or the Trustee;

(e) The Borrower shall (i) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, assignee, sequestrator, trustee, liquidator or similar official of the Borrower of all or a substantial part of its property, (ii) admit in writing its inability, or be generally unable, to pay its debts as such debts become due, (iii) make a general assignment for the benefit of its creditors, (iv) commence a voluntary case under the Bankruptcy Code (as now or hereafter in effect), (v) file a petition seeking to take advantage of any other federal or state law relating to bankruptcy, insolvency, reorganization, arrangement, winding-up or composition or adjustment of debts, (vi) fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against the Borrower in an involuntary case under the Bankruptcy Code, or (vii) take any corporate action for the purpose of effecting any of the foregoing; or

(f) A proceeding or case shall be commenced, without the application or consent of the Borrower, in any court of competent jurisdiction, seeking (i) the liquidation, reorganization, arrangement, dissolution, winding-up, composition or adjustment of debts of the Borrower, (ii) the appointment of a trustee, receiver, custodian,

assignee, sequestrator, liquidator or similar official of the Borrower or of all or any substantial part of its assets, or (iii) similar relief in respect of the Borrower under any law relating to bankruptcy, insolvency, reorganization, arrangement, winding-up, composition or adjustment of debts and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of ninety (90) days from the commencement of such proceeding or case or the date of such order, judgment or decree, or an order for relief against the Borrower shall be entered in an involuntary case under the Bankruptcy Code.

Section 10.02. Remedies on Default. Upon the occurrence of an Event of Default under this Agreement, the Trustee may, with the consent of the Credit Provider, if any, and the Purchaser, if any, and shall, if acceleration of the principal amount of the Bonds has been declared pursuant to Section 6.02 of the Indenture and the Trustee has been indemnified as provided in Section 7.01(h) of the Indenture, take any one or more of the following actions:

(a) By written notice declare all payments hereunder immediately due and payable, whereupon the same shall become immediately due and payable without presentment, demand, protest or any other notice whatsoever, all of which are hereby expressly waived by the Borrower.

(b) Reserved.

(c) Take whatever other action at law or in equity may appear necessary or desirable to collect the amounts payable pursuant hereto then due and thereafter to become due or to enforce the performance and observance of any obligation, agreement or covenant of the Borrower under this Agreement, including the making of any drawing under the Credit Facility, if any.

In the enforcement of the remedies provided in this Section 10.02, the Issuer and the Trustee may treat all reasonable expenses of enforcement, including, without limitation, legal, accounting and advertising fees and expenses, as additional amounts payable by the Borrower then due and owing. The determination to take, or not to take, any action or other remedial measure or to exercise any remedy or commence any proceeding or forego, waive or rescind any of the foregoing shall be made pursuant to and in accordance with the provisions of Section 6.04 of the Indenture and any applicable provisions of any Reimbursement Agreement or Continuing Covenant Agreement.

Section 10.03. Application of Amounts Realized in Enforcement of Remedies. Any amounts collected pursuant to action taken under Section 10.02 shall be paid to the Trustee and applied in accordance with Section 6.07 of the Indenture.

Section 10.04. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Issuer or the Trustee is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon an Event of Default under

this Agreement shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 10.05. Agreement to Pay Attorneys' Fees and Expenses. Upon the occurrence of an Event of Default under this Agreement, if the Issuer or the Trustee employs attorneys or incurs other expenses for the collection of amounts payable hereunder or for the enforcement of the performance or observance of any covenants or agreements on the part of the Borrower herein contained, whether or not suit is commenced, the Borrower agrees that it will on demand therefor pay to the Issuer or the Trustee or any combination thereof, as the case may be, the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Issuer or the Trustee.

Section 10.06. Issuer and Borrower to Give Notice of Default. The Issuer and the Borrower severally covenant that they will, at the expense of the Borrower, promptly give to the Trustee, the Remarketing Agent, the Calculation Agent, the Market Agent, if any, the Paying Agent, the Credit Provider, if any, the Purchaser, if any, and to each other, written notice of any Event of Default under this Agreement of which they shall have actual knowledge or written notice, but the Issuer shall not be liable for failing to give such notice.

ARTICLE XI

PREPAYMENTS; PURCHASE OF BONDS

Section 11.01. Optional Prepayments.

(a) The Borrower shall have, and is hereby granted, the option to prepay the unpaid principal amount hereunder in whole, together with interest thereon to the date of the corresponding redemption of the Bonds, at any time by taking, or causing the Issuer to take, the actions required by the Indenture to discharge the lien thereof through the redemption of all Bonds then outstanding, upon the occurrence of any of the events set forth in Section 2.18(b) of the Indenture, but subject to the provisions of the Continuing Covenant Agreement during any Direct Purchase Period.

(b) The Borrower shall have, and is hereby granted, the option to prepay all or any portion of the unpaid principal amount hereunder, together with interest thereon to the date of the corresponding redemption of the Bonds, at any time by taking, or causing the Issuer to take, the actions required by the Indenture (i) to discharge the lien thereof through the redemption, or provision for payment of redemption of all Bonds then outstanding or (ii) to effect the redemption, or provision for payment or redemption, of less than all Bonds then Outstanding, in each case, pursuant to Section 2.18(a) of the Indenture.

(c) To make a prepayment pursuant to this Section 11.01, the Borrower shall give written notice as provided in Section 2.19 of the Indenture, which shall specify therein the principal amount to be prepaid and the date or dates on which the prepayment is to occur. All such prepayments shall be in the amount of the unpaid amount hereunder

if made pursuant to Section 11.01(a) or in the amount of an Authorized Denomination if made pursuant to Section 11.01(b) and the Borrower shall furnish additional funds, if necessary, to make such prepayments in such amounts. In addition, the Borrower shall make such additional payments as shall be necessary to pay any redemption premium on the Bonds in connection with such redemption.

Section 11.02. Optional Purchase of Bonds. Subject to the terms of the Indenture regarding the use of Eligible Funds, the Borrower may at any time, and from time to time, furnish moneys to the Remarketing Agent accompanied by a notice directing such moneys to be applied to the purchase of Bonds delivered for purchase pursuant to the terms thereof, which Bonds shall be delivered to the Trustee for cancellation or for registration of transfer to the Borrower in accordance with Section 2.08 of the Indenture. The Borrower shall deliver to the Credit Provider, if any, and the Purchaser, if any, a copy of any such notice.

Section 11.03. Prepayment to Include Fees and Expenses. Any prepayment under this Article shall also include any expenses of prepayment, as well as all expenses and costs provided for herein.

Section 11.04. Purchase of Bonds.

(a) In consideration of the issuance of the Bonds by the Issuer, but for the benefit of the Owners, the Borrower has agreed, and does hereby covenant, to cause the necessary arrangements to be made and to be thereafter continued whereby the registered owners of the Bonds from time to time may deliver, or may be required to deliver Bonds for purchase and whereby such Bonds shall be so purchased. In furtherance of the foregoing covenant of the Borrower, the Issuer, at the request of the Borrower, has set forth in the Bonds the terms and conditions relating to the delivery of Bonds by the registered owners thereof for purchase, has set forth in the Indenture the duties and responsibilities of the Remarketing Agent with respect to the purchase and remarketing of Bonds and has therein provided for the appointment of the Remarketing Agent when required.

Without limiting the generality of the foregoing covenant of the Borrower, and in consideration of the Issuer's having set forth in the Bonds and the Indenture the aforesaid provisions, the Borrower covenants, for the benefit of the Owners, to pay, or cause to be paid, such amounts as shall be necessary to effect the payment of the Purchase Price of Bonds delivered for purchase, all as more particularly described in the Indenture.

(b) Notwithstanding the provisions of Section 11.04(a), the obligations of the Borrower under Section 11.04(a) with respect to the purchase of Bonds shall be terminated on the date the Bonds begin to bear interest at the Fixed Rate in accordance with the Indenture.

(c) In furtherance of its obligations under Section 11.04(a), the Borrower may provide for the payment of its obligations under such Section 11.04(a) by the delivery of a Credit Facility simultaneously with the conversion of the Interest Rate Determination Method for Bonds to a Rate requiring or permitting a Credit Facility under the terms of

the Indenture. In order to implement such undertaking of the Borrower, the Issuer, at the direction of the Borrower, has set forth in the Indenture the terms and conditions relating to drawings under the Credit Facility to provide moneys for the purchase of Bonds. The Borrower hereby authorizes and directs the Trustee to draw moneys under the Credit Facility, if any, in accordance with the provisions of the Indenture to the extent necessary to provide moneys payable under Section 2.06 of the Indenture if and when due.

(d) The Issuer shall have no obligation or responsibility, financial or otherwise, with respect to the purchase of Bonds or the making or continuation of arrangements therefor other than as expressly set forth in Section 11.04(a), except that the Issuer shall generally cooperate with the Borrower and the Remarketing Agent as contemplated in Section 2.07 of the Indenture.

ARTICLE XII

MISCELLANEOUS

Section 12.01. Amounts Remaining in Funds. Subject to the provisions of Article V of the Indenture and as provided in Article IV of the Indenture, it is agreed by the parties hereto that amounts remaining in the Bond Fund, the Project Fund, the Surplus Fund, the Debt Service Reserve Fund or the Bond Purchase Fund upon expiration or earlier termination of this Agreement, as provided in this Agreement, after payment in full of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture) and all other amounts owing hereunder and under the Indenture, shall be paid (a) first, (i) during any Direct Purchase Period, to the Purchaser if there is any amount then owing from the Borrower to the Purchaser or (ii) to the Credit Provider, if a Credit Facility is in effect and there is any amount then owing by the Borrower to the Credit Provider and (b) second, after all amounts payable under clause (a) have been paid, to the Borrower by the Trustee.

Section 12.02. No Implied Waiver. In the event any provision of this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach thereunder or hereunder.

Section 12.03. Notices. Notices under this Agreement shall be given in accordance with Section 9.04 of the Indenture.

Section 12.04. Issuer, Governing Body, Members, Commissioners, Directors, Officers, Agents and Employees of Issuer and Governing Body Not Liable. To the extent permitted by law, no recourse shall be had for the enforcement of any obligation, promise or agreement of the Issuer contained herein or in the other Bond Documents to which the Issuer is a party or for any claim based hereon or thereon or otherwise in respect hereof or thereof against the Issuer, the Governing Body, any member, commissioner, director, officer, agent, attorney or employee, as such, in his/her individual capacity, past, present or future, of the Issuer, the Governing Body, or of any successor entity, either directly or through the Issuer, the Governing Body or any successor entity, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise. No personal liability

whatsoever shall attach to, or be incurred by, any member, commissioner, director, officer, agent, attorney or employee, as such, in his/her individual capacity, past, present or future, of the Issuer, the Governing Body, or of any successor entity, either directly or through the Issuer, the Governing Body or any successor entity, under or by reason of any of the obligations, promises or agreements entered into between the Issuer and the Borrower, whether herein contained or to be implied herefrom as being supplemental hereto; and all personal liability of that character against every such member, commissioner, director, officer, agent, attorney or employee is, by the execution of this Agreement and as a condition of, and as part of the consideration for, the execution of this Agreement, expressly waived and released.

Notwithstanding any other provision of this Agreement, the Issuer shall not be liable to the Borrower or the Trustee or any other person for any failure of the Issuer to take action under this Agreement unless the Issuer (a) is requested in writing by an appropriate person to take such action, (b) is assured of payment of, or reimbursement for, any reasonable expenses in such action, and (c) is afforded, under the existing circumstances, a reasonable period to take such action. In acting under this Agreement, or in refraining from acting under this Agreement, the Issuer may conclusively rely on the advice of its counsel.

Section 12.05. No Liability of Issuer; No Charge Against Issuer's Credit. Any obligation of the Issuer created by, arising out of, or entered into in contemplation of this Agreement, including the Bonds, shall not impose a debt or pecuniary liability upon the Issuer, the State or any political subdivision thereof or constitute a charge upon the general credit or taxing powers of any of the foregoing. The Issuer has no taxing power. Any such obligation and the principal and Purchase Price of, redemption premium, if any, and interest on the Bonds shall be payable solely out of the Trust Estate, including revenues and any other moneys derived hereunder and under the Indenture and the Credit Facility, except (as provided in the Indenture and in this Agreement) to the extent it shall be paid out of the Bond Proceeds.

Section 12.06. Electronic Signatures. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or "printouts," if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, "electronic signature" means a manually signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a "pdf" (portable document format) or other replicating image attached to an e mail message; and, "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

Section 12.07. If Performance Date Not a Business Day. If the last date for performance of any act or the exercising of any right, as provided in this Agreement, shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day.

Section 12.08. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Issuer, the Borrower, and their respective successors and assigns and shall inure to the benefit of the Credit Provider, if any, and the Purchaser, if any, as provided in Section 4.02, and their respective successors and assigns. No assignment of this Agreement by the Borrower shall relieve the Borrower of its obligations hereunder, except in accordance with Sections 9.03 and 9.04.

Section 12.09. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 12.10. Amendments, Changes and Modifications. This Agreement may not be effectively amended, changed, modified, altered or terminated except in accordance with the Indenture.

Section 12.11. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which, taken together, shall be an original and all of which shall constitute but one and the same instrument.

Section 12.12. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 12.13. Certain References Ineffective Except during a Period in which a Credit Facility is in Effect. Except during any period in which a Credit Facility is in effect and during the period immediately succeeding such a period until receipt by the Trustee of a certificate from the Credit Provider stating that all amounts payable to the Credit Provider under the Reimbursement Agreement have been paid in full, all references to the Credit Provider and the Reimbursement Agreement shall be ineffective.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Issuer and the Borrower have caused this Agreement to be executed in their respective legal names and their respective corporate seals to be hereunto affixed, and the signatures of duly authorized persons to be attested, all as of the date first above written.

ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY

By _____
Name _____
Title _____

ATTEST:

By _____
Name _____
Title _____

AKBEV GROUP, LLC

By _____
Name _____
Title _____

ATTEST:

By _____
Name _____
Title _____

EXHIBIT A

DESCRIPTION OF THE PROJECT

EXHIBIT B

FORM OF REQUISITION

\$ _____

Requisition No. _____

REQUISITION AND CERTIFICATE

[DATE]

Wells Fargo Bank, National Association
1700 Lincoln Street, 10th Floor
MAC C7300-107
Denver, Colorado 80203

Ladies and Gentlemen:

On behalf of AKBEV Group, LLC (the "Borrower"), I hereby requisition from the funds representing the proceeds of the sale of the Alaska Industrial Development and Export Authority Variable Rate Revenue Bonds (AKBEV Group, LLC Project), Series 2014A (the "Bonds"), issued by Alaska Industrial Development and Export Authority (the "Issuer"), which funds have been or are to be deposited in the Borrower's account as described in Section 4.05 of the Indenture of Trust, dated as of November 1, 2014 (the "Indenture") between the Issuer and Wells Fargo Bank, National Association, as trustee (the "Trustee"), the sum of \$ _____ to be paid to the person or persons indicated below [on Exhibit A attached hereto]:

(1) \$ _____ for _____
_____ payable to _____, and
(2) \$ _____ for _____
_____ payable to _____.

I hereby certify that (a) the obligation to make such payment was incurred by the Issuer or the Borrower in connection with the Acquisition (as defined in the Loan Agreement, of even date with the Indenture, between the Issuer and the Borrower, hereinafter referred to as the "Agreement") of the Project, is a proper charge against the Costs of the Project, and has not been the basis for any prior requisition which has been paid; (b) neither the Borrower nor, to the best of the Borrower's knowledge, the Issuer has received written notice of any lien, right to lien or attachment upon, or claim affecting the right of such payee to receive payment of, any of the money payable under this requisition to any of the persons, firms or corporations named herein, or if any notice of any such lien, attachment or claim has been received such lien, attachment or claim has been released or discharged or will be released or discharged upon payment of this requisition; (c) this requisition contains no items representing payment on account of any retained percentages which the Issuer or the Borrower is entitled to retain at this date; (d) subject to the last sentence of this paragraph, the payment of this requisition will not result in (i) less than substantially all (95% or more) of the proceeds of the Bonds to be expended under this

requisition and under all prior requisitions having been used for the acquisition and installation of real property or property of a character subject to the allowance for depreciation under the Internal Revenue Code of 1986, as amended (the "Code") or (ii) more than 2% of the proceeds of the Bonds having been used to pay for issuance costs within the meaning of Section 147(g)(1) of the Code; and (e) no "Event of Default," or event which after notice or lapse of time or both would constitute such an "Event of Default" has occurred and not been waived. Notwithstanding the foregoing, the undersigned may requisition Costs of the Project to pay issuance costs with respect to the Bonds at any time and from time to time, so long as such requisition, together with all prior requisitions, do not include amounts to pay issuance costs that exceed in total 2% of the Bond Proceeds expected to be available to pay Costs of the Project.

Capitalized terms used in this requisition and certificate and not defined herein shall have the meanings assigned thereto in the Agreement.

The following paragraph is to be completed when any requisition and certificate includes any item for payment for labor or to contractors, builders or materialmen.

I hereby certify that insofar as the amount covered by the above requisition includes payments to be made for labor or to contractors, builders or materialmen, including materials or supplies, in connection with the Acquisition of the Project, (i) all obligations to make such payment have been properly incurred, (ii) any such labor was actually performed and any such materials or supplies were actually furnished or installed in or about the Project and are a proper charge against the Costs of the Project, and (iii) such materials or supplies either are not subject to any lien or security interest or, if the same are so subject, such lien or security interest will be released or discharged upon payment of this requisition.

Borrower Representative

APPROVED this ____ day of _____, _____.

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Purchaser

By: _____
Name: _____
Title: _____

BOND PURCHASE AGREEMENT

§ _____ ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY VARIABLE RATE REVENUE BONDS (AKBEV GROUP, LLC PROJECT), SERIES 2014A

THIS BOND PURCHASE AGREEMENT, dated November __, 2014 (the “Purchase Contract”), among ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY, a public corporation of the State of Alaska and a body corporate and politic constituting a political subdivision of the State of Alaska (the “Authority”), AKBEV Group, LLC, a limited liability company organized and existing under the laws of the State of Alaska (the “Borrower”) and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association (the “Purchaser”).

1. Background.

The Authority proposes to issue its Variable Rate Revenue Bonds (AKBEV Group, LLC Project), Series 2014A (the “Bonds”) in the original aggregate principal amount of up to \$_____, to be issued by the Authority under and pursuant to an Indenture of Trust, dated as of November 1, 2014 (the “Indenture”), between the Authority and Wells Fargo Bank, National Association, in its capacity as Trustee (the “Trustee”). The Bonds are to be issued by the Authority pursuant to and in accordance with the provisions of Alaska Statutes 44.88, as amended from time to time (the “Act”).

The net proceeds of the Bonds will be loaned to the Borrower by the Authority pursuant to a Loan Agreement between the Authority and the Borrower, dated as of November 1, 2014 (the “Loan Agreement”). The Borrower is obligated under the terms of the Loan Agreement to pay thereunder amounts sufficient to pay the principal of, redemption premium, if any, and interest on the Bonds. The Bonds will be sold to the Purchaser pursuant to and in accordance with the provisions of this Purchase Contract.

The Bonds shall be secured by (i) the Indenture and amounts held in certain funds established pursuant to the Indenture (including proceeds of the sale of the Bonds); (ii) a pledge and assignment of the right, title and interest of the Authority in the Loan Agreement (except its interest in fees and expenses payable to it, its indemnification rights and as otherwise expressly set forth in the Loan Agreement), and (iii) the Deed of Trust, Security Agreement, Assignment of Rents and Leases and Fixture Filing, dated as of November 1, 2014, by Borrower, as trustor, to and for the benefit of the Trustee (the “Deed of Trust”). The Bonds shall be limited obligations of the Authority payable solely from the sources specified in the immediately preceding sentences hereof.

The proceeds of the Bonds, together with other available moneys of the Borrower, shall be used for the purposes set forth in the Loan Agreement, which shall include (i)(a) construction of a warehouse of approximately 15,000 square feet, with an approximately 5,000 square foot mezzanine connecting existing warehouses owned by the Borrower and located on Shaune Drive in Juneau, Alaska; (b) purchase of four new Mueller 1,400 barrel stainless steel tanks for storing

packaged beer; (c) installation of a Brewmaxx process control system; (d) installation of other processing equipment supporting these processes; (e) purchase of approximately 4,400 new stainless steel kegs; and (f) payment of costs and provide reserves as required in connection with the financing of the foregoing (the "Facilities"), and financing costs of issuance with respect to the Bonds.

The words and terms used herein shall have the respective meanings ascribed to them in the Indenture unless some other meaning is plainly indicated.

The words "Transaction Documents" when used herein shall mean, individually and collectively, the following: the Bonds; the Loan Agreement; the Indenture; the Continuing Covenant Agreement, this Purchase Contract; the Tax Regulatory Agreement, dated November __, 2014, among the Borrower and the Authority (the "Tax Agreement"); the Deed of Trust; and any and all other documents or instruments which evidence or are a part of the transactions referred to herein or contemplated hereby, provided, however, that when the words "Transaction Documents" are used in the context of the authorization, execution, delivery, approval or performance of Transaction Documents by a party hereto, the same shall mean only those Transaction Documents that provide for or contemplate authorization, execution, delivery, approval or performance by such party.

2. Purchase, Sale and Closing.

Upon the terms and conditions and upon the basis of the respective representations, warranties and covenants hereinafter set forth, the Purchaser hereby agrees to purchase from the Authority for its own investment, and the Authority hereby agree to sell to the Purchaser for such purpose all (but not less than all) of the Bonds at a purchase price of up to \$_____. At 10:00 a.m., Anchorage, Alaska time, on November __, 2014 or at such other time or such other date as shall have been mutually agreed upon by the Authority, the Borrower and the Purchaser (the "Closing Time"), subject to the satisfaction of the conditions precedent referenced in Section 10 below, the Authority will deliver, or cause to be delivered, to the Purchaser, the Bonds, in definitive form duly executed and authenticated by the Trustee together with the other documents hereinafter mentioned; and the Purchaser will accept such delivery and pay the purchase price of the Bonds by delivering to the Authority immediately available funds payable to the order of the Authority in an amount equal to the purchase price set forth in Section 1 hereof.

Payment for the Bonds and delivery of the Bonds shall be made at the Law Office of Kenneth E. Vassar, LLC in Anchorage, Alaska and is herein called the "Closing." Payment for the Bonds shall be made in immediately available funds or such other arrangement as shall be mutually agreeable on or before the Closing Time.

Pursuant to Continuing Covenant Agreement, the Borrower shall from time to time submit requisitions to the Purchaser and the Trustee in an aggregate amount not to exceed \$_____. Upon the approval of such requisition by the Purchaser in accordance with the provisions of the Continuing Covenant Agreement, the Purchaser shall pay to the Trustee the amount indicated on the requisition and each such payment shall be deemed to be, and shall be, an installment payment of the Bonds and an Advance under the Indenture. Such payments shall

be made in such manner, until the Purchaser's payment obligations under this Purchase Contract shall have been discharged in full on the Advance Termination Date. The Trustee shall deposit all such payments received from the Purchaser in the Project Fund created under the Indenture. The Purchaser shall be responsible for making the appropriate entry on the Table of Advances attached to the Bond with respect to each Advance made by the Purchaser.

The Bonds will initially bear interest at the Index Floating Rate (as defined in the Indenture) for an initial Index Interest Rate Period ending on _____ 1, 2016, and otherwise contain the terms and provisions as are set forth in the Indenture and the Loan Agreement. For the initial Index Floating Rate Period, the Bonds will bear interest at a LIBOR Index Rate (as defined in the Indenture) of _____. The terms and provisions of the Bonds have been approved by the Borrower. In order to induce the Purchaser to enter into this Agreement and to purchase the Bonds at the price set forth herein, the Borrower has joined in this Agreement. Purchaser's internal records of applicable interest rates shall be determinative in the absence of manifest error.

3. Purchaser Representations and Warranties. The Purchaser hereby represents and warrants to the Authority and the Borrower that:

(a) *Experience in the Market.* The Purchaser is a "qualified institutional buyer" within the meaning ascribed thereto in Rule 144A as promulgated under the Securities Act of 1933, as amended. The Purchaser is a national banking association. In connection with its business, the Purchaser regularly makes loans and otherwise extends credit. It has experience in the tax-exempt municipal bonds markets, has knowledge and experience in financial and business matters and is capable of evaluating the merits and risks associated with extending credit through the purchase of the Bonds.

(b) *Basis of Purchase.* The Purchaser acknowledges that in purchasing the Bonds it is relying solely on statements and representations of the Borrower, and on its own respective knowledge and investigation of the facts and circumstances relating to the purchase of the Bonds.

(c) *No Registration.* The Purchaser understands that the Bonds have not been registered under the Securities Act of 1933, as amended, and are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state. The Purchaser is purchasing the Bonds for its own account for investment and has no present intention of distributing or selling such Bonds or any portion thereof or any interest therein. The Bonds shall not be transferable except upon the satisfaction of the transfer conditions set forth in the Indenture. The Purchaser understands that the Bonds (i) will not be listed on any stock or other securities exchange and (ii) will carry no rating from any rating service. Further, the Purchaser understands that the Indenture is not being qualified under the Trust Indenture Act of 1939, as amended.

(d) *Sophisticated Investor.* The Purchaser acknowledges that its business is that of a commercial bank having substantial assets. The Purchaser acknowledges that it complies with the conditions set forth in (c) above, that it is acquiring all of the Bonds for its own portfolio and that it holds an extensive portfolio of investments and other

securities. The Purchaser has knowledge and experience in financial and business matters, including the purchase of tax-exempt obligations, and is capable of evaluating the merits and risks of purchasing the Bonds.

(e) *Access to Information.* The Purchaser acknowledges that during the course of the transaction and prior to the sale of the Bonds, it has either been supplied with or has had access to information, including financial statements and financial information of the Borrower, and it has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Borrower, the Bonds and the security therefor so that it has been able to make its decision to purchase the Bonds. The Purchaser hereby waives any claim it may have against the Authority, and its representatives and attorneys, for any liability arising from the inclusion of any untrue statement in such information or in any of the documents, representations or certifications, provided or to be provided by the Borrower, or from the failure to include therein any fact.

(f) *Receipt of Documents.* The Purchaser has received and examined copies of the Transaction Documents.

(g) *Authority's Limited Liability.* The Purchaser understands that: (i) the principal of, and premium (if any), and interest on, the Bonds are payable by the Authority solely and only from the payments received under or with respect to the Trust Estate (as defined in the Indenture), and (ii) the Bonds do not represent or constitute a debt of the Authority, the State of Alaska (the "State") or any political subdivision thereof within the meaning of the provisions of the Constitution or statutes of the State; and they do not constitute a pledge of the faith and credit of the Authority or the State or any political subdivision thereof, or grant to the Purchaser any right to have the Authority levy any taxes or appropriate any funds for the payment of principal of or purchase price, premium, if any, or interest on the Bonds.

(h) *No Official Statement.* The Purchaser understands that no official statement, offering statement, prospectus, offering circular or other comprehensive offering statement containing material information with respect to the Authority, the Bonds, the Borrower, or the Refunded Bonds is being issued or otherwise represented. It has with due diligence made its own inquiry and analysis, to the extent it has deemed necessary, with respect to the Authority, the Bonds, the Borrower, in its purchase of the Bonds.

(i) *Qualification to Inquire and Understand.* Because of its experience in financial and business matters, the Purchaser believes that it is qualified to make the inquiry and analysis described in paragraph (d) and to understand fully the documents and information described in paragraphs (b) and (e).

(j) *Disclosure of Prospective Buyer.* The Purchaser hereby represents to and agrees with the Authority and the Borrower that the Purchaser is extending credit as a prudent lender in the normal course of its loan business through the purchase of the Bonds for its own account in its normal and customary business practice, and not with a

view to the resale, distribution or transfer thereof, but, in the event the Purchaser nevertheless finds it necessary or desirable to resell the Bonds or any interest therein, the Purchaser will disclose or cause to be disclosed to any prospective buyer of the Bonds or such interest all information with respect to the, the Borrower, the Bonds and the security purported to be afforded therefor which may then be required to be so disclosed by the Purchaser under federal or state securities laws. The Borrower and the Authority hereby agree to reasonably cooperate with the Purchaser in furnishing any of such information which is within the knowledge or possession of the Borrower or the Authority.

4. Authority's Representations and Warranties. The Authority hereby represents and warrants to the Purchaser and to the Borrower that:

(a) The Authority is a public corporation of the State of Alaska and a body corporate and politic constituting a political subdivision of the State of Alaska, duly organized and existing under the laws of the State of Alaska, with all necessary power and authority to issue the Bonds and to enter into the Loan Agreement for the purpose of promoting and encouraging commerce and industry, and generally to foster economic development in the State; to enter into the Indenture, the Tax Agreement and this Purchase Contract; to issue, sell and deliver the Bonds to the Purchaser as provided herein; and to carry out and consummate all other transactions contemplated by each of the aforesaid documents.

(b) The Authority has duly authorized, by all appropriate action, and complied with all provisions of law with respect to, the execution and delivery of the Indenture, the Loan Agreement, the Tax Agreement and this Purchase Contract and the issuance, sale, execution and delivery of the Bonds.

(c) When delivered to and paid for by the Purchaser in accordance with the terms of this Purchase Contract and the Indenture, the Bonds will have been duly and validly authorized, executed, authenticated, issued and delivered by the Authority and will constitute legal, valid and binding limited obligations of the Authority enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency or other laws affecting creditors' rights and remedies, and will be entitled to the benefits of the Indenture.

(d) The execution and delivery of the Bonds, the Indenture, the Loan Agreement, the Tax Agreement and this Purchase Contract, and compliance with the provisions thereof, do not and will not conflict with, or constitute on the part of the Authority a violation of, breach of or default under any indenture, mortgage, deed of trust, resolution, note agreement or other agreement or instrument to which the Authority is a party or by which the Authority is bound, or, to its knowledge, any constitutional provision or statute of the State or of the United States of America, any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Authority or any of its activities or properties; and all consents of any governmental authority of the State or of the United States of America required in connection with the issuance or sale of the Bonds by the Authority have been obtained; provided, however,

that no representation is made concerning compliance with the federal securities laws or the securities or “Blue Sky” laws of the various states.

(e) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court or governmental agency or body pending or, to the best of its knowledge, threatened against or affecting the Authority, nor to the best of its knowledge is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Purchase Contract, the Indenture, the Loan Agreement or the Tax Agreement, or which, in any way, would adversely affect the validity or enforceability of the Bonds, the Indenture, the Loan Agreement, the Tax Agreement or this Purchase Contract or any other agreement or instrument to which the Authority is a party, used or contemplated for use in the consummation of the transactions contemplated by this Purchase Contract, the Indenture, the Loan Agreement or the Tax Agreement.

(f) The Authority will not take or omit to take any action which action or omission will in any way cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided for in the Indenture.

5. The Borrower’s Representations and Warranties. In order to induce the Purchaser to enter into this Purchase Contract and in order to induce the Authority to enter into this Purchase Contract, the Indenture, the Loan Agreement and the Tax Agreement, and to issue the Bonds, with full realization and appreciation of the fact that the investment value of the Bonds and the ability of the Authority to sell the Bonds are dependent at least in part upon the credit standing of the Borrower, and in consideration of the foregoing and the execution and delivery of this Purchase Contract, the Borrower represents and warrants to and covenants with the Authority and the Purchaser as follows:

(a) *The Borrower’s Status.* The Borrower is a limited liability company organized and existing under the laws of the State, duly incorporated, validly existing and in good standing under the laws of the State. The Borrower has all material licenses and permits required in order to carry on its business as currently conducted and has obtained all licenses and permits required to be obtained as of the date hereof in connection with the Facilities. The Borrower shall preserve and keep in full force and effect its corporate or other separate legal existence. The Borrower is not in material violation of and has not received any written notice of an alleged violation of or liability under any zoning, land use, environmental, pollution control, hazardous waste or similar laws or regulations that would have a material adverse effect on the operations or financial affairs of the Borrower. The Borrower has full right, power and authority to authorize, approve, enter into, execute and deliver the Transaction Documents to which it is a party and to perform such other acts and things as are provided for in the Transaction Documents.

(b) *No Conflict or Breach.* The execution, delivery, performance (where applicable) and approval by the Borrower of the Transaction Documents, and full compliance with the provisions of the Transaction Documents, have been duly authorized by all necessary corporate action of the Borrower and do not and will not conflict with or result in the breach of any of the terms, conditions or provisions of, or constitute a default

under, the Borrower's Certificate of Incorporation or Operating Agreement, any law, court or administrative regulation, decree or order, or any agreement, indenture, mortgage, lease or instrument to which the Borrower is a party or by which it is or may be bound.

(c) *Corporate Action.* The Borrower has duly authorized all necessary action to be taken by it for: (i) the issuance and sale of the Bonds by the Authority upon the terms and conditions set forth herein and (ii) the execution, delivery and performance (where applicable) of the Transaction Documents to which it is a party and any and all such other agreements and documents as may be required to be executed, delivered and performed by the Borrower in order to carry out, effectuate and consummate the transactions contemplated hereby and by such Transaction Documents.

(d) *Financials.* The audited financial statements of the Borrower for the fiscal year ended December 31, 2013, present fairly the financial position of the Borrower as of the dates indicated and the results of its operations for the periods specified, and such financial statements have been prepared in conformity with generally accepted accounting principles consistently applied in all material respects to the periods involved, except as otherwise noted therein.

The Borrower has not, since December 31, 2013, incurred any liability or suffered any other occurrence which could be viewed as constituting a material adverse change in the financial condition or results of operation or the properties of the Borrower.

(e) *Tax Status of Bonds.* The proceeds of the Bonds will be used in a manner consistent with the Transaction Documents and the Act. The Facilities shall be used in a manner which would not jeopardize the tax exempt status of interest on the Bonds under Section 103 of the Code as long as any of the Bonds are outstanding. The Borrower will not take or omit to take any action which action or failure to act will in any way cause or result in the proceeds from the sale of the Bonds being applied in a manner other than as provided in the Transaction Documents.

(f) *No Litigation.* There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower wherein an unfavorable decision, ruling or finding could have a material adverse effect on the financial condition or results of operations of the Borrower or the operation by the Borrower of its property or the transactions contemplated by the Transaction Documents or on the validity or enforceability in accordance with its terms of, or the performance by the Borrower of its obligations under, any of the Transaction Documents or any other agreement or instrument to which the Borrower is a party or by which it is or may be bound or would in any way contest the corporate existence or powers of the Borrower.

(g) *Documents Legal, Valid and Binding.* The Borrower shall, on or before the Closing, execute and deliver the applicable Transaction Documents and said Transaction Documents, when executed and delivered by the Borrower and all of the other parties thereto, will be, and this Purchase Contract is, the legal, valid and binding

obligation of the Borrower enforceable against it in accordance with its terms, subject, as to enforcement, to any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally and further subject to the availability of equitable remedies.

(h) *Compliance with Laws and Regulations.* The Borrower shall conduct its affairs and carry on its business and operations in such manner as to comply in all material respects with any and all applicable laws of the United States of America and the several states thereof and to observe and conform in all material respects to all valid orders, regulations or requirements of any governmental authority applicable to the conduct of its business and operations and the ownership of its property.

(i) *Certificates.* Any certificate signed by an authorized officer or agent of the Borrower and delivered to the Authority or the Purchaser shall be deemed a representation and warranty by the Borrower to such parties as to the statements made therein.

(j) *No Default under Transaction Documents.* No event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a breach of or an event of default by the Borrower under any of the Transaction Documents.

(k) *Representations and Warranties in Transaction Documents.* The representations of the Borrower in all Transaction Documents to which it is a party and all other documents contemplated by the Transaction Documents are correct and all certifications and representations to be made in connection with the issuance of the Bonds are true and correct without material omission as of the date hereof and both the Authority and the Purchaser may rely on the same as though they were each a party or addressee thereof.

(l) *No Default.* The Borrower is not currently in default on any principal of or interest payment required by the terms of any obligation issued or guaranteed by the Borrower.

(m) *Index Floating Interest Rate Additional Requirements.* The Borrower agrees to execute and deliver the Continuing Covenant Agreement, and to comply with all of the terms, agreements and conditions contained in the Continuing Covenant Agreement (the "Index Interest Rate Additional Requirements"). The Borrower agrees to (i) permit the Purchaser to take any and all actions to monitor compliance by the Borrower with the Index Interest Rate Additional Requirements and (ii) permit the Trustee and the Purchaser to enforce all remedies granted to the Trustee and the Purchaser under the Transaction Documents, including, but not limited to, enforcement by the Purchaser of the remedies provided to the Purchaser under the Continuing Covenant Agreement and the Index Interest Rate Additional Requirements.

6. Borrower's Covenants. If the Bonds are sold to the Purchaser by the Authority, the Borrower shall pay or cause to be paid the following expenses incident to the performances

of its obligations hereunder: (i) the cost of preparing, duplicating (or printing), mailing and delivering the Transaction Documents; (ii) the cost of preparation and printing of the definitive Bonds; (iii) the fees and disbursements of Bond Counsel, the Trustee, the Authority, the Purchaser, counsel to the Purchaser, counsel to the Authority and the financial advisor to the Authority; (iv) the costs of any appraisals of collateral, flood certificates, tax service contracts, title premiums and survey charges; and (v) all other fees and expenses reasonably incurred in connection with the preparation of (and, if applicable, the recordation of) the Transaction Documents and/or the initial offering and sale of the Bonds.

To the extent not paid pursuant to the foregoing paragraph, the Borrower shall pay the Authority' fees and any expenses incident to the performance of the Authority' obligations hereunder (not included in the Authority' fees), and if the Bonds are not sold by the Authority to the Purchaser, the Borrower shall pay the Authority' costs incurred in connection with the proposed issuance of the Bonds.

7. Right to Terminate. The Purchaser shall have the right to cancel its obligation to purchase the Bonds upon written notification by the Purchaser to the Authority and Borrower if between the date hereof and the date of the Closing: (i)(A) legislation shall be enacted or be actively considered for enactment by the Congress, or recommended to the Congress for passage by the President of the United States, or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration or introduced with an effective date which would, if enacted, apply to the Bonds, or (B) a decision by a federal court of the United States or the United States Tax Court shall be rendered, or a ruling, regulation, release or other promulgation by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed with respect to federal taxation upon revenues or other income to be derived by the Authority under the Loan Agreement, or upon interest on the Bonds or securities of the general character of the Bonds, or (C) other action or events shall have occurred or transpired, any of which has the purpose or effect, directly or indirectly, in the opinion of Bond Counsel or counsel to the Purchaser, of materially adversely affecting the federal or State of Alaska income tax consequences of any of the transactions contemplated in connection herewith, or, in the opinion of the Purchaser, materially adversely affects the market for the Bonds or the ability of the Purchaser to enforce contracts for the sale of the Bonds at the contemplated offering price; or (ii) there shall have occurred any outbreak or escalation of hostilities or any national or international calamity or crisis, including a financial crisis, the effect of which on the financial markets of the United States being such as, in the opinion of the Purchaser, would materially adversely affect the market for the Bonds or the ability of the Purchaser to enforce contracts for the sale of the Bonds at the contemplated offering prices; or (iii) there shall be in force a general suspension of trading on the New York Stock Exchange or a general banking moratorium shall have been declared by federal, California or New York Authority, the effect of which on the financial markets of the United States is such as would materially adversely affect the market for the Bonds or the ability of the Purchaser to enforce contracts for the sale of the Bonds at the contemplated offering price; or (iv) there shall have occurred since December 31, 2013, any material adverse change in the affairs of the Borrower from that reflected in the financial statements of the Borrower; or (v) legislation shall be enacted or considered for enactment by the Congress, or recommended to the Congress for passage by the President of the United States, or introduced in either House of Congress by any Committee of such House to

which such legislation has been referred for consideration, or a decision, order or decree of a court of competent jurisdiction shall be rendered, or an order, ruling, regulation or official statement of or on behalf of the Securities and Exchange Commission or the Municipal Securities Rulemaking Board shall be rendered or made, with the purpose or effect that the issuance, offering or sale of the Bonds, as contemplated by this Purchase Contract, is or would be in violation of any provision of the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or the Trust Indenture Act of 1939, as amended, or with the purpose or effect of otherwise prohibiting the issuance, offering or sale of the Bonds as contemplated by this Purchase Contract; or (vi) in the reasonable opinion of the Purchaser, the market price of the Bonds, or the market price generally of obligations of the general character of the Bonds, might be adversely affected because: (A) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; (B) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Bonds or similar obligations, any material restrictions which are neither now in force nor have been announced to become effective prior to the Closing, or increase materially those now in force or so announced, with respect to the extension of credit by, or the charge to the net capital requirements of, underwriters, or (C) the President of the United States of America, a member of the President's cabinet or the Securities and Exchange Commission, including a lesser official acting on the behalf of any of them, or a member of the Congress, shall have announced the intended introduction of legislation to achieve the same effect as that described in clause (i) or (v) of this paragraph.

8. Conditions to Closing. The obligations hereunder of each party hereto shall be subject (i) to the performance by the other parties of their respective obligations to be performed hereunder at and prior to the Closing Time, (ii) to the accuracy in all material respects of the representations and warranties herein of the other parties as of the date hereof and as of the Closing Time, and (iii) to the following conditions, including the delivery by the appropriate party or parties hereto or other entities of such documents as are enumerated herein:

(a) At the Closing Time, (i) the Transaction Documents shall have been authorized, executed and delivered, and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Purchaser, the Borrower and the Authority, which approval shall be deemed given by the acceptance of the Transaction Documents by the Purchaser at the Closing, (ii) the conditions set forth in Section 3.01 of the Continuing Covenant Agreement have been satisfied, (iii) the proceeds of the sale of the first installment of the Bonds shall have been deposited and applied as described in the Loan Agreement and the Indenture, and (iv) the Authority and the Borrower shall have duly adopted and there shall be in full force and effect such resolutions as, in the opinion of the Law Office of Kenneth E. Vassar, LLC, Anchorage, Alaska (herein called "Bond Counsel") and counsel to Authority and the Borrower, shall be necessary in connection with the transactions contemplated hereby (collectively, the "Bond Resolutions").

(b) At or prior to the Closing Time, the Authority shall have executed the Bonds and the Authority and the Borrower shall have entered into the Loan Agreement; the Authority and the Trustee shall have entered into the Indenture;

(c) At or prior to the Closing Time, the Purchaser and the Authority shall have received counterparts, copies or certified copies (as appropriate) of the following documents in such number as shall be reasonably required:

(i) *Bond Counsel Opinions.* The unconditional approving opinion of Bond Counsel, dated the date of Closing, addressed to the Authority, the Trustee and the Purchaser relating to the due authorization, execution and delivery of the Bonds, the tax exempt status of the interest on the Bonds for federal and State of Alaska income tax purposes, and certain other matters, all as and to the effect substantially as set forth in Exhibit A hereto and the supplemental opinion of Bond Counsel as and to the effect substantially as set forth in Exhibit A hereto.

(ii) *Borrower's Counsel Opinion.* The opinion of Eric E. Wohlforth, counsel to the Borrower, dated the date of Closing, addressed to the Authority, the Trustee, the Purchaser and Bond Counsel, substantially in the form set forth in Exhibit B hereto.

(iii) *Authority Counsel Opinions.* The opinion of the Law Office of Kenneth E. Vassar, LLC, counsel to the Authority, substantially in the forms set forth in Exhibit C hereto.

(iv) *Borrower's Certificate.* A certificate of the Borrower dated the date of the Closing, signed by its Chief Executive Officer or another executive officer of the Borrower, on behalf of the Borrower, in form and substance reasonably satisfactory to the Authority, the Purchaser and Bond Counsel.

(v) *Bonds.* Specimen Bonds.

(vi) *Transaction Documents.* The Transaction Documents, duly executed by the parties thereto.

(vii) *Borrower Resolutions.* Resolution(s) of the Borrower authorizing and approving, as appropriate, the execution and delivery of the Transaction Documents, together with a certificate dated the date of Closing to the effect that such resolution(s) have not been modified, amended or repealed.

(viii) *Borrower's Documents.* For the Borrower: its Certificate of Incorporation, as amended, certified by the Secretary of State of the State of Alaska as of a date within sixty (60) days prior to the date of the Closing, a copy of the Borrower's Bylaws, as amended, certified by the Borrower's Secretary or Assistant Secretary as of the date of the Closing, and good standing certificates for the Borrower certified by the Secretary of State of the State of Alaska as of a date within thirty (30) days prior to the date of Closing.

(ix) *Certificates.* Other certificates listed on a closing agenda to be approved by counsel to the Authority, Bond Counsel, counsel to the Borrower and counsel to the Purchaser, including any certificates or representations of the

Borrower required in order for Bond Counsel to deliver the opinion referred to in Section 8(c)(1) of this Purchase Contract.

(x) *Authority Certificate.* A certificate of the Authority, dated the date of the Closing in a form reasonably acceptable to Bond Counsel and the Purchaser.

(xi) *Trustee's Certificate.* A certificate of the Trustee, dated the date of the Closing in a form reasonably acceptable to Bond Counsel and the Purchaser.

(xii) *Form 8038.* A completed form 8038 (Information Return for Private Activity Bond Issues).

(xiii) *Financing Statements.* Receipts or other evidence that financing statements have been filed for record (or authorized for filing or recording) with such governmental offices as may be required pursuant to the Loan Agreement, the Deed of Trust and other Security Documents.

(xiv) *Additional Security Documents and Collateral Matters.* The following documents and items with respect to the collateral for the Borrowers obligations under the Loan Agreement:

(A) A Deed of Trust in form and content acceptable to Purchaser, duly executed by Borrower;

(B) With respect to the real property collateral, an extended coverage 2006 ALTA Lender's Commitment for Title Insurance in form and content acceptable to Purchaser, with the standard exceptions deleted and no special exceptions to title which are unacceptable to Purchaser, containing no exceptions for mechanic's liens and containing such endorsements as Purchaser requires including, without limitation, comprehensive, zoning, access and variable rate endorsements;

(C) With respect to the personal property collateral, a UCC search report in form and content acceptable to Purchaser; and

(D) Policies of fire and all risk replacement cost coverage of all insurable collateral with standard non contributory mortgage clause in favor of the Trustee and with loss proceeds payable to the Trustee; and such other or additional insurance, and covering such risks, as Purchaser requires.

(xv) *Other Closing Materials.* Such additional legal opinions, certificates, proceedings, instruments and other documents as Bond Counsel or counsel for the Purchaser, the Borrower or the Authority may reasonably request to evidence compliance with all legal requirements, the truth and accuracy, as of the Closing, of the representations herein and the due performance or satisfaction of all agreements then to be performed and all conditions then to be satisfied.

If any party shall be unable to satisfy the above conditions (unless waived by the other parties hereto) to the obligations of such party to this Purchase Contract, or if the obligations hereunder of any party shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and none of the parties hereto shall be under further obligation hereunder; except that the respective obligations to indemnify and pay expenses, as provided in Sections 6 and 9 hereof shall continue in full force and effect.

9. Indemnity, Hold Harmless and Contribution.

(a) *Borrower.* The Borrower agrees to indemnify and hold harmless the Authority, the Purchaser, the Trustee, each director, member, officer or employee of the Authority, the Purchaser or the Trustee and each person, if any, who has the power, directly or indirectly, to direct or cause the direction of the management and policies of the Authority pursuant to the Act, or of the Purchaser through the ownership of voting securities, by contract or otherwise (collectively in this subsection (a) called the “Indemnified Parties”), from and against any and all losses, claims, demands, damages, liabilities or expenses whatsoever caused by any breach of the undertakings or representations of the Borrower contained herein.

In case a claim shall be made or any action shall be brought against one or more of the Indemnified Parties in respect of which indemnity can be sought against the Borrower pursuant to the preceding paragraph, the Indemnified Parties shall promptly notify the Borrower in writing, and the Borrower shall promptly assume the defense thereof, including, with the consent of the Purchaser and the Authority, which consents shall not be unreasonably withheld, the employment of counsel, the payment of all expenses and the right to negotiate and consent to settlement. Any one or more of the Indemnified Parties shall have the right to employ separate counsel with respect to any such claim or in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Indemnified Parties unless the employment of such counsel has been specifically authorized in writing by the Borrower or there is a conflict of interest that would prevent counsel for the Borrower from adequately representing both the Borrower and the Indemnified Parties. The Borrower shall not be liable for any settlement of any such action effected without its written consent, but if settled with the written consent of the Borrower or if there be a final judgment for the plaintiff in any such action which the Borrower is required hereunder to assume the defense of, the Borrower agrees to indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment.

(b) *Purchaser.* The Purchaser agrees to indemnify and hold harmless the Authority, the Borrower, each director, Trustee, member, officer or employee of the Authority or of the Borrower and each person, if any, who has the power, directly or indirectly, to direct or cause the direction of the management and policies of the Authority pursuant to the Act, or of the Borrower, by contract or otherwise (collectively in this Subsection (b) called the “Indemnified Parties”), from and against any and all losses, claims, demands, damages, liabilities or reasonable expenses whatsoever caused by (i) any breach of any representation or undertaking by the Purchaser hereunder, or (ii)

any violation by the Purchaser of federal or state securities laws or any rule of the Securities and Exchange Commission or the Municipal Securities Rulemaking Board in connection with the Bonds.

In case a claim shall be made or any action shall be brought against one or more of the Indemnified Parties in respect of which indemnity can be sought against the Purchaser as described above, the Indemnified Parties shall promptly notify the Purchaser in writing, and the Purchaser shall promptly assume the defense thereof, including, with the consent of the Authority and the Borrower, which consents shall not be unreasonably withheld, the employment of counsel, the payment of all expenses and the right to negotiate and consent to settlement. Any one or more of the Indemnified Parties shall have the right to employ separate counsel with respect to any such claim or in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Indemnified Parties unless the employment of such counsel has been specifically authorized, in writing, by the Purchaser or there is a conflict of interest that would prevent counsel for the Purchaser from adequately representing both the Purchaser and the Indemnified Parties. The Purchaser shall not be liable for any settlement of any such action effected without its written consent, but if settled with the written consent of the Purchaser or if there be a final judgment for the plaintiff in any such action which the Purchaser is required hereunder to assume the defense of, the Purchaser agrees to indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment.

(c) *Survival.* The covenants and agreements contained in this Section shall survive the delivery of the Bonds.

10. Notices. Any notice or other communication to be given to the Authority, the Borrower or the Purchaser under this Purchase Contract may be given by delivering the same in writing at their respective addresses set forth below:

Authority: Alaska Industrial Development and Export
Authority

Attention: Chair

Borrower: AKBV Group, LLC

Attention: Chief Financial Officer

Purchaser: Wells Fargo Bank, National Association

Attention:

11. Survival of Representations, Warranties and Agreements. All of the Borrower's representations, warranties and agreements contained in this Purchase Contract shall remain operative and in full force and effect, regardless of: (i) any investigations made by or on behalf of the Purchaser; and (ii) delivery of and payment for the Bonds pursuant to this Purchase Contract. The agreements in this Section 6, 9 and 11 hereof shall survive any termination of this Purchase Contract.

12. Third Party Beneficiaries. The Borrower agrees that the Authority and the Purchaser are and shall be third party beneficiaries of any and all representations and warranties made by the Borrower in the Transaction Documents, to the same effect as if the Borrower had made such representations and warranties to the Authority and the Purchaser in this Purchase Contract.

13. Authority's Obligations. Any other term or provision in this Purchase Contract, in the Transaction Documents or elsewhere to the contrary notwithstanding:

(a) Any and all obligations (including without limitation, fees, claims, demands, payments, damages, liabilities, penalties, assessments and the like) of or imposed upon the Authority or their respective members, officers, agents, employees, representatives, advisors, or its successors or assigns, whether under this Purchase Contract, in the Transaction Documents or elsewhere, and whether arising out of or based upon a claim or claims of tort, contract, misrepresentation, or any other or additional legal theory or theories whatsoever if any (collectively the "obligations"), shall in all events be absolutely limited obligations and liabilities, payable solely out of the following, if any, available at the time the obligation in question is asserted: (i) Bond proceeds and investment earnings thereon, if any; and (ii) payments derived from the Bonds, the Indenture (including the trust estate to the extent provided in the Indenture), the Loan Agreement (except for the fees and expenses of the Authority and the Authority's right to indemnification under this Purchase Contract under certain circumstances), the foregoing provisions (i) and (ii) being collectively referred to as the "Exclusive Sources of the Obligations";

(b) The obligations shall not be deemed to constitute a debt or liability of the State or of any political subdivision thereof within the meaning of any State

constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the State or any political subdivision thereof or of the Authority, but shall be payable solely from and out of the Exclusive Sources of the Obligations and shall otherwise impose no liability whatsoever, primary or otherwise, upon the State or any charge upon its credit or taxing power; and

(c) In no event shall any member, officer, agent, employee, representative or advisor of the Authority, or any successor or assign of any such person or entity, be liable, personally or otherwise, for any obligation.

14. Successors. This Purchase Contract is made for the benefit of the Authority, the Borrower and the Purchaser (including the successors or assigns of the Purchaser and the Indemnified Parties and their successors and assigns) and no other person, including any Purchaser of the Bonds, shall acquire or have any rights hereunder or by virtue hereof.

15. Governing Law. This Purchase Contract shall be governed by and construed in accordance with the laws of the State of Alaska.

16. USA Patriot Act Notification. The following notification is provided to the Borrower pursuant to Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318:

(a) *Important Information about Procedures for Opening a New Account.* To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account, including any deposit account, treasury management account, loan, other extension of credit, or other financial services product. What this means for the Borrower: When the Borrower opens an account, if the Borrower is an individual, the applicable bank will ask for the Borrower's name, taxpayer identification number, residential address, date of birth and other information that will allow such bank to identify the Borrower, and, if the Borrower is not an individual, such bank will ask for the Borrower's name, taxpayer identification number, business address, and other information that will allow such bank to identify the Borrower. The bank may also ask to see the Borrower's legal organizational documents or other identifying documents.

(b) *Government Regulation.* The Borrower shall not (a) be or become subject at any time to any law, regulation, or list of any government agency (including, without limitation, the U.S. Office of Foreign Asset Control list) that prohibits or limits the Purchaser from making any advance or extension of credit to any the Borrower or from otherwise conducting business with any the Borrower, or (b) fail to provide documentary and other evidence of the Borrower's identity as may be requested by the Purchaser at any time to enable Purchaser to verify the Borrower's identity or to comply with any applicable law or regulation, including, without limitation, Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318.

17. Counterparts. This Purchase Contract may be executed in any number of counterparts, each of which so executed and delivered shall constitute an original and all together shall constitute but one and the same instrument.

Very truly yours,

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Purchaser

By _____
Authorized Officer

ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY

By _____
, Chair

Accepted and agreed to as of
the date first above written:

AKBEV GROUP, LLC

By _____

[Signature Page to Purchase Contract]

**EXHIBIT A
TO
PURCHASE CONTRACT
FORM OF OPINION OF BOND COUNSEL**

November __, 2014

Alaska Industrial Development and Export Authority

\$ _____
Alaska Industrial Development and Export Authority
Variable Rate Demand Revenue Bonds
(AKBEV Group, LLC Project)
Series 2014A

Ladies and Gentlemen:

Very truly yours,

**EXHIBIT B
TO
PURCHASE CONTRACT
FORM OF OPINION OF BORROWER'S COUNSEL**

**EXHIBIT C
TO
PURCHASE CONTRACT
FORM OF OPINION OF AUTHORITY'S COUNSEL**